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SENATE

THURSDAY, JULY 22, 1954

(Legislative day of Friday, July 2, 1954)

(Continuation of Senate proceedings of Wednesday, July 21, 1954, from 12:40 a. m. on Thursday, July 22, 1954.)

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

The PRESIDING OFFICER. The Secretary will call the roll.

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

Aiken	Flanders	Mundt
Barrett	Gore	Neely
Beall	Hendrickson	Payne
Bush	Hickenlooper	Purtell
Butler	Jackson	Reynolds
Capehart	Jenner	Saltonstall
Case	Johnson, Tex.	Schoeppel
Crippa	Knowland	Upton
Dirksen	Kuchel	Wiley
Dworshak	McCarthy	Williams
Ferguson	Millikin	

The PRESIDING OFFICER. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. CORDON and Mr. WATKINS entered the Chamber and answered to their names.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to compel the attendance of absent Senators.

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). The question is on agreeing to the motion of the Senator from California. All in favor of the motion will signify by saying "Aye."

Mr. GORE. I ask for the yeas and nays.

The PRESIDING OFFICER. There is an insufficient second. The yeas and nays are not ordered.

Mr. JOHNSON of Texas. Mr. President, will the Chair at least count the number who request the yeas and nays?

The PRESIDING OFFICER. The Chair respectfully states that he has counted, and less than the required number of Senators have raised their hands.

The question is on agreeing to the motion of the Senator from California that the Sergeant at Arms be directed to compel the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little further delay, Mrs. SMITH of Maine and Mr. HUMPHREY entered the Chamber and answered to their names.

After further delay, Mr. ANDERSON, Mr. BENNETT, Mrs. BOWRING, Mr. BRICKER, Mr. CLEMENTS, Mr. GILLETTE, Mr. GREEN, Mr. IVES, Mr. KEFAUVER, Mr. LEHMAN, Mr. MARTIN, Mr. SMITH of New Jersey, and Mr. THYE entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

The Chair recognizes the Senator from Washington [Mr. JACKSON].

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. What was the last motion which was made?

The PRESIDING OFFICER. Does the Senator from Washington yield for the purpose of the propounding by the Senator from New Mexico of a parliamentary inquiry?

Mr. JACKSON. I yield, with the understanding that I shall not lose my right to the floor.

Mr. ANDERSON. Mr. President, was there a motion made to secure the attendance of absent Senators?

The PRESIDING OFFICER. That is correct.

Mr. ANDERSON. Has the Sergeant at Arms secured the attendance of the absent Senators?

The PRESIDING OFFICER. The Chair would respectfully state that it takes 49 Senators to constitute a quorum.

Mr. ANDERSON. I did not ask that question, Mr. President. Was the motion to obtain a sufficient number of Senators for a quorum, or to secure the attendance of absent Senators?

The PRESIDING OFFICER. The motion was to secure the attendance of absent Senators.

Mr. ANDERSON. Was there any motion made to stop the obtaining of a quorum?

The PRESIDING OFFICER. The Chair has recognized the Senator from Washington [Mr. JACKSON].

Mr. ANDERSON. Was the Senator from Washington recognized before the quorum call?

The PRESIDING OFFICER. The Chair recognizes the Senator from Washington.

Mr. ANDERSON. Is the Senator from Washington the only Senator entitled to recognition? I was on my feet.

The PRESIDING OFFICER. The Chair saw the two Senators on their feet and he chose to recognize the Senator from Washington. The Senator from Washington has the floor.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Washington may yield not to exceed 5 minutes to the Senator from New Mexico [Mr. ANDERSON] without losing his right to the floor.

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent that the Senator from Washington may yield 5 minutes to the Senator from New Mexico without losing the floor.

Mr. ANDERSON. I object to that, because it would not be sufficient for my purpose.

The PRESIDING OFFICER. The Senator from New Mexico objects to the request. The Senator from Washington has the floor.

Mr. JACKSON. Mr. President, the amendments to the Atomic Energy Act of 1946 presently before the Senate for consideration are of great interest to me. I served for 4 years as a member of the Joint Committee on Atomic Energy, and for that reason I have a deep appreciation of the potentialities which the development of atomic energy holds for the future. The unlocking of the atom for peacetime use offers limitless possibilities for lightening the burden of man and bringing a higher level of prosperity to the people of America and of the world.

Having studied the atomic energy program intensively for 4 years, I am naturally concerned about the amendments which have been proposed to the 1946 Atomic Energy Act—an act which has served us so well for an 8-year period. These years have seen tremendous progress in the development of the science of nuclear energy.

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

Mr. JACKSON. I am very glad to yield.

Mr. GORE. What features of the pending bill does the junior Senator from Washington think it necessary to pass or to enact at this time?

Mr. JACKSON. I should say that the provisions in the pending bill which should be acted upon by Congress prior to adjournment relate to the international exchange of information, which, in turn, of course, ties in with our national defense program.

The domestic features of the bill could well go over until a better opportunity has been afforded to make a thorough study and determination of this phase of the program.

Mr. GORE. The junior Senator from Washington feels, then, that the power and licensing features of the bill could well go over for more careful consideration; does he?

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Mr. JACKSON. I think it would be in the public interest for those features to go over until the next session, if Congress considers it is necessary to adjourn by the date which has presently been set, namely, July 31.

Mr. GORE. Does the junior Senator from Washington feel that the bill could, without great difficulty, be divided between the international features and the domestic features?

Mr. JACKSON. There is no question about it, in my mind. I think that if there had been some division of the bill, more expeditious handling of the pending legislation could have been obtained.

One of the primary reasons why I am interested in the proposed amendments is that they not only deal with some of the international questions of pooling our atomic resources, but they set the pattern for the future peacetime domestic uses of this new source of energy.

In fact, the amendments now being considered set a new course which we are to follow in making the benefits of this resource available to the people of America.

One of the principal peacetime uses of atomic energy is the commercial production of electric power. Here, again, we have a subject in which I am vitally interested, for electricity is the very lifeblood of the economy of the Pacific Northwest, and particularly of the economy of the State which I represent.

Although my State has some coal deposits, it has no oil or natural gas. The energy base for the economy of the Pacific Northwest of necessity is low-cost hydroelectric power. Hydroelectric power is as basic to the economy of my State as coal is to Pennsylvania; as silver is to Nevada; as oil is to Texas.

During the past 20 years we have seen tangible evidences of the benefits which the development of this resource have brought to our area, and of the potentialities which further development offer for the future. With the construction of the giant Grand Coulee, Bonneville, Hungry Horse, and other dams in the Pacific Northwest, land once useless has been brought under cultivation, floods have been controlled, navigation has been improved, and, perhaps most important of all, an abundance of electrical energy at low cost has brought new industries and new job opportunities.

Within the past two decades the Pacific Northwest has become one of the great centers in our Nation for the electrochemical and electrometallurgical industries.

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

Mr. JACKSON. I am happy to yield to the Senator from Illinois.

Mr. DOUGLAS. I ask unanimous consent to state that I am present in the Chamber.

Mr. JACKSON. We produce almost half of the Nation's aluminum—aluminum which during World War II and the Korean war was vital to the production of planes for our national defense.

While I am discussing national defense, I am sure I need not remind the Senate of the fact that the availability of an abundance of low-cost power was one of the primary reasons why the Atomic Energy installation was located on the Columbia River at Hanford, Wash. Incidentally, another great region of low-cost public power—the Tennessee Valley—was selected as the site for a second great Atomic Energy installation.

Though it is of prime importance in my State and the entire Pacific Northwest, electric energy, of course, is of basic importance to the economy of the entire country. It has been estimated, for example, that electric motors today provide at least 90 percent of the mechanical power used in industrial plants. An analysis of comparable industries, as covered by the census of manufactures, shows that the use of electric energy per man-hour of labor increased from 2.61 kilowatt-hours in 1929 to 4.60 kilowatt-hours in 1933 and 5.71 kilowatt-hours in 1947. By 1950 the average was estimated at 6.29 kilowatt-hours.

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

Mr. GORE. I yield for a question.

Mr. DOUGLAS. In other words, in the space of a little more than 20 years, the use of power per man-hour increased by about 135 percent, from a relative of 100 to a relative of 235. This meant the use, did it not, of more capital per unit of labor, and therefore it resulted in increased productivity per man-hour?

Mr. JACKSON. The Senator is correct.

Mr. DOUGLAS. The increased productivity per man-hour resulted in increased wages per man-hour; did it not?

Mr. JACKSON. The Senator is correct.

Mr. DOUGLAS. Did not this expand the buying power and the standard of living of the people of the Pacific Northwest?

Mr. JACKSON. It led to the inevitable result of a better standard of living for the people of the Northwest; and in other areas of the country where that change took place also, it benefited the people to a corresponding extent.

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

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Is it not true that a multitude of processing industries have developed in the Northwest as a result of the abundance of cheap electric power?

Mr. JACKSON. The Senator is on very firm ground. The truth of the matter is that one of the most dynamic forces that has led to a substantial expansion of the private enterprise system in the Northwest has been directly traceable to power. It has furnished new lifeblood to industry in the area.

Mr. DOUGLAS. Is it not true, for instance, that the present state of development of the aluminum industry, which has made such great strides in the Northwest, would not have been possible had it not been for the cheap electric power?

Mr. JACKSON. The Senator has pointed out an outstanding example. Prior to 1940 not a single pound of aluminum was produced in the Northwest. During the war years, about half of all the pig aluminum produced in the United States was made in that area.

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

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Is it not true that cheap power has therefore made possible the great development of private enterprise in the fabricating industries?

Mr. JACKSON. It has definitely brought about a substantial increase of that industry in that area. In addition, I think it might be well to point out that, by reason of the cheap hydroelectric power, it has been possible for the aluminum companies there to reduce the cost of aluminum. Roughly 40 percent of the cost of pig aluminum is represented in power charges. When the cost of power is brought down to a low level, of course there is afforded the opportunity of reducing prices. The Government has been one of the big beneficiaries of the reduction of the cost of aluminum, for the reason that, dating away back to 1940, the Federal Government has been one of the large purchasers of aluminum, because of the expansion of our Air Force.

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

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Is it not further true that the reduction in the price of aluminum, which came about as a result of cheap power, not only has stimulated private enterprise, but has also made it possible for the consumers of the country to get the benefit of light metals which require a great deal of electricity for their fabrication, and hence has enormously raised the standard of living, not only of the people of the northwestern area, but of the people of the country as a whole?

Mr. JACKSON. Every segment of the American economy has been benefited as a result of the widespread use of aluminum made possible by reason, primarily at least, of cheap hydroelectric power.

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

The PRESIDING OFFICER (Mr. BUTLER in the chair). Does the Senator from Washington yield to the Senator from Illinois?

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. As the Senator from Washington may know, 35 or 40 years ago, the senior Senator from Illinois lived for 2 years in the Pacific Northwest. At that time there was great opposition to the idea of the public generation of power. Would the Senator from Washington inform the Senator from Illinois whether he is correct in his impression that, as a result of the work that has been carried on, the opposition to public power has largely ceased, in the State of Washington, at least?

Mr. JACKSON. The Senator is correct in his understanding of the situation in the State of Washington. I know that the distinguished Senator from Illinois has had the opportunity to witness the great change that has taken place in the State of Washington

since he first arrived in that State back in 1920 or 1921. When he returned later he had the opportunity of seeing all the new industries which had been made possible as a result of cheap hydroelectric power. The junior Senator from Washington will state further that the people of the State of Washington, Republicans and Democrats alike, are keenly aware of the benefits that come from a sound public-power program.

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

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Is the Senator from Illinois correct in his impression that many of those who originally opposed the public power policy now claim, and some actually believe, they helped to start and sponsor the policy?

Mr. JACKSON. I think that is true. There are many persons who have found it is quite a popular claim to make, and have joined forces with the early pioneers in the field of public power.

Mr. DOUGLAS. Does the Senator from Washington wish to comment on the remark that time creates many reconciliations?

Mr. JACKSON. I think the junior Senator from Washington might remark that is a saying which answers the question very effectively.

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

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Is it not possible that Senators on the other side of the aisle who are now opposing the attempt to retain the development of atomic energy for the people, and who have been trying to turn it over and give it away, may, perhaps in 30 years, claim that they were the great defenders of the principle of the public utilization of atomic energy?

Mr. JACKSON. I hesitate to make predictions of what may happen at any future time on a subject such as the one now being debated. Such predictions would be highly speculative.

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

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Is it not possible, judging from the experience of the Pacific Northwest, that those who are now trying to turn over this great resource of the people, without payment, to big industries, if they are thwarted in their design, may later undertake to claim that they always wanted the public to have some of the benefits derived from the splitting of the atom?

Mr. JACKSON. That might well happen. I hope we do not have to go through the long, painful process we had to go through in the public power field, of educating many people who are not able to see the real opportunity that exists in the field of public power for the good of all our people.

Mr. DOUGLAS. Will the Senator yield for a question and an analogy?

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Has the Senator from Washington ever strolled down Commonwealth Avenue in Boston and observed the monument to the memory of William Lloyd Garrison, and also monuments to the memory of other worthy Bostonians of the period from 1830 to 1860, and has he thought from these appearances that these men worked together in happy harmony for the freedom of mankind during the period from 1830 to 1860?

Mr. JACKSON. The junior Senator from Washington has not been in Boston in a long, long time. Inasmuch as I was asked the question, I must reply that it has been a long time since I have been there.

Mr. DOUGLAS. Will the Senator yield further for a question and an explanation, without yielding his right to the floor?

Mr. JACKSON. I yield for a question.

Mr. HICKENLOOPER. Mr. President, what is the request of the Senator from Illinois?

Mr. JACKSON. I yielded for a question.

Mr. DOUGLAS. Is it not true——

Mr. HICKENLOOPER. Mr. President, what was the request of the Senator from Illinois? I reserve the right to object. I want to know what his request was. I understood it was a double-barreled request.

Mr. DOUGLAS. I requested the Senator from Washington to yield for a question——

Mr. HICKENLOOPER. I have no objection to his yielding for a question.

Mr. DOUGLAS. And an explanation.

Mr. HICKENLOOPER. I would object to anything else.

Mr. DOUGLAS. I modify my request, and now inquire whether I may have the permission of the chair to ask a question of the Senator from Washington.

The PRESIDING OFFICER. Does the Senator from Washington yield for that purpose?

Mr. JACKSON. I yield for a question.

Mr. DOUGLAS. Is it not true that those worthies of Boston, who now have their memories commemorated by monuments, and who people believed dwelt in happy harmony, were, as a matter of fact, not in such harmony in the period in which they lived?

Mr. JACKSON. That is correct.

Mr. DOUGLAS. And is it not true that William Lloyd Garrison was dragged through the streets of Boston with a halter around his neck; and that when the mayor of Boston was asked who were the members of the mob, he replied, "Those were not members of a mob; they were the leading gentlemen of Boston."

Mr. JACKSON. That is correct.

Mr. President, total consumption of electric power in the United States in 1950 had reached 334 billion kilowatt-hours, as compared to 74 billion in 1925. And the President's Materials Policy Commission reported in June 1952 that the demand for electrical energy in the United States during the next 25 years may be expected to increase 2½ times if there is to be a doubling of the Nation's goods and services in that period. With such a growth, the electricity demand in 1975, according to the President's Materials Policy Commission, would be about 1,400 billion kilowatt-hours, as compared with the generation of 389 billion kilowatt-hours in 1950.

More recently, the Federal Power Commission, in a report issued earlier this month, confirmed these estimates. The report, entitled "Estimated Future Power Requirements in the United States by Regions, 1953 to 1975," predicts that peak loads will jump from 80 million kilowatts last year to 250 million kilowatts in 1975, and that annual electric energy consumption will increase from 440 billion kilowatt-hours in 1953 to 1,350 billion—that is, to more than 1⅓ trillion kilowatt-hours—in 1975.

This is the official estimate of the Federal Commission which has tended to be conservative in its past estimates of our power requirements. We shall need three times as much electric power in this Nation by 1975. That is a tremendous challenge. Yet we know that electrical energy is the cornerstone of our economy and our life today, and that we must have this power if we are to prosper. Today, as we consider a new source of energy vastly more promising than either water or fossil fuels, we must look ahead to the future, and we must set our sights on power requirements which will dwarf anything we have yet generated at our great steam plants and giant dams.

I have brought this information to the attention of the Senate because I want to emphasize the importance of the electric industry to the economy of the Nation. An appreciation of the significance of this industry is extremely important in considering the pending amendments to the Atomic Energy Act of 1946, because one of the basic purposes of that act, as I have already noted, is to set the pattern for the future peacetime development and utilization of electric power.

Before we consider the manner prescribed in the pending bill for the development of our new atomic resource, I believe it is extremely important to review the manner in which Congress has established the policies for the development and utilization of another resource in which the Federal Government has a paramount interest—namely, the development of our Nation's river basins for hydroelectric power and other uses.

In examining the history of our waterpower development, we find that for more than 50 years the Government has taken a vital part in this program. The first Reclamation Act was passed by Congress in 1902; and we find that, to date, the Federal Government has developed about 10 million kilowatts of installed hydroelectric power capacity.

Although selfish interests have impeded the progress of this development at every step of the way, there has never been any serious question as to the propriety of the Federal Government's right to develop our Nation's waterpower resources. I can well remember the anguished cries of the private power lobby when the proposal was made that the Federal Government construct Grand Coulee Dam.

Mr. GORE. Mr. President, will the Senator from Washington yield for a question?

Mr. JACKSON. I am glad to yield for a question.

Mr. GORE. How would the junior Senator from Washington compare the

investment of the taxpayers of the country in atomic energy, as a natural resource, with their investment in the natural resource of water?

Mr. JACKSON. I would say those investments are comparable. The water resources of the country belong to all the people of the United States, and so do the atomic resources. Both are, of necessity, a monopoly. It seems to me there is quite an exact parallel to be drawn between hydroelectric power and atomic power.

Mr. GORE. If the United States Government were to be prohibited from developing power in commercial quantities for atomic energy, whereas the door remained open for companies of very large financial resources to obtain the use of fissionable materials for the purpose of developing commercial electricity, would not that operate as a denial of such development to small business, to municipal electric systems, and to rural electric cooperatives?

Mr. JACKSON. I quite agree with the Senator from Tennessee. The very basis of the Federal power program has been the distribution of this resource to the greatest possible number of persons, at the lowest possible cost consistent with sound business practices. I believe this has been a wise policy, as has been demonstrated by the record of achievement since the Federal Government has been developing the huge hydroelectric-power projects. It has been one of the main bulwarks in keeping a dynamic private enterprise economy operating in the Nation. It has helped make it possible for small private enterprise to continue in the United States, in the face of the great threat of monopoly.

Mr. PASTORE. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I am happy to yield for a question.

Mr. PASTORE. I realize it is 2:20 a. m., and I do not wish to anticipate anything the Senator from Washington will say——

Mr. JACKSON. The Senator from Rhode Island need not worry about that; I am in good shape.

Mr. PASTORE. Fine; I am glad to see that the Senator from Washington is indeed in good shape.

Does not the Senator feel that the question of monopoly is more or less protected, in the sense that the Government itself will retain title to all this special material?

Mr. JACKSON. Technically, yes. That is a ready answer. However, if I have some property and I decide to give a 99-year lease on my property, for all practical purposes I am almost divesting myself of title. I am concerned not about the refinements of the program, but about how it will work in practice. I think that is the most important consideration. I believe that a great mistake is being made in not making a more effective distribution of this resource in the public interest. I think the Federal power-development program is an outstanding example of a wise and effective policy which dates back to the time of Theodore Roosevelt, when the first Reclamation Act was passed, in 1902.

We were told then that there would be no one there to use the power but the jackrabbits. I need not remind you now, of course, Mr. President, that we are using all of the Grand Coulee power. In fact, there never was any difficulty in finding a market for this power; and today we need the equivalent of a new Bonneville Dam every year, if we are to keep up with the tremendous requirements of electric power in our region.

So, we find, first of all, that the Government's own responsibility in developing this natural resource has never been seriously questioned. In fact, we have found that the Government must continue to take an active and forward-looking role in our water-resource development program for the strengthening of our economy, the creation of new jobs for our increasing population, and to provide a higher standard of living.

A second cardinal principle which has been established in the development of our water-power resources has been a preference to local public agencies and rural electric cooperatives in the marketing of power from our federally developed hydroelectric power resources.

This preference was first enunciated by Congress in the Reclamation Act of 1906. Since that time it has been reaffirmed and strengthened by Congress on at least 12 occasions, during both Democratic and Republican administrations. In fact, during the present session of Congress this principle of preference to local public agencies and rural electric cooperatives was again reaffirmed in the Falcon Dam Act.

The preference principle has been discussed so much; it has been the center of so much controversy; and—as I shall show later—it should be such a fundamental part of the atomic energy legislation, that I should like to take a few minutes to discuss some of the factors basic to this principle.

The preference to nonprofit public agencies and rural electric cooperatives has its roots deep in American history, and stems from the principle that the benefits of public resources should be distributed as widely as possible, and without monopolization by large corporations or any special-interest groups. This principle has dictated the manner of distribution of our homestead lands; it has prevailed in the disposition of surplus property.

What are some of the public agencies which have received a preference in the marketing of Federal power? How well have they made the benefits of this public resource available at the lowest possible cost, to the largest number of persons?

Nationally, we find from statistics of the Federal Power Commission that municipally owned electric utilities, public-utility districts, and other local public agencies have an enviable record.

Although these local public agencies, on the average, are only about one-tenth the size of the private-power companies, the average residential consumer of the local publicly owned electric utility in 1952 used 3,011 kilowatt-hours of electricity, whereas the average consumer of the private utility used only 2,069 kilowatt-hours. However, despite the fact that the consumer of the local, publicly owned electric system used 45.5 percent more power than his neighbor served by a privately owned utility, the average annual bill of the public-power consumer was only $55.47, as compared to $59 for the private-power customer.

In other words, despite his substantially larger consumption of electricity, the average annual bill of the consumer of the publicly owned electric system was 6 percent lower than that of the private-power customer.

In my State, because of the fact that our region is blessed with fine hydroelectric power facilities, the consumers of the publicly owned electric systems enjoy even greater consumption of electricity than the national average for the publicly owned electric systems. For many years the Nation's lowest residential rates and highest consumption of electrical energy have been enjoyed by residents of Tacoma, Wash., who are the owners—or stockholders, if you will—of Tacoma City Light. Today, this leadership continues, except that a friendly neighbor, Seattle City Light, is challenging Tacoma's position as the city offering the lowest residential electric rates.

Let us look for a moment at rates. The Nation's lowest monthly residential rate for 100 kilowatt-hours is $1.70 in Tacoma. For 250 kilowatt-hours, it is $3.20—again in Tacoma. And for 500 kilowatt-hours, it is $5.14—in Seattle, followed closely by Tacoma, with $5.35.

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

Mr. JACKSON. I yield for a question.

Mr. GORE. Is it the opinion of the junior Senator from Washington that the areas most likely to receive the greatest benefit from the development of electricity generated from atomic energy will be those which do not now have the favorable power rates to which the Senator has just made reference?

Mr. JACKSON. The distinguished junior Senator from Tennessee has raised a very important question, in my opinion. I sincerely believe that if a proper Federal program is worked out it will give to those areas an opportunity to enjoy cheap atomic electric power. I think it can be a real lifesaver to many areas of the country which are suffering from depletion of resources, and where there is heavy unemployment. It will give such areas an opportunity to bring in industries, if the Federal Government is permitted to make power available through the use of atomic fission at low rates consistent with good, sound business practice.

Mr. GORE. Then would it be the opinion of the junior Senator from Washington that the areas not now favored with the power rate structure which prevails in his State and in mine should be the most interested in the preservation of the preference clause in the bill and also in the type of development which would make available to small business and to public utilities the benefits thereof?

Mr. JACKSON. One would certainly think so. I would add that, as the distinguished junior Senator from Tennessee has pointed out, private enterprise

has a tremendous stake in cheap power, whether it comes from hydroelectric sources or from atomic sources. In those areas where today the cost of power is high, cheap atomic power would give private enterprise a real shot in the arm.

By comparison with the rates prevailing in Seattle and Tacoma, the national monthly average residential rates, as computed by the Federal Power Commission, are nearly twice as great for each of these categories: $3.70 for 100 kilowatt-hours; $7.02 for 250 kilowatt-hours; and $10.17 for 500 kilowatt-hours.

The logical result of these low rates is that residents of Tacoma and Seattle use more electricity than most other groups in the Nation—far more than most. In the year 1952, the latest year for which Federal Power Commission statistics are available, Tacoma became the first large city in the Nation to achieve an average annual residential electric energy consumption of more than 7,000 kilowatt-hours. The exact figure was 7,077 kilowatt-hours. Seattle boasted an average annual residential usage of 6,312 kilowatt-hours. Compare these figures of more than 7,000 kilowatt-hours and more than 6,000 kilowatt-hours with the national average of less than 2,000 kilowatt-hours for the year 1952. According to the Federal Power Commission, the national average was only 1,968 kilowatt-hours, less than one-third as much electric energy as was used in homes in Tacoma and Seattle.

Tacoma City Light is more than 60 years old, and Seattle City Light began operating more than half a century ago. The story of these two great municipal systems is well known throughout the Nation. Less well known is the fact that other, smaller municipal systems in the State of Washington also are providing abundant, low-cost electricity to thousands of consumers. Let me cite two examples. Residential and rural consumers served by the municipal system at Ellensburg, Wash., used an average of 6,782 kilowatt-hours in 1952; and in Cheney, Wash., they used an average of 6,460 kilowatt-hours. In both instances, they paid about half the national average rate for this electric energy.

Since 1935, thousands of other electric consumers in Washington State have been benefiting from another type of local public power, the public utility district. Today some 22 public utility districts are serving more than 200,000 consumers in the State of Washington. Although they have been serving their consumer-owners for only a few years, these systems have compiled an enviable record.

In 1952 residential consumers served by the PUD's used an average of 5,604 kilowatt-hours—more than 2½ times as great as the national average of less than 2,000 kilowatt-hours.

Mr. PASTORE. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield for a question.

Mr. PASTORE. Mr. President, will the Senator yield for a unanimous-consent request, with the understanding that he will not lose his right to the floor?

Mr. JACKSON. Provided that——

Mr. PURTELL. May I inquire what the request entails?

Mr. PASTORE. It is for the purpose of proposing an amendment to the pending amendment.

Mr. PURTELL. I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. JACKSON. For this electricity the PUD customers paid rates far under the national average: $6.06 for a monthly usage of 500 kilowatt-hours as compared with the national average of $10.17.

Mr. President, these figures present a truly remarkable record of public service by local public-power agencies.

As we have seen, therefore, the local public agencies have well lived up to the trust placed in them as preference customers. They are truly providing more power at lower cost.

Likewise, the rural electric cooperatives have an enviable record of serving the rural areas which for so many years were without the benefits of electric service. Let me remind Members of the Senate that when the rural electrification program was instituted some 20 years ago by President Roosevelt, only 10 percent of the Nation's farms were served by electricity. Today, as a result of the stimulus of the loan program of the Rural Electrification Administration, approximately 90 percent of the Nation's farms have electric service, and about half of them are served by the rural electric cooperatives.

Today, we are still at the threshold of the use of electricity on the farm. When the REA program was first instituted, it was the general conception that the immediate objective of the program was to bring electric light to each room of the farmhouse. But as the program has progressed, many new uses of electricity have been found; and electricity, which at one time was considered necessary primarily for the farm home, today is an essential part of the operation of the modern farm.

As new uses for electricity have been developed, there has been a particularly sharp increase in the demands for electricity by rural consumers. In fact, the needs of these consumers have far exceeded the most optimistic estimates. In the past 5 years the electric loads of REA borrowers have increased from 3.3 billion kilowatt-hours in 1947, to 11.4 billion, in 1952; or the loads have more than tripled in these 5 years. During the past 10 years the increase has been tenfold.

The success of the rural electric cooperatives is the most impressive testimonial to the merit of their receiving a preference in the availability of federally produced hydroelectric power.

Both the local publicly owned electric systems and the rural electric cooperatives, however, are small, by comparison with the privately owned electric utilities. Together, they serve only about 15 percent of the Nation's electric consumers; and the local public agencies, as I mentioned earlier, are only about one-tenth of the size, on the average, of the privately owned power companies.

This disadvantage of size, coupled with certain legal restrictions, indicates to us another reason for the preference accorded the local public agencies and rural electric cooperatives in the marketing of Federal hydroelectric power. That reason is that the alternative to preference—selling Federal power at the dam site on a first-come, first-served basis—would result in a virtual monopolization of publicly developed power by the private power companies, for only the privately owned utilities, with few exceptions, would have the financial resources and legal ability to purchase power at the bus bar.

Mr. GORE. Mr. President, will the Senator from Washington yield for a question?

Mr. JACKSON. I yield for a question.

Mr. GORE. How does the junior Senator from Washington relate the statement he has just made to the pending amendment offered by the senior Senator from Colorado?

Mr. JACKSON. The effect of the amendment offered by the distinguished senior Senator from Colorado will be to implement the sound policy we have followed in the field of hydroelectric power and transplant it, so to speak, into the field of atomic energy. It will prevent a situation from arising which we found most difficult, in connection with purchasing power at the bus bar. The effect of the pending bill, in my opinion, would be to establish a bus bar proposition in the field of atomic energy, so that we would have, in effect, bus bar atomic energy. I think that would be a disastrous situation. We know what the conditions were in the field of public power when power had to be sold on a first-come-first-served basis. The small companies were faced with annihilation by large monopolies.

Mr. GORE. Does the junior Senator from Washington think it more important that we pass some kind of atomic energy legislation related to domestic power development, or that we give sufficient consideration now to the development of a proper bill or perhaps to a deferral of that particular phase of the proposed legislation until we can give it more careful study?

Mr. JACKSON. The Atomic Energy Commission has the authority now to build the type of electric power reactors needed properly to develop and exploit power in the public interest. There need be no delay in the development of atomic electric power if we do not pass the domestic features of the bill. On the other hand, if we go ahead and adopt amendments to the McMahon Act which will not be in the public interest we may well do great harm. I think it would be much wiser to defer action on the domestic features of the bill until we have had an opportunity to explore the subject very thoroughly. I feel very keenly, however, that the international features involved in the pending measure should be acted upon by this Congress. Those features relate to the immediate problem of national security. In that respect I think the President is quite right in making his request for amendments to the McMahon Act.

A major argument against the preference provisions is that they are unfair; that they discriminate in favor of the publicly owned utilities, and do not permit the private companies to obtain a fair share of public power. This contention is not borne out by the facts.

For the information of the Senate, I should like to insert in the RECORD at this point a table showing the sale of Federal power to public agencies and rural electric cooperatives for the fiscal year ending July 1, 1952:

	Billions of kilowatt-hours	Percent of total
Local public agencies:		
Municipalities	12.65	26.87
PUD's	2.40	5.10
State government utilities	1.82	3.87
Public authorities	.72	1.53
Total, local public agencies	17.59	37.37
Cooperatives	2.75	5.84
Federal agencies	5.55	11.79
Total, all public agencies and cooperatives	25.89	55.00
Private companies:		
Privately owned utilities	9.75	20.71
Commercial and industrial companies	9.05	19.23
Total, private companies	18.80	39.94
Other	2.38	5.06
Total	47.07	100.00

The Senate will note from this table that the local public agencies and rural electric cooperatives together purchased some 43.2 percent of all Federal power, while the privately owned power companies and the commercial and industrial companies together purchased about 40 percent of all Federal power.

If, after some 50 years of operation of the preference clause, the privately owned utilities and commercial and industrial companies are purchasing almost half of the Federal power, it would hardly seem that they are being denied a fair share of this resource.

A second major argument advanced against the preference clause is that it stimulates municipalities and other public bodies to buy out private power companies, so that these municipalities can avail themselves of public power. It has been charged that the preference clause results in the creation of an "iron ring" of municipally owned electric utilities around a Federal power project, with the municipally owned utilities taking all the power from these public power systems.

From the experience in my own State and in neighboring States, it is obvious that this charge is fantastic. One of the largest cities near the Grand Coulee Dam is Spokane. But has the city of Spokane bought out the private power company that is serving that municipality?

From the latest reports which I have at hand, it appears that Washington Water Power Co. is still serving the city of Spokane, and is still a thriving, prosperous utility.

Again, we find that the city of Portland, which is the largest city nearest Bonneville Dam, continues to be served by a sound private power company, Portland General Electric Co.

However, the most convincing evidence to contravert the assertion that the preference clause results in the creation of publicly owned electric systems comes from the statistics of the private utility industry itself.

According to the 1953 edition of the Edison Electric Institute Pocketbook of Electric Industry Statistics, the high point of municipal ownership was reached in 1923, when there were 3,081 municipally owned electric systems in operation. The amount of Federal power available at that time was insignificant—only nine-tenths of 1 percent of the total capacity—so that the flourishing of municipal ownership during this period could hardly be attributed to the preference clause.

Since 1923—the high mark of municipal ownership—the total number of municipal electric systems has declined from 3,081 to 2,011 in 1952—a loss of over 1,000. Moreover, the proportion of customers served by the local public agencies declined from 12.6 percent of the total in 1922 to 11.9 percent of the total in 1952.

These figures certainly would not indicate that the municipal utilities are multiplying in number as a result of the advantages which they allegedly receive from the preference clause.

Attacks on the preference clause have reached an absurd extreme; and perhaps the height of this absurdity was reached by one of the principal spokesmen of the Republican Party, Thomas Dewey, Governor of New York.

Speaking earlier this year in Albany at a meeting of the New York State Publishers Association, Mr. Dewey described the preference clause as follows:

> Actually it amounts to a provision which says that if the State of New York is allowed to develop the waterpower which belongs to the people, it is obligated by law to offer that power first to those communities which bend the knee to the Moscow concept, abandon private operation of their public utilities, and socialize them.

My only comment on this statement is that if the municipal electric utilities are bending their knee to the Moscow concept, they began doing so in the time of the czars, for municipal ownership of electric utilities dates from 1882, the first year of central station electric service.

The fact of the matter, as we have seen, is that the arguments against the preference clause are merely a smokescreen to obscure the real objective of the private utilities, which is to obtain for themselves a monopoly of power produced from public resources.

Now that we have examined some of the negative aspects of this question—the reasons which are presented against the preference clause—let us see how the Nation's electric consumers have fared as a result of the public development of our hydroelectric-power resources, coupled with marketing of the power under the preference provisions.

We are all aware, of course, of the reduction in rates which has resulted in the areas which are served by local publicly owned electric systems. For example, the States of Tennessee, Washington, and Oregon have rates which rank among the lowest in the country.

But it is not generally recognized that the preference clause also operates to the advantage of the customers served by privately owned electric systems. As a result of the competition from the publicly owned electric utilities, the private power companies in areas adjacent to publicly owned electric systems have steadily reduced their rates to meet the competitive pressure.

Perhaps the clearest indication of the effectiveness of the preference policy was indicated in the President's Water Resources Policy Commission report of 1950. A table included in this report shows that in Oklahoma, for example, the cost of wholesale power charged by the private power companies to rural electric cooperatives was reduced from 1.16 cents per kilowatt-hour in 1941 to 0.58 cents in 1950. I am sure that it is no coincidence that this reduction in wholesale power rates by the private power companies occurred during the period of development of the Southwestern Power Administration and a State power marketing agency. It is also interesting to note that during the same period when the private power companies in Oklahoma reduced their rates, the wholesale rates charged the rural electric cooperatives in the Northeastern States increased from 1.25 cents per kilowatt-hour to 1.47 cents per kilowatt-hour.

It is also significant to observe from another table in the President's Water Resources Policy Commission report that there has been no impairment to the financial standing of the companies which have adopted the progressive rate policies induced by competition from public power systems. In fact, these companies today are more prosperous than ever before.

An examination of the history of the Tennessee Valley Authority likewise shows that its dynamic rate policies have spread outward to other areas, like ripples in a pool; and that the benefits of Federal multipurpose projects are not confined to the immediate regions in which they operate.

The pattern of higher electric rates as the distance from the TVA region increases is revealed in charts recently prepared by the Tennessee Valley Authority, showing average costs for residential use in 1932, before the advent of TVA, and in 1952. Monthly electric bills for 100 kilowatts' use at the residential rate were examined for cities with 50,000 or more population in 1930, in successive zones 200 miles wide, radiating from the TVA service area.

The charts showed that in 1932, Tennessee had the highest average bill of all areas, with $5.26 for 100 kilowatt-hours of residential use. There was not much variation, and no apparent pattern, in the averages for the surrounding zones. For the eastern part of the country, all were around $5. The Far West was lower, with the State of Washington, where Seattle and Tacoma have long operated municipally owned electric plants, having the lowest average in the country—$3.18.

But by January 1952, a definite pattern had developed. Washington State, in the Bonneville Power Administration service area, continued to have the lowest average bill for 100 kilowatt-hours,

the figure being $2.39. Next came the TVA area, with an average bill of $2.50. Going outward from the TVA area, the average bills ranged progressively upward to $4.12.

And here is the payoff: The reductions in average bills for 100 kilowatt-hours between October 1932 and January 1952, were: For the Tennessee Valley region, $2.76; for the next zone, $1.73; for the second zone beyond, $1.12; for the third zone, $1.24; for the most remote zone, 78 cents.

I have taken the time today to examine the background of our water resources development program, because it is pertinent to the situation with which we are faced with atomic energy.

Here, as in water power, we have a resource which is owned by the Federal Government. For even under the pending bill the Federal Government retains ownership to fissionable materials. Yet, the Federal Government, under this legislation, is not permitted to build nuclear reactors for the commercial generation of electric power.

In that regard, I quote as follows from the comment in the majority report on the restrictions contained in section 44 of the pending bill:

> This section will permit the Commission to dispose of that utilizable energy it produces in the course of its own operations, but does not permit the Commission to enter into the power-producing business without further congressional authorization to construct or operate such commercial facilities.

The distinguished Senator from Iowa [Mr. HICKENLOOPER], one of the coauthors of the pending legislation, defined an even more limited role for power production by the Atomic Energy Commission in a colloquy on the floor of the Senate on July 16.

I quote as follows from page 10216 of the CONGRESSIONAL RECORD of that date:

> Mr. HICKENLOOPER. So far as the public power problem is concerned, it is not even touched in the bill; in the bill there is no provision for the development by the Commission of public power. The only place in the bill where that subject is touched is in the section that provides that if, in connection with research and development, the Atomic Energy Commission produces some incidental power—power which is not primarily in its operation—and if the Commission has an opportunity to sell the power, it may sell a few kilowatts which otherwise might be wasted.
>
> The question of the direct production of competitive power by the Atomic Energy Commission is not raised in this measure, and it is not authorized. * * *

I ask the Members of the Senate and the people of America to contrast this view of the atomic-energy program with the scope and accomplishments of our water resources development program.

To limit the atomic-energy program in this manner is not only shortsighted, it is bad, inefficient Government. Here we find that the Atomic Energy Commission today is the world's largest single consumer of electric power in the world—requiring some 5 million kilowatts of capacity. In the future its consumption of electrical energy may reach some 8 or 10 percent of the Nation's total, with an outlay of some $150 million to $200 million a year. Yet, the Commission, for all practical purposes, is prohibited by the present bill from providing its own needs for power.

It is a common practice for large industries requiring substantial blocks of power to build their own generating stations, but here we find that the world's largest single consumer of electricity is prevented from engaging in a practice which should be open to any prudently operated business. It is an incredible provision—especially coming from an administration which claims to be representative of good business practices. This type of prohibition leads one to speculate as to just whose business this administration is trying to protect—the business of the Government or the business of the large private corporations which are able to exploit this new source of energy, which offers such boundless potentialities for the future.

If we are to live up to the traditions which have been established by the Congress for the past 50 years, and if we are to take the fullest advantage of the opportunities afforded by peacetime development of atomic energy, it is imperative that the Senate adopt the amendment which has been offered by the Senator from Colorado [Senator JOHNSON] and another Senator. This amendment would permit the Federal Government itself, where specifically authorized by the Congress, to build a nuclear power reactor for the commercial generation of electric power.

Unless this amendment is adopted, the reactors will be built only by the largest corporations and utilities in the country, for it has been estimated that the smallest economically feasible size of reactors for the production of electric power is about 250,000 kilowatts of capacity. Only the largest corporations would be in a position to construct such reactors; certainly they are beyond the reach of practically all of the municipally owned electric systems, public utility districts, and rural electric cooperatives.

Therefore, unless the Federal Government is empowered to build reactors for pilot plants, there will be absolutely no yardstick by which to measure the cost of producing electric power from such reactors.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. JACKSON. I yield for a question.

Mr. PASTORE. While it is advisable for the Atomic Energy Commission to carry out the purposes of the bill by investing in the building of a plant to generate electricity to be used in its own facilities, with the added feature that whatever surplus electricity there may be can be sold commercially, and while it is advisable that preference be given to public bodies and to cooperatives, as specified in the Federal Power Act, does not the Senator from Washington feel that equal preference should be given to private utilities in areas where the cost of electricity is high and which are not at that time serviced by any cooperative or public utility body?

Mr. JACKSON. The record of the preference clause, as I pointed out in my remarks, has been that private as well as public bodies have shared very well. I may say to the distinguished Senator from Rhode Island that I am one who believes in both public and private power. I think we need both. I think they represent good yardsticks, one against the other. Such an arrangement provides a competitive factor in distribution of electric power which is hard to create when we deal with monopolies.

I certainly see no reason why, under the preference proposal, the private utilities would be denied that opportunity. I am calling attention to the real problem the municipal light plants and other public bodies will have in trying to get themselves set up in this business, so that in time they can get a reactor of economical and sufficient size in their area. I see no reason why, under this proposal, fissionable material cannot be made available to meet the private utilities' needs. I would be opposed to any proposal that would deny the private utilities that opportunity. I am saying that first preference should be given to public bodies and cooperatives.

Mr. PASTORE. Mr. President, will the Senator from Washington yield?

The PRESIDING OFFICER (Mr. CASE in the chair). Does the Senator from Washington yield to the Senator from Rhode Island?

Mr. JACKSON. I am glad to yield for a question.

Mr. PASTORE. Does not the Senator from Washington think that inasmuch as the whole motivation for participation of public bodies in the program is the intention to bring about the availability of electric power at low cost, the only way to accelerate the program is to allow participation by private industry? After all, there are certain areas of the country that do not have the benefit of cooperatives and public bodies. I refer specifically to my own State, although I do not wish to confine my remarks to Rhode Island. Nevertheless, in Rhode Island we do not have the benefit of having such public power facilities at our disposal. But in our area the rates are very high—perhaps higher than in any other section of the country. Does not the Senator from Washington believe that the benefits obtainable under the rural electrification program should be enjoyed by areas where the rates are now high? As a matter of fact, as I said a while ago, the rates in Rhode Island and in the neighboring State of Massachusetts are twice as high as the rates in some other parts of the country. So does not the Senator from Washington think the great boon of low rates should be brought to the areas which now have high rates by giving private groups equal access with the public bodies to this great resource? Should we not see to it that the private groups enjoy the same preference and the same opportunity?

Mr. JACKSON. I would say the problem in the State of Rhode Island will never be solved until there is some competition in the utility business in that State. Certainly, no matter how cheap may be the cost of generating power in a given area, if there is no yardstick provided by competition in the area, there

will not be a reduction in the power rates. That has been the experience everywhere in connection with the utility business.

Mr. PASTORE. Mr. President, will the Senator from Washington yield again to me?

Mr. JACKSON. I am glad to yield.

Mr. PASTORE. Does not the Senator from Washington think the same argument could have been used against his own State at the time when the people of his State were seeking to have developed the various great public-power projects which now exist there?

Mr. JACKSON. I am merely pointing out that there will not be a real reduction in power rates until there is a competitive factor in the area. In the private enterprise system, the very basis for a reduction of prices is competition. Certainly unless there is a competitive factor in the field, there will not be a reduction in price. A monopoly does not have to reduce the cost of the product being sold.

In areas such as Rhode Island, where apparently there is high-cost power, if electric power from atomic energy is properly developed in the beginning, so a basis can be established for a low-cost electric power system, that can mean a great deal to Rhode Island and to other States which now have high-cost power. On the other hand, if certain private power industries which have a monopoly to begin with, are allowed to continue in that monopoly position, then, I repeat, in the case of many areas which now have high-priced power, the price will perhaps be even higher, even when power from atomic energy is made available.

Mr. PASTORE. Mr. President, will the Senator from Washington yield for a further question?

Mr. JACKSON. I yield.

Mr. PASTORE. Allow me, first, to ask a question on the basis of the program which has been enunciated by the distinguished Senator. Let us assume that the amendment of the Senator from Colorado is adopted, and that under the amendment the Atomic Energy Commission is given authority to build a generating plant. Let us assume that the day comes when that plant is able to produce cheaper power than the power which could be produced by use of the conventional fuel of coal or oil. In that case, if such a reactor were built in the State of Rhode Island, does not the Senator from Washington think the result would be to bring down the cost of power in Rhode Island, even without any further competition?

Mr. JACKSON. Certainly, because in that case the Government would have made available the technology and techniques by which that development could be made available to all groups, both public and private.

The real danger in this matter, when we look at it realistically, is that the know-how available for use in exploiting the atom, in the field of the generation of electric power, today is limited to the large electric companies that have been working through Government contracts in this field. These companies, in turn, have with the large private utilities the relationships which make it possible for them, under this proposal to go forward to the disadvantage of the smaller companies.

Mr. PASTORE. Mr. President, I think the Senator from Washington misunderstands my point. That may be my fault. I am not referring to development of the program by private industry, as would occur under the pending bill without the adoption of the amendment the Senator from Washington advocates. But let us assume that the amendment he advocates becomes law. Let us assume that the Atomic Energy Commission is given authority to build a reactor for the purpose of producing atomic power. If that happens, what would be the harm in building the reactor in an area where the cost of power already is high—because of a lack of competition, as has been explained by the Senator from Washington—rather than to build the reactor and give the preference alone to the public bodies and cooperatives who already are enjoying low-rate power?

Mr. JACKSON. There is no harm in that. Let me point out to the distinguished Senator from Rhode Island that in the Northwest the primary beneficiaries of cheap, low-cost electric power have been the private utilities. The classic example can be found in Portland, Oreg., where today the Portland General Electric Co. gets from Government-owned dams more than two-thirds of all the power it sells. That company is getting that power even though the preference clause is in operation and effect. The point is that the preference customers are very limited in number, and the private customers greatly outnumber them. So, in practice, the private customers get the benefit of the low-cost power. That has been the history of the preference clause. When the preference clause is placed in operation in a given power program, it does not mean that all the power goes to the public bodies. The public bodies use only a relatively small percentage of the total amount of the electric-power output of the country.

I may say to my distinguished friend further in that connection that percentagewise they are a smaller part of the electric power industry today than they were in 1923, when they reached the high-water mark of their advancement.

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

Mr. JACKSON. I am happy to yield for a question. Perhaps we are disagreeing about two different things. I do not think we are disagreeing.

Mr. PASTORE. The thing that disturbs me, almost to the point of frightening me, is this: The Senator tells me that we do not need the preference clause in Rhode Island because the experience has been that even under the preference clause public utilities are getting their fair share of the production of power, yet we are devoting hour after hour, day after day, merely to get the preference clause in the bill. If the preference clause is not important, why are we wasting time on it? When I want a preference in my State, the Senator tells me that it is of no importance. When I tell him that we need it, he says that the private utilities are getting their fair share. If the private utilities are getting their fair share, and experience shows it, why are we devoting all this time to the preference argument?

Mr. JACKSON. Let me ask my distinguished colleague a question. If there are two applicants for a resource which belongs to all the people of the country, and one is an applicant representing a public body, a municipality, or State, and the other is a private concern, which of those two should be granted the preference?

Mr. PASTORE. Let me answer the question very easily. Inasmuch as our ultimate concern is the public interest, the consumer, I say that we ought to be concerned with the area where the costs are the highest, whether the power goes to a public body or a private body. What difference does it make in the final analysis? We are seeking to reduce the cost to the consumer. That is what I am interested in. I do not care whether the public utility makes the money or whether a cooperative makes the money, or whether a private company makes the money. But I am concerned about the consumer in Rhode Island, who is paying twice as much as the consumer in Spokane.

Mr. JACKSON. What assurance have we that the private utility will pass on to the consumers the saving which is realized? Would the distinguished Senator from Rhode Island agree, then, to a provision fixing rates?

Mr. PASTORE. No. All I am saying is this——

Mr. JACKSON. The Senator wants to give to the private utilities, which have an absolute monopoly, this low-cost power and allow them to continue to sell it at high rates and make bigger profits than ever.

Mr. PASTORE. If the private utility company which bought the power at wholesale at a very reasonable, economical cost from the AEC—if this power were granted—did not pass the saving on to the consumer, the Secretary of the Interior could refuse to sell it. Am I right or wrong?

Mr. JACKSON. Under what law?

Mr. PASTORE. The present law.

Mr. JACKSON. Is the Senator talking about hydroelectric power?

Mr. PASTORE. I am talking about any power that is given to the Secretary of the Interior for distribution under the Federal Power Act.

Mr. JACKSON. If he has the rate-making power, I do not believe that the Secretary of the Interior has exercised any such authority in connection with resale rates. That is my understanding of the record to date. It has been left to the local State public-service commission.

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

Mr. JACKSON. I yield for a question.

Mr. KNOWLAND. Does not the Senator think that under the rules of the Senate he has the right to yield only for a question? While I have not raised the point of order up to this time as to the number of speeches the Senator

might make in one day, I respectfully suggest that I think the Senator from Rhode Island could frame his inquiries in the form of questions. Then we would be within the rules, which have heretofore been mentioned.

Mr. JACKSON. I believe the RECORD will show that on each occasion I yielded only for a question.

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

Mr. JACKSON. I am happy to yield for a question.

Mr. GORE. Is not this the first speech the junior Senator from Washington has made on this bill?

Mr. JACKSON. That is correct. I think the distinguished majority leader was not referring to the junior Senator from Washington, if I may defend the majority leader for a moment—not that he needs defense.

The PRESIDING OFFICER. The question is——

Mr. JACKSON. If this bill is adopted in its present form we will have turned back the clock some 50 years; for the Government, which at one time—under a really dynamic administration—took the initiative in breaking up holding companies and monopolies, will now actually be in the position of encouraging the creation of such monopolies.

However, as I have noted earlier, coupled with a program of Federal construction of power facilities in the development of our natural resources, we have also maintained an equally important policy of providing a preference in the marketing of power from such projects.

This provision, also having a history of 50 years' standing, likewise is lacking in the present bill. If the benefits of this resource are to be made available to all the people of America at low rates, it is imperative that preference be given to municipally owned electric systems and rural electric cooperatives in the marketing of such power as is produced by the Federal Government from nuclear reactors. Otherwise, the private utilities will erect a tollgate to charge the consumers for a resource belonging to the people, and developed through their tax funds.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. JACKSON. I yield for a question.

Mr. PASTORE. If that be the case, how would the people who live in areas which are not served by a publicly owned utility or a cooperative receive the advantages which the Senator says belong to all the people of the United States?

Mr. JACKSON. It is very simple. The point is, there are a given number of municipal applicants—preferred applicants—and a given number of private applicants. The public applicants are taken care of first, and then the others are taken care of. As a practical matter, if an effective program is worked out, I think they can all be taken care of at once.

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

Mr. JACKSON. I am happy to yield for a question.

Mr. KNOWLAND. Along the line of the questions raised by the Senator from Rhode Island, is it not correct that those who might be served in the area of a publicly owned utility and those who happened to be served in the area of a privately owned utility—though it might be a State-regulated utility—both pay, as individual citizens, taxes to the Federal Government, whose tax moneys are used for the development of these public projects? Does not the Senator think it would be discriminatory toward one group of taxpayers not to make available to them the benefits which are made available to taxpayers who happen to live in a municipally owned, so-called preference area?

Mr. JACKSON. I am surprised to hear that argument from my distinguished friend, the majority leader. I have great respect for his position in the field of public power. The distinguished majority leader has always been a strong and ardent advocate of the public-preference position. Am I correct?

Mr. KNOWLAND. The Senator is correct, but I think there comes a time——

Mr. JACKSON. I remind the Senator that I can yield only for a question.

Mr. KNOWLAND. If the Senator will permit me to raise this question, does not the Senator think there comes a time when we must have a reappraisal of the equities of the situation? While the Senator knows, I believe——

Mr. JACKSON. I am again trying to keep the distinguished Senator's record clear.

Mr. KNOWLAND. The Senator is entirely correct, and he was entirely in order when he called my attention to the situation. But does not the Senator feel that under all the circumstances there comes a time for reappraisal, to see if, in equity, the citizens of the country are being given equitable treatment in connection with these large public projects? I think it is a question which the Congress can certainly explore and reexplore.

Mr. JACKSON. Certainly there ought to be a reappraisal of the equities involved, at all times. In the State of California, where the Central Valley project is in operation, power from those great dams, which have meant so much to California, is being sold to both public and private utilities. There the preference clause is in full force and effect. It is not doing any harm to the private utilities. On the contrary, because the private utilities did not have the foresight to see the possibilities of hydroelectric development, they let a great deal of good revenue go out the window.

If it had not been for the fact that the Federal Government developed these power projects, a great many of the private utilities would not be making the money they are making today. The truth is that in the Northwest, where great public dams are located and where the preference clause is in full force and effect, while power is sold, first, to the public agencies, it is also being sold equitably to private utilities.

I pointed out one utility which is getting two-thirds of all of its power from the Federal Government. It buys power from the Federal Government and sells it, and is making a profit. I do not know of any area in which the preference clause is in effect where private utilities are really hurt. It was due to the wise Federal policy that dates back to one of the great Presidents of the United States, Theodore Roosevelt, who requested the initial provision in the law, back in 1906, that surplus power from irrigation and reclamation projects is sold first for municipal purposes and then to private utilities.

When we have passed surplus property acts—and we have had a number of them since World War II—they have always contained a provision that States, municipalities, and school districts shall have preference in the purchase of the surplus power. There is a long history back of those provisions of the law. I believe they are based on sound public policy. I believe that by placing the preference provision in the law we will protect the public interest to a greater extent that we will if we leave it out, because the municipalities and public agencies do represent the public.

There is something else that is important, too. The purpose of the development of a great Federal resource which is owned by all the people is to make sure of the widest possible distribution of the resources at the lowest possible cost, consistent with sound business practices. In other words, power rates cannot be reduced to such a point that the project will be unable to pay for itself.

Carrying the philosophy out, it is natural that Congress should give preference to public bodies, because in that way the desired objective is attained.

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

Mr. JACKSON. I am happy to yield for a question.

Mr. KNOWLAND. Is it not historically correct, however, that at one time, particularly in the early stages of the preference development, there were areas and States that had not established regulatory commissions to the extent they exist today and in a good many such areas the privately owned utilities were in a position to levy rates on the basis of all the traffic would bear? Later, however, because of the need to protect the general public, a system of State utility commissions was developed which prevented the utilities charging all the traffic would bear. In view of those developments, does the Senator not believe that it might be desirable or necessary—I do not say it is—at least to reexplore the whole preference situation to determine if we are doing equity to the people in all sections of the country, who are perhaps entitled to consideration in view of developments during the past several decades?

Mr. JACKSON. The Senator from Washington at least tries not to take an arbitrary or capricious attitude toward any of these things. His mind is open, and he certainly would be interested and desirous of seeing to it that a fair, just, and equitable distribution of these great resources is made.

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

Mr. JACKSON. I believe that the record of the preference clause has been good. When we get down to cases, as I have given cases in my remarks tonight, we find that the preference clause has worked out pretty well. If there is a sound reason, based on public policy, why the rule should be modified, certainly Congress should take a look at it to determine what should be done.

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

Mr. JACKSON. I yield for a question.

Mr. PASTORE. In view of the statement made by the distinguished Senator, does he not feel now that while there is no need to disturb the preference idea as provided in the Federal Power Act, inasmuch as certain sections of the country do not enjoy the benefit of public utility bodies or cooperatives, in those particular areas, where the cost of electricity is high, we would do no substantial injury to the present system and policy of the Federal Power Act if we added to the preference, without diminishing the force of the preference with reference to public bodies or cooperatives, by providing that areas which do not have such public bodies or cooperatives, and where the rates are high, should be treated on an equal basis?

Mr. JACKSON. I believe there is a certain fallacy in what the Senator, my good friend from Rhode Island, is advocating. He is assuming that the private utilities will pass on to the consumers—and they are the important ones, and the ones who should be protected when we are dealing with Federal resources—the low cost atomic electric power savings to the consumers. There is no assurance that that would be done.

Mr. PASTORE. Of course not. But does not the Senator, knowing as he does, the history of our supervisory laws with reference to public utilities—and certainly he must have had experience with them in his own State, as I had in my State when I was governor—feel that in the fixing of rates it makes a great deal of difference what was paid for the product that is passed on to the consumer?

If a public utility commission in any State could prove that the cost of the current to the private utility company which was buying from the AEC was much less than the cost of the current produced from coal or oil, does not the Senator believe that a wise governor and a prudent public utility commission would, in the public interest, force the rates to come down?

Mr. JACKSON. Knowing the history of many public service commissions—I am not familiar with the one in Rhode Island—I am aware that they have had a pretty difficult time in trying effectively to control the electric power rates. We all know that different formulas can be followed in determining what is a reasonable return on investment. All sorts of bookkeeping shenanigans are involved in the regulation of utility rates. What I say is without regard to any particular State. I do not want my good friend from Rhode Island to misunderstand me. It is a difficult thing to regulate rates. It depends entirely on the law in the State. If the law is properly and effectively administered and there is proper regulation, if low-cost atomic power is made available, it is certainly possible that the savings can be passed on.

Mr. PASTORE. I should like to ask the Senator one more question; then I shall not disturb him further. I believe he said that history has shown that two-thirds of the current produced by a hydroelectric project was being sold to public utilities.

Mr. JACKSON. No, I cited one outstanding case in Portland, Oreg., the Portland General Electric Co.

Mr. PASTORE. Is it not a fact that the people who have received the current which has come to private utilities as a result of purchasing it from hydroelectric projects have benefited by it?

Mr. JACKSON. Certainly.

Mr. PASTORE. And that has been passed on to the consumer?

Mr. JACKSON. Certainly, but the reason why the rates are low is because, side by side, are public bodies selling power at low rates, and they could not possibly sell power at high rates when they have a yardstick staring them in the face involving low-cost power. The Tacoma City Light Co. has the lowest rate of any city in the United States. I do not think a city nearby, unless it got power from the same sources, could sell it for the rate at which it is being sold by the Tacoma City Light Co.

Mr. PASTORE. Does not the Senator think the people in Rhode Island should have a shot at the same opportunity?

Mr. JACKSON. I think the people of Rhode Island will have a shot at the same opportunity. We do not want anything in this bill that will make it possible for private utilities to get a total monopoly. They start out with a tremendous advantage. They have a big capital structure, in the first place. They have the opportunity of long association with big manufacturing companies which have a monopoly on the know-how, the technology, of developing the kind of reactors that will make for cheap atomic power.

Mr. PASTORE. Does not the Senator think that would be controlled by the fact that all the special material is owned by and the title remains in the Federal Government?

Mr. JACKSON. Oh, certainly; but there is nothing in this proposal which will require the people who get the material by license or otherwise to sell and dispose of the material at a low rate, a rate consistent with the public interest.

Mr. PASTORE. Does not the Senator feel that that is the responsibility of the utility supervisors in each State?

Mr. JACKSON. The people know that the Federal Government has the responsibility of seeing that citizens throughout America are properly protected in this area.

Mr. President, in order to bring this bill into harmony with a policy which the Congress has honored for the past 50 years, I urge the adoption of the amendment which has been offered by Senators GILLETTE, JOHNSON, and others which would require that a preference be given to local public agencies and rural electric cooperatives in the marketing of power produced from federally owned nuclear power reactors.

Mr. President, there are other features of this bill which are equally as bad and as deficient in the public interest as those to which I have referred tonight. Although the bill authorizes the granting of 40-year licenses for the construction of reactors utilizing nuclear materials for the production of electric power, there are in this bill none of the safeguards and procedures for granting such licenses which are incorporated in the Federal Power Act.

Amendments have been introduced which would bring the licensing features of this bill in line with those of the Federal Power Commission. I heartily support such provisions as being necessary to protect the public interest.

Mr. President, on the whole, this is a bad bill. It was called to the floor of the Senate on the same day that the report was made available to the Senate. In the main, insufficient consideration has been given to the many features of the bill pertaining both to domestic and international policies.

Although the amendments which I support would vastly improve the bill, I see no urgency in action during the present session of the Congress on the features of this bill pertaining to domestic policy. It would appear that the only sense of urgency in enacting these provisions comes from the private power companies, other large corporations, and, might I add, the administration, who may be fearful as to the results of the elections this fall.

In the best interests of the country, the Congress should take up this legislation during the next session of the Congress, when we can consider more carefully, and in perhaps a more temperate attitude, the provisions of this bill which will have such a far-reaching effect on the economic, political, and social structure for many future generations. At such a critical juncture in the history of America and of the world, we cannot afford to tamper so recklessly with an act which has served us so well for almost a decade.

Mr. President, I yield the floor.

Mr. MORSE. Mr. President, 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	Dworshak	Millikin
Anderson	Ferguson	Morse
Barrett	Flanders	Neely
Beall	Goldwater	Pastore
Bricker	Green	Payne
Bush	Hickenlooper	Purtell
Butler	Ives	Reynolds
Capehart	Jackson	Thye
Case	Johnson, Tex.	Wiley
Chavez	Kilgore	
Crippa	Knowland	

The PRESIDING OFFICER (Mr. CASE in the chair). A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BENNETT, Mr. CLEMENTS, Mr. CORDON, Mr. DOUGLAS, Mr. GORE, Mr. JENNER, Mr. KUCHEL, Mr. POTTER, Mr. SCHOEPPEL, and Mrs. SMITH of Maine entered the Chamber and answered to their names.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be requested to compel the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mrs. BOWRING, Mr. BURKE, Mr. ERVIN, Mr. HUMPHREY, Mr. JOHNSON of Colorado, Mr. LENNON, Mr. ROBERTSON, Mr. UPTON, and Mr. WILLIAMS entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. MORSE. Mr. President, the Senator from Oregon wishes to announce at the beginning of this speech that it will be a relatively short one—4, 5, or 6 hours, more or less.

Mr. FLANDERS. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. Mr. President, I am willing to yield to the Senator from Vermont subject, of course, to the understanding that by yielding, I shall not lose my right to the floor. I understand that the Senator from Vermont wishes to make an insertion in the RECORD. Of course, I always try to be courteous to my colleagues, and I shall be delighted to yield, if I may obtain unanimous consent to yield for that purpose without losing my right to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object to having the Senator yield for the purpose of having insertions made in the RECORD—let me state that, as the distinguished Senator from Oregon knows, we have been trying to follow the rule that a Senator who has the floor may yield only for a question. I would wish the Senator from Oregon to be on notice, for his own protection of his right to the floor, that any extended colloquy or debate not in the form of a question would be subject to a point of order.

Mr. MORSE. I understand. I was going to talk about the rules in a moment.

But now, Mr. President, I shall yield to the Senator from Vermont, with the understanding that by so doing, I shall not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Senator from Vermont.

Mr. FLANDERS. Mr. President, I misunderstood the majority leader. I may say it will take me just a moment to make the requests I have in mind.

Mr. MORSE. It was a great pleasure to yield to the Senator from Vermont. I would have been perfectly willing to have him obtain the floor and offer his resolution. It might be adopted at this hour of the morning. I suggested that to the Senator from Vermont in private conversation and he told me that there might be something to my suggestion, but he said that he had committed himself to a date certain, and therefore he did not feel that he was in a position to bring up the resolution at this time.

I wish to say at the beginning of my remarks that I have no intention at any time of yielding, except for a question. I want the Presiding Officer to know that. I want all of his successors in the chair to know that the Senator from Oregon is not yielding except for a question; and if any Senator, in fast talk, starts to make comments which are not in the form of a question, I shall, as quickly as possible, stop him. But I want the RECORD crystal clear, that I have no intention of yielding at any time during these remarks, except for a question.

Mr. President, this is a filibuster speech. I never fly under false colors. I am making a filibuster speech on this subject, although I am perfectly willing to join in any motion to displace this bill for the consideration of the Morse antifilibuster resolution. I shall always cooperate at any time in passing an antifilibuster resolution in the Senate. I am not responsible for the existence of a filibuster in the Senate, permissible by rule. I have done my best in the past 9 years to have adopted a rule that would make it possible to end filibustering in the Senate.

I remember that in the 80th Congress, a Republican majority Congress, there was passed the Wherry resolution. I opposed the Wherry resolution because, in my judgment, that Republican resolution strengthened the institution of filibustering in the Senate. It was a resolution which required 64 affirmative votes to end debate in the Senate after cloture. It not only did that, but it had the effect of counting the absentees for the continuation of debate, because there was an affirmative requirement of 64, which the brethren in the Senate at the time called a constitutional majority, although I never knew what it had to do with the Constitution, it being a larger vote than the Constitution requires for the ratification of treaties. But it was adopted, thereby making it possible for absentees to really count, because they must be brought in—64 of them—to end debate.

I am strong for the protection of minority rights, but I have always taken the position that if adequate time is provided for the minority, as would be done under the Morse resolution, that is all that should be done to protect the minority, and also to guarantee the preservation and the operation of a rule which I am perfectly willing should be a required rule of the Senate, namely, the majority vote rule.

But I have been so unsuccessful for 9 years in getting favorable consideration for this principle of mine that I have said in past filibusters—and I say again—that until the Republicans in the Senate want to repeal the Republican filibuster rule, which makes it so difficult to end filibusters, and which has the effect of really strengthening the parliamentary weapon of the filibuster, and that so long as that Republican filibuster rule remains on the Senate books, then, from several standpoints—one of poetic justice—on issues which I consider to be great issues in the public interest, I shall use the rule.

I have also said that I thought that by example I might encourage the adoption of the Morse resolution. I remember when the tidelands debate was in progress, and I made a relatively short filibuster speech of 22 hours and 26 minutes on that occasion; I pledged to the then majority leader in the Senate, as I do now to the present majority leader, my wholehearted cooperation in adopting an antifilibuster rule. I said to the then majority leader, as I say to this one, that all he has to do is to move to lay the pending business aside long enough to adopt the Morse antifilibuster resolution, and then the procedure of that resolution would come into play. The minority would have adequate time to debate the issue. We would then vote on the merits, and move on to the next item of business.

The antifilibuster resolution of mine, Senate Resolution 41, 82d Congress, 1st session, is a very simple resolution.

I now ask unanimous consent to submit that resolution and request that it lie on the table; and at the appropriate time I shall ask the Senate to consider it, hoping that we can adopt an antifilibuster resolution of that nature before adjournment.

There being no objection, the resolution (S. Res. 291), submitted by Mr. MORSE, was received and ordered to lie on the table, as follows:

Resolved, That subsection 2 of rule XXII of the Standing Rules of the Senate, relating to cloture, is hereby amended to read as follows:

"If at any time, notwithstanding the provisions of rule III or VI or any other rule of the Senate, a motion, signed by 16 Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and 1 hour after the Senate meets on the following calendar day but 1, he shall lay the motion before the Senate and direct that the Secretary call the roll, and, upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

" 'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by a majority vote of those voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than 1 hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same; except that any Senator may yield to any other Senator all or any part of the aggregate period of time which he is entitled to speak; and the Senator to whom he so yields may speak for the time so yielded in addition to any period of time which he

is entitled to speak in his own right. It shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate."

SEC. 2. Subsection 3 of such rule is hereby repealed.

Mr. MORSE. It is a very fair resolution. Theoretically, after cloture there could be 96 hours of debate. There would not have to be that much, but that guaranty of protection is there in case on some occasion a matter was of such moment that 96 hours of debate would be necessary to protect the minority on the merits. Taking an ordinary Senate day, that would cover quite a number of days of debate even after cloture. I think that is only fair and right.

I think at the beginning of this speech I should tell the American people why I believe, under the rules of the Senate, filibustering being permitted, that this issue should be discussed for a prolonged period of time. I think so, Mr. President, because those opposed to the bill have a patriotic duty to take such time as is necessary in the Senate to call the attention of the American people to the demerits of the bill.

In my judgment, this is one of the worst bills and one of the most undesirable bills and one of the most dangerous bills from the standpoint of the public interest that has ever been before the Senate for vote in my 9 years in the Senate. This bill, in my opinion, will have terrific causal repercussions upon generations of American boys and girls yet unborn. It has within it the potentialities of such danger to the welfare of the American people that I think every Member of the Senate who shares my views as to the dangers of the bill has the duty to make whatever sacrifices, personal and political, that may be called for, in order to prevent the passage of the bill until such time as the American people can be heard from. My confidence in the American people is such that I am satisfied once they come to understand the dangers of the bill it will not pass.

I felt that to be so in the tidelands debate. I felt it deeply, Mr. President, just as I do in the case of this bill. I felt something had to be done in order to break through what was obviously a news boycott by the American press, by and large, concerning the merits and demerits of the tidelands bill.

A review of the long speech I made on that occasion will show that early in that speech I said I thought the only way we could break through that newspaper boycott was to dramatize the issue.

I have been very much disappointed again in the failure of the journalistic profession, by and large, with some notable exceptions, to analyze this atomic-energy bill for the benefit of the reading public and to point out to the American people the dangers that are truly involved in the pending bill.

It makes one sad to note that the journalistic profession failed in its responsibility of reporting the truth and failed in its responsibility of performing its function as the greatest educational institution in America. No educational institution compares with the press as a medium for the presentation of information in educational form, if the press wants to rise to that great responsibility.

In the newspapers of the past few days, one reads stories such as are found in some of the releases today, "Atomic energy bill debate drones on," instead of telling the American people what the differences between and among us on the floor of the Senate are in regard to this bill, instead of pointing out the facts and contentions as presented by both the proponents and the opponents, although the proponents have had relatively little to say thus far in the debate, and instead of bringing out the facts about the bill or criticisms of the bill that have been presented in the debate. The speeches on the merits and demerits of this bill will read well when any student comes to analyze the debate.

The press is aware of the situation, but it has assumed an attitude of lethargy, an attitude of unbelief, an attitude of wishful thinking which have come to characterize the mental reactions of so many of our fellow citizens these days. They would like to believe the best. They do not want to believe the worst. They are psychologically resisting a growing fear that is taking root at the grassroots of America these days, and that fear is that in 1952 they were taken for a political ride. They certainly were, Mr. President. They were fed a lot of nice-sounding promises on issue after issue by the Republican candidate, and they are beginning to discover they were only promises. They are beginning to discover not only that there has not been any deliverance on those promises, but those promises were based upon a campaign strategy of political expediency.

I think the American people are now in a state of great mental shock. They are shaking their heads and wondering. They are asking each other the question, "Did it happen here?"

It is hard to believe it did happen. It happened to them. They were fooled in the campaign by promises based upon political expediency and by a campaign strategy of anything to win; it is votes that count, and if ignoring political principles and political morality will get us the votes, then let us ignore principles and morality.

It happened, Mr. President. During the life of this administration we have seen the people suffer the loss of one interest after another.

Take issue after issue, the hard money policy, the failure to do anything constructive to meet the very serious recession of the past year, the giveaway of billions of dollars of the wealth of the American people in the tidelands, the failure to protect the people's heritage in the natural resources, which show an administration bent on serving not the American people, but the selfish big business interests which obviously control it. The time has come, it seems to me, when a last-ditch fight has to be made before the adjournment of this Congress in opposition to and protest of this sorry record of the Eisenhower administration.

We have had presented to us, in my opinion, a bill which will be so damaging to the future economic welfare of the American people that I urge my colleagues to take a stand here and make this the last point of retreat. I am well aware what that requires, but there comes a time when each one of us has an obligation far beyond us as individuals in importance, because we sit here in the Senate of the United States as symbols of a great public trust. We sit here in the Senate of the United States, as I see it, at least, under the obligation to do whatever lies within our power to protect the public welfare as the public welfare becomes involved in the legislative process.

Here is a piece of legislation, Mr. President, that I cannot reconcile with the public welfare. Here is a piece of legislation which, in my judgment, if it becomes the law, will go a long way, as I suggested the other day, in selling the American people into a monopolistic economic bondage. Here is a piece of legislation which, in my opinion, will give a throttled control over the economy of the country in the hands of a very few monopolies that obtain control over atomic energy. It must be stopped. Who is going to stop it? It is obvious that at this hour a majority in the Senate will not stop it, but I am convinced that the American people would stop it if they understood the facts.

So, as I see it, a minority of us are confronted with really a sacred public trust. We are confronted with a challenge of great personal sacrifice. We are presented with an opportunity of service to the American people. We must be willing to take all the criticisms, or political brickbats, so to speak, that angry editors can conjecture and conjure. We must be willing to do it if we have the conviction which is mine—and I think other Members of this body share my conviction—that this bill sells short the economic welfare and the maximum economic opportunity of generations of unborn American boys and girls. I do not propose to sell them short. I have never felt, in my service, that I count as an individual. I have never felt that this job could be translated into a human equation. I have always felt that I was but a vessel, a vehicle, a medium through which, or by which, the people's business was, in part, to be transacted.

As my colleagues know, the basic tenet of my political philosophy is the same basic tenet of one of the great conservatives of history, Edmund Burke, who, in that famous speech of 1774, in the hot election in Bristol, when his opponent was following the course of political expediency, laid down that beautiful tenet or rule or obligation of representation of any elected representative of a free people serving in a parliamentary body. I paraphrase him when I point out that Burke said the primary obligation of an elected official in a parliamentary body

of a free people is to keep faith with his gift from Providence—his conscience.

To me that tenet makes service in the Senate of the United States very easy and very simple. It simply calls upon each Member of the Senate, on each issue, to ask himself, after he has studied the issue, the very simple question: On which side of this issue is to be found the right? On which side of this issue is to be found the public interest? What are the merits of this issue from the standpoint of promoting the general welfare? Having once come to a conclusion on such questions as these, the vote automatically follows.

Oh, of course, I know, Mr. President, that leaves no room; and, of course, there should be no room, for party dictates. That leaves no room for being told by party leaders in the Senate or at the White House or elsewhere how one should vote. It leaves no room for logrolling or vote trading. But it makes room for a standard of political ethics which the American people have the right to expect their Senators to live up to. That is what it does.

I know the bewhiskered argument that the Burke philosophy of keeping faith with one's gift from Providence, his conscience, does not promote party responsibility. I deny that premise; and I add, Mr. President, it does promote the general welfare. But before commenting upon the service that that principle performs for the general welfare, let me say something about party responsibility.

What a responsible party we would have, irrespective of its name, if each member of it at all times could be counted upon to keep faith with his gift from Providence—his conscience, and to vote his conscience. It not only would produce party responsibility, but, I respectfully submit, it would replace the party irresponsibility which now exists in American politics under the doctrine that an elected official should vote in accordance with party dictates.

I have never been able to understand or comprehend the point of view that in order to have party responsibility, someone must operate or function as a quarterback, and that parties should function as political football teams; that someone in the Senate or at the White House should call political signals, and everyone should play a particular signal-called play or political strategy in the name of party responsibility.

To me, that is party irresponsibility, because, to me, politicians who follow that argument by analogy are not freemen. They are controlled men. They are chattels. They do not belong to themselves, and certainly they do not belong to the people. But they belong to sinister political forces which have succeeded in making puppets out of them. Strings are pulled on that type of politician, and the play which is seen on that puppet stage is a play of political irresponsibility.

It saddens me. It cannot be reconciled with my study of political history, both American and British, as well as some study of the history of other political systems other than Anglo-Saxon.

To me, the great beauty—I think that is the perfect word to use for descriptive purposes—the great beauty of our constitutional system as designed and devised by our constitutional fathers is that it contemplates that men in parliamentary bodies in the United States shall exercise an honest independence of judgment on the merits of issues in accordance with the facts as they find them or honestly believe them to be. That is party responsibility. It is political responsibility. In my judgment, it is an essential of statesmanship.

I consider to be the greatest clause in the Constitution of the United States—and they are all great clauses—to be the general welfare cause. It seems to me that the pattern of all the articles and sections of the Constitution of the United States were penned in order to accomplish the primary purpose of the Constitution, namely, the formation of a political society of freemen and women, so that, acting in concert, through political forms set up in the Constitution, the public welfare would be promoted. The clause of the Constitution with reference to the promotion of the public welfare is, I think, the epitome of the constitutional objective of our constitutional fathers. That is our great moral responsibility as politicians. That is the requirement of political morality resting on the shoulders of each one of us. So we have the duty, as I see it, to test the various proposals for legislation that come before us by the general welfare clause; and I propose to test this bill by it. When I do, I find it so wanting from the standpoint of promoting the public welfare that I urge its defeat. Not only that, but I urge such colleagues of mine in the Senate of the United States, in the days, and if necessary, the weeks immediately ahead, to organize themselves into a determined band stronger than any that ever engaged in a prolonged debate in the history of the Senate of the United States, until the American people have a chance to defeat this proposed legislation. They will defeat it once they come to understand it.

We ought to take the time in the Senate to present the demerits of the bill, paragraph by paragraph. There are 104 pages of it, and in some future speech during this prolonged debate I shall read the bill line by line, and comment on it line by line, because I think someone ought to read it into the RECORD with explanations. I think a bill of such tremendous significance and effect upon the future of the economic life of America ought to be emblazoned on the pages of the CONGRESSIONAL RECORD with due explanations line by line.

In due course I trust that will be done. But for this speech I wish only to impress the importance, as I see it, of a valiant defense of the general welfare by a group of us in the Senate organizing ourselves into a determined band dedicated to the motto, "It shall not pass."

I would be delighted if that great mind, great statesman, and great leader from Alabama [Mr. HILL] would serve as our captain in the fight against the bill. I pledge to him, if he will do that, my enlistment for the duration—God willing, of course. I am satisfied that under his captaincy—no; under his generaliship, Mr. President—we can conduct an educational process in the Senate on the bill for the next few weeks, day and night, if necessary, until almost every member of the adult population of the United States will start asking the question—and that is all I ask them to do—"What is wrong with the bill?"

Once the American people start asking the question, "What is wrong with the bill?" they then will be in the intellectual position of absorbing the facts about the bill. Once we get the sad facts concerning the bill to the American people, I am convinced we will find, in short order, such a reaction against the bill on the part of the overwhelming majority of the American people, that proposals for modifying the bill in support of the general welfare will be passed by a substantial majority in the Senate—such proposals, for example, as that very sound proposal of the Senator from New Mexico [Mr. ANDERSON] which was defeated in the Senate last night.

Mr. President, once the American people start to ask the question, "What is wrong with this bill?" we shall even obtain a two-thirds vote in the Senate to reconsider the vote by which the Anderson amendment was rejected and proceed to agree to it. I am satisfied that an overwhelming majority of the American people would vote for the Anderson amendment once they came to understand it, just as I am satisfied they would vote for a good many other amendments we propose to offer before the debate comes to a close.

Mr. President, the atomic energy bill before the Senate proposes to give away the people's investment in atomic power. In my judgment, it represents the most colossal giveaway ever proposed to the American people. And the people are being asked to indulge in this improvidence on the ground that somehow or other private monopoly is going to give them a greater return in the form of low-cost power than they could expect if further development was retained in Government hands, or turned over to private enterprise only under conditions established by Federal legislation to govern the use of the people's other great power resource, hydroelectric power.

The people are being told that the present arrangement, under which the great corporations and laboratories of the country work together under the direction of the Government, does not provide enough incentive to assure the quick achievement of commercially feasible atomic power. So, the argument runs, the public interest requires an almost unconditional gift of the opportunity to develop this resource to profit-seeking private companies in order that invention may proceed rapidly to the goal.

Somehow the people are being led to expect miracles in the way of lower electric rates once the monopolistic electric utilities get their hands on this new power resource. And they are being expertly persuaded that it is only the Federal Government monopoly in the atomic energy field that stands between them and lower power rates.

This is particularly true in areas like New England, where the people suffer from the highest electric rates and the

scantiest use of electricity in the whole United States.

What the people of the Northeast fail to see is that their high rates are due primarily, not to the cost of fuel in their region, but to the fact that they have been persuaded by private utility monopoly to keep any healthy development of public competition out, by blocking Federal river-basin programs which include hydroelectric power. The Northeast has potential hydroelectric power comparable with that of the Southeast. But the Southeast has secured much lower electric rates through welcoming the Federal Government as the natural partner in the development of the resources of our rivers.

THE YARDSTICK IN THE TENNESSEE VALLEY

The people of the Northeast, and New Englanders in particular, can learn a lesson, which will serve them in good stead in their dealing with the atomic energy challenge, if they will look carefully at a small pamphlet issued by TVA, entitled "TVA's Influence on Electric Rates." This pamphlet tells its story mostly in charts. I wish that I could put them up for all to see, for the moral of their story would go far in demonstrating what is the matter with the proposed atomic energy legislation.

These charts show the United States, with the average bills for 100 kilowatts a month of residential electric service for cities of 50,000 population or over by zones established by concentric circles around Tennessee as the center. One map shows the situation in 1932, before TVA was started. The other shows it in 1952.

The map showing the situation in 1932 shows that Tennessee had the highest residential bill for this service, or $5.26. In fact, there was not much variation among the other zones so far as the east was concerned, with the average bill ranging around $5. The Pacific Northwest, however, had lower bills, with the State of Washington, where Seattle and Tacoma have long operated municipally owned systems, having the lowest average in the country—$3.18.

But, when we look at the situation in 1952, we find that a definite pattern has developed. Washington State, now within the Bonneville Power Administration area, still had the lowest average bill for 100 kilowatt-hours a month of residential service, or $2.39. The TVA area came next with $2.50. Then, going outward from the TVA area, we find the average bills ranging progressively higher, until they reach an average of $4.12 for the west north central and northeastern zone, which includes New York and most of New England.

Looking at it in another way, the reductions in average bills for 100-kilowatt-hours of electricity between 1932 and 1952 were: For the Tennessee Valley region, $2.76; for the next zone, $1.73; for the second zone beyond, $1.12; for the third zone, $1.24; and for the remotest zone, including New York and New England, only $0.78. In other words, in the Tennessee Valley region, where a Federal program of river-basin development had gone forward, bills for 100 kilowatt-hours of electric service had gone down 3½ times as rapidly as in the New York-New England zone, where there had been no such program. Even in the zone next to the Tennessee Valley, the reductions in residential bills in the 20-year period had exceeded those in the most remote zone by more than 2 to 1.

I bring these comparisons to your attention early in my remarks, Mr. President, because I want it clearly understood that it is not so much the initial cost of the energy component—that is, the production cost—in electric bills, as the power policy, which governs the development and marketing of the power which determines whether people pay high or low electric rates.

Mr. President, I bring this to your attention early in my speech because I hitch these electrical facts directly to the question, On which side is the public interest to be found in connection with the matter of bills for the consumption of electricity?

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. I yield for a question only.

Mr. DOUGLAS. Does the Senator from Oregon feel that there is any connection between the high power rates of New England, which are approximately 90 percent higher than the low rate just quoted, and the fact that industry has been moving out of New England, and that region as a whole has been failing to advance?

Mr. MORSE. My answer is that I think there is always a direct relationship between the cost of producing goods and the decision of a manufacturer as to the location of the site of his plant for the production of goods. I rely now, not upon my observations, Mr. President, but upon the opinions of a great many persons in the field of industry in the Northeast, who will testify—and do testify and do say and write—that the high cost of production in New England is due in large part to the high cost of electric power. They complain that areas that have cheap electric power are given a great competitive advantage over New England. I think their conclusion is unanswerable, and my record in the Senate will so show. In fact, I remember that last year, when the junior Senator from Massachusetts [Mr. KENNEDY] was making his brilliant series of speeches on the economic problems of the New England area, I interrupted him, one afternoon, as I recall, and examined him a bit upon the electric power potential in New England, by way of hydroelectric development. The CONGRESSIONAL RECORD will speak for itself in that connection, of course; but I am sure I accurately paraphrase the remarks made on that occasion by the junior Senator from Massachusetts, when I say that in the course of that debate he pointed out that he was greatly concerned about the lack of cheap hydroelectric power in New England. He agreed with me in that colloquy that there are a good many sites in New England where hydroelectric potentials can be developed. The CONGRESSIONAL RECORD will show that I pledged to the Senator from Massachusetts at that time, as I do to each and every other Senator in this body in whose State there are undeveloped hydroelectric power sites, that I could always be counted upon to support him in any proposed piece of legislation which would seek to extend the public power yardstick to New England. It is sorely needed in New England.

One of the reasons why I made the fight I did this year in the Public Works Committee, along with some very able colleagues, for the Lehman-Roosevelt Niagara bill was that in my judgment it would bring a greater opportunity for development of a public power yardstick that would serve New England from the falling waters of Niagara than any other proposal with regard to the Niagara development that was before the committee.

I think the Senator from Illinois has put his finger on one of the great needs of the New England area—cheap electric power. But New England is not going to get cheap electric power, either from hydroelectric development or atomic energy development, if the power is to be supplied by private utility monopolies which do not have to operate against a public power yardstick for competitive purposes.

That leads me to one of my objections to this bill, although in this speech I shall go into it in greater detail than at this moment.

One of my great objections to this bill is that in my judgment it plays into the hands of the private monopolies. It denies to the people in the areas that are to be served by such reactors as are built under the terms of this bill by private utilities of a public power competitive source for their electricity. That is why I say I cannot reconcile this proposal with the public welfare.

In fact, there is considerable expert opinion to the effect that we probably could spot from 12 to 18 atomic energy power-developing reactors in various regions of the country, and in the not too distant future develop enough electric power from those reactors, if all goes well with this atomic energy program—and the scientists seem very confident about it—to supply all the power needs of the Nation. I say from 12 to 18 reactors. They would have to be large reactors, I understand, costing between $200 million and $400 million apiece. But our scientists are leading us to believe that such a possibility is a probability. That is why I say we ought to take a long look at this bill. If we are dealing here with a source of electric power—and I think we can take judicial notice that we are—which can supply that amount of power, then we had better make certain that we have protected the public interest. We will not have protected the public interest unless we so amend this bill that we have in it the same safeguards that the great Norris, La Follette, Johnson, Borah, McNary, and a good many of the other liberals of times gone by in the Senate saw to it were written into the power policy of this country in a series of legislative measures starting with the bill of 1903 and including, of course, the various flood control acts, the Bonneville Act, and other

acts relative to our great multiple-purpose dam developments.

I should like to make clear rather early in the speech that I think once again we see the illustration of how historic patterns have a tendency to repeat themselves. There is nothing new in the battle taking place in the Senate this morning. This has been an oft-repeated battle—the fight conducted by one group of Senators to protect the economic interests of the masses of our people against others who seem to think that the masses of the people can best be served through the strengthening of monopolistic control over the economic potentials of the country. It represents a very deep-seated difference in political philosophy, really. We come to grips in an issue such as this with the kind of philosophical approach we are to make to the operation of a representative government.

Are we to follow the theory which I think is dominant in the Eisenhower administration, and which, unfortunately, has come to be dominant, in my opinion, in Republican philosophy? It was one of the many reasons why I reluctantly came to the point of view that I could not square continued membership in the Republican Party with my own conscience, and led to my resignation.

I say we come to grips here in a repetition of the oft-repeated battle in the Senate, with the issue, Are we going to seek to protect the economic welfare of the masses of the people by retaining in the Government a check upon private monopoly and the power on the part of the Government itself to do those things which need to be done in order to protect and promote the best welfare of the people?

Oh, I was amused to find the President of the United States some months ago belatedly discovering that great political tenet of Abraham Lincoln, to the effect that it is one of the primary obligations of a proper representative government to do for the people what they cannot do themselves or cannot so well do themselves, but what needs to be done in the public interest. It is wonderful to see Mr. Eisenhower quoted at a press conference. How sad that his record shows it is naught but a quotation. It is not a rule of political conduct, because his record is not a record which shows that he believes in putting it into action.

I am only suggesting that the Republicans practice that all-American doctrine. It is not Republican doctrine alone, Mr. President. It is Lincoln doctrine, but it is good American doctrine. We cannot promote the general welfare under democratic processes in a representative government unless we recognize that the Government itself has the duty to act in whatever manner is necessary to do for all the people what needs to be done, and what they cannot so well do for themselves.

Here is an example, Mr. President. I am urging and I shall continue to urge that there be written into this bill plenty of language that will keep faith with Lincoln and will keep faith with George Norris, and keep faith with the concept that this Government of ours has a duty to retain unto itself, in connection with atomic energy, not only the authority, not only the right, but the clear obligation so to do that some of these reactors that will be self-liquidating in nature are built by the people through their Government, and that the people will have the benefit of cheap power produced under that kind of public power yardstick.

Through the operation of that kind of Government plan industry, which is given a license also to generate power from atomic energy, will necessarily have to conform to the yardstick the Government has laid down, because we are dealing here with a matter of energy, economic energy. It is the energy that makes the economy go round and round.

I know it will be subject to misinterpretation and to twisting, and will be taken out of context. However, it represents a point of view I want to stress here tonight, because I stand on it, and I have no apology to make for it. I think the Government has the duty of maintaining control over the principal source of energy that makes the wheels of American industry go round.

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

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. May I ask the Senator from Oregon if I am correct in my belief that he is not opposing a considerable degree of private development of atomic energy?

Mr. MORSE. On the contrary, Mr. President, I am urging the development of atomic energy by private industry under necessary controls and checks and regulations, so that the evils of monopoly will not develop and so that the American people will not have to pay tribute to a private monopoly and will have to pay only a very fair price for the power that is generated. My position is the same, I may say to the Senator from Illinois, with regard to private industry development of electric energy through atomic energy power as my insistence that private utilities have the right to develop and be encouraged to develop electric power at hydroelectric sites where so-called low dams are feasible.

I am only insisting that the American people retain this right that will empower their Government to build some reactors in order to have better use and better distribution, just as we built the great multiple purpose dams and developed power hydroelectrically.

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

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Then, is the Senator from Illinois correct in believing that all the Senator from Oregon is contending for is that the Government should not be foreclosed from the possibility of building some of the reactors itself and developing electric power itself, and that it should have the opportunity to do so if a later Congress is willing to make the necessary appropriations?

Mr. MORSE. That is exactly the position of the Senator from Oregon, and I am glad the Senator from Illinois has raised the point, so that at least it will quash any justification for any misinterpretation of the remarks of the Senator from Oregon.

As I said, I bring these comparisons to the attention of the Senate tonight early in my remarks because I want it clearly understood that it is not so much the initial cost of the energy component that represents the production cost in electric bills as the power policy which governs the development and marketing of the power which determines whether people pay high or low electric rates.

It would be a tragic mistake if people should be mesmerized by the propaganda into believing that all you need to do is to turn the development of atomic power over to the private power monopolies to be on the road to lower electric rates. No more fatal blunder could be made in connection with the setting up of the legal framework within which the atomic power age is going to develop.

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

Mr. MORSE. I yield for a question only.

Mr. DOUGLAS. Is the Senator from Illinois correct in his impression that in New England the cost of power to the household user is probably 10 times the generating cost per kilowatt-hour?

Mr. MORSE. Yes; I think that is a very accurate statement of the average we see in the comparative tables which are presented to us which compare New England rates with rates in the low power rate areas.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a further question?

Mr. MORSE. Yes; for a question.

Mr. DOUGLAS. Then, is the Senator from Illinois correct in his impression that it is in the field of transmission and distribution costs or charges that the New England rates and the private rates have been kept high?

Mr. MORSE. Yes; the transmission charges in New England are, in my judgment, exorbitant. That raises an interesting angle on this power problem. There are those, of course, who cry "Wolf! Wolf!" about creeping socialism when one suggests Government grid-back transmission systems. The fact remains that we cannot have cheap power distributed unless the Government transmits the power to so-called load centers, and contracts for power are made off the load centers. That means that we cannot have bus-bar sales. As everyone who knows my power stand is aware, I am unalterably opposed to any bus-bar deals with private utilities. I insist that the people not only ought to build multiple-purpose dams, but they ought to build so-called heavy transmission grid-back transmission lines to load centers, and all groups, including the private utilities, that want to buy any of that power should be given fair consideration in purchasing power off the load centers and off the Government grid back.

Yet, Mr. President, what have we found to be the record of the Eisenhower administration in the whole matter of transmission lines? It has been a record of denying necessary appropriations, of

cutting back REA transmission line appropriation requests. It has been a record of crying "Creeping socialism" when anyone proposes that the people through their Government, should build their own transmission lines so long as the power is developed from their own dams. There have been instances of the Secretary of the Interior signing some very undesirable contracts, turning over some transmission lines, such as a line in the southern part of my State, to a private utility, even though in that case the Government had already spent a substantial sum on clearing the way, building a part of the line, and distributing material along much of the remaining cleared right-of-way.

No, Mr. President, we do not have here, as some would like to believe of those of us who are opposed to turning over atomic energy power resources to private utilities, a situation in which we are either for 100 percent public power or 100 percent private power. I have always taken the position that public power and private power can prosper in the same area, in the same region. We have demonstrated it in the Pacific Northwest. The building of the great multiple-purpose dams, Mr. President, has not put the private utilities out of business. They have continued to make a good profit. In fact, before this administration came into being, the private utilities were enthusiastic supporters of such cooperative enterprises, for example, as the Tacoma pooling agreement, whereby it was agreed that the power, both public and private, should go into a common pool, to be distributed in accordance with the needs of the consumers.

I wish to say again this morning, as I have said in my State many times, that I think the Government should be proceeding more rapidly than it was inclined to, and give to the private utilities longer-term contracts and fairer contracts than it had been giving. But now we have the Eisenhower administration in power, and it has gone to the other extreme. We have the McKay 20-year contracts with a group of private utilities in the Pacific Northwest. It is my judgment that the McKay contracts constitute an unconscionable giveaway of the rights of the people of the country as well as of the Pacific Northwest. There is a joker clause in the McKay contract which provides, in effect, that if some private utility is found to be violating the power policy laid down by the Administrator, the Administrator can give 4 years' notice and if it does not comply within 4 years, the Administrator can take it into court.

Of course, under the old arrangement—and it was a sound arrangement—because, while there was a cause of action against the Administrator if he acted capriciously, without reasonable discretion; yet he could turn the switch on the private utility, and, in the public interest, compel compliance with Federal power policy. But not so under this monstrosity McKay has signed with the private utilities in the Pacific Northwest. What I think we should do as reasonable men is to recognize that there is a truly middle course. I am not for Federal monopoly of the power resources of America; neither am I for private or public monopoly of the power resources of America. I think we have to develop a cooperative program between private industry and Government, whereby the Government maintains some of the generating facilities as a public-power competitive yardstick against private utilities. I think the Government must be required to be fair and reasonable in its contracts with private utilities. But such provisions do not exist in this bill, so far as protecting the public interest against a private monopoly is concerned.

So I say, Mr. President, that I have something even more important to point out to show the fallacy which I think is inherent in this bill, of giving to the private utilities what really amounts to unchecked control so far as unchecked control is concerned in the atomic energy electric power development program.

FALLACIOUS ARGUMENTS FOR PATENT MONOPOLY

I am convinced by the evidence which I have seen that the people are being made the victim of a gigantic hoax to win their support for turning this great new energy resource over to private enterprise, practically without strings protecting the people's interest in low-cost electricity. That hoax takes the form of the reiterated statement that the Federal Government has not yet brought the art of atomic-energy development to the point where atomic electric power is commercially feasible and that to get over the hump we need to put the private profit motive to work by allowing private patents for inventions and discoveries, as well as private utility ownership and operation of nuclear or atomic powerplants.

It is my belief that the feverish activity to get this bill through Congress in a half-baked condition during the last days of the present session is due not to a passion to get the people atomic power as quickly as possible but to the determination to get the Government out of the business before the people wake up to the fact that devoted scientists working for the people have already brought the technology of atomic-power production to the point of realization. Only the construction of the very large plants, which the present state of the art calls for, is required to produce power which would undersell conventional generation, at least in high fuel-cost areas.

I might add that, like hydroelectric stations, a greater portion of the cost of producing atomic power will be in the fixed charges than in the operating expenses. This means that low-cost Government credit could play an important part in assuring atomic power at the lowest possible cost.

But to come back to this propaganda hoax that would persuade the people that economical atomic power is still a good many years ahead, the exact date when it makes its bow being still rather uncertain, I think that is just creating a setup to discourage the people from supporting Government development and provide the basis for what will appear to be a sudden demonstration of the genius of private enterprise once the giveaway has been accomplished.

Now, of course, I am venturing into a field in which someone will probably tell me that angels fear to tread, for I certainly am speaking without any inside knowledge of the secrets which are so jealously guarded. But a number of papers which have been presented by those who have been on the inside, and articles which have been written in scientific and trade journals, not to mention bits of information culled from testimony and statements of the past and present Chairmen of the Atomic Energy Commission, suggest that economically feasible atomic power will come into the picture just about as fast as the time required to construct a few really large stations. That means generating stations with capacity ranging up from a quarter of a million kilowatts, comparable with the big conventional fuel-generating stations.

This means that the people of the United States are being asked through this bill to present private industry, not with a challenging opportunity to risk capital in a development which is still speculative, but with an almost completed power development technique, brought to the commercial stage almost wholly through investment by the people.

That is why I contend that this will be recognized, if Congress enacts and the President signs this bill, as the most colossal giveaway in history.

THE ENORMITY OF THE GIVEAWAY

Before going on to support my contention with facts drawn from these expert sources, I want to tell you just how big a giveaway this will be.

Mr. President, if you will look at the report of a Forum on Business Opportunities in Atomic Energy, held under the auspices of the Atomic Industrial Forum in New York City during May of this year, you will find an interesting paper presented by R. P. Petersen, Chief of the Industrial and Production Reactors Branch of the Atomic Energy Commission's Division of Reactor Development. I shall have further comment on this paper. But at this point I will merely refer to the figures he presented showing the country's reserves of the various kinds of fuel.

These figures were prepared for the Commission by Palmer C. Putnam, one of their outstanding consultants. In brief they show that if 4 billion tons of coal are taken as the unit of measurement, all the coal and petroleum and oil shale and natural gas reserves of the country put together equal only 9.2 such units, if we are talking about what the AEC terms "assured reserves," and only 29.1 such units if the ultimate possibilities are plumbed. In contrast, the figures show that the country's reserves of nuclear fuel, the source of atomic power, are estimated at 1,500 such units, or 1,500 times 4 billion tons of coal. That would be a mighty big pile of coal.

NOT JUST MILLIONS—BUT TRILLIONS

In other words, the giveaway to private monopoly contemplated by this bill is equivalent to 16 times the assured reserves and 6 times the ultimately possible reserves of all the coal, oil, shale, and natural gas reserves of the coun-

try put together. If we take the price of coal at $7 per ton, this giveaway would ultimately stack up to some astronomical figure like $42 trillion, or in ordinary language, $42 million million.

Today this vast wealth belongs to the people by virtue of the fact that they risked all the money that has opened up its use. Under the existing McMahon Act, it is theirs to use in the public interest. As I am going to show, their risk capital has brought the technology of the atomic age to the point where commercially feasible electric power is to all intents and purposes no further away than the time required to construct a few big generating stations. Here in the Senate we have a great responsibility to make sure that, when this new form of electric power takes its place in the country's magnificent energy economy, the profits on the people's equity in the business shall flow to them in electric rates much lower than private monopoly is willing to charge.

I wish to assure the Senator from Kansas [Mr. SCHOEPPEL] that, in my judgment, that is exactly what the people of Kansas would agree with. I am satisfied that the Senator would find in Kansas very little disagreement with the position taken this morning by the Senator from Oregon. I think he would find that the people of Kansas do not want the Senate to give away not $42 million but $42 trillion of the heritage of generations of American boys and girls, yet unborn, in the great atomic energy resources of the Nation.

One of the reasons why I am making this effort—and it is a pleasant effort—is that I am deeply moved by a great sense of patriotic obligation to those unborn generations of American boys and girls. I would not want them, as they came on the face of the earth, to read in the CONGRESSIONAL RECORD any failure on my part to make the fight I am making here today to try to absorb the necessary amount of time until the people in Kansas, Oregon, California, Maine, Illinois, Texas, and every other State of the Union, come to an understanding and an appreciation of the tremendous giveaway of the people's wealth which, I respectfully submit, is to be found in the bill.

I am always delighted when the Senator from Kansas listens to me make my plea in an endeavor to protect the general welfare.

ATOMIC POWER CLOSE AT HAND

Now, I may be asked, on what do you base your conclusion that the art has been brought to the point where it would be possible to start constructing a giant atomic powerplant tomorrow, which would be commercially feasible in parts of the country where power supply costs are presently high?

In the first place, Prof. Manson Benedict, of the Massachusetts Institute of Technology, analyzed at some length in the Chemical Engineer in 1952 the possibilities of an atomic powerplant in Boston, Mass. His answer was by no means immediately encouraging. For, after noting the estimates of Dr. Donald Loughbridge, assistant director of the AEC division of reactor development, that the cost of a nuclear power plant, using present-day techniques, would be something like $500 or $600 per kilowatt of capacity, he found that the allowable powerplant investment for such a project to compete in Boston could not exceed $258. And his $258 figure was based on the assumption of practically zero fuel cost.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question?

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. When the Senator from Oregon speaks of the cost as being $258, he is referring to a cost of $258 per kilowatt, is he not?

Mr. MORSE. That is correct.

Benedict's conclusion at that time was that "before nuclear fuels could compete with coal in Boston, it would be necessary to develop a successful breeding reactor and cut the cost of a nuclear powerplant in half."

Those estimates were made about 2 years ago. I mention this because I want to suggest how rapidly atomic technology is moving toward meeting that challenge. For I am going to discuss at some length an article in the July 12, 1954, Electrical World, trade journal of the electric utility and electric equipment industry, in which Francis K. McCune, general manager of the atomic products division of General Electric Co., estimates the plant investment cost of a complete atomic powerplant, designed to use the "light water" boiling reactor principle, at $243 per kilowatt, and this includes allowance for what he terms the "nuclear fuel inventory." In other words, Dr. Loughbridge's estimates of atomic power plant cost have already been cut in half.

The article is adapted from a paper which Mr. McCune presented to the Atomic Industrial Forum panel in Washington, D. C., May 24, 1954.

But before discussing the facts brought out in this latest authoritative paper, I should like to call attention to some earlier indications of the progress which is being made, particularly during the past 2 years, toward commercially feasible atomic power.

FORMER CHAIRMAN GORDON DEAN'S OBSERVATIONS

In the first place, I have found a few very interesting indications of how fast the possibility of commercially feasible power from the atom is approaching in a book by Gordon Dean, former Chairman of the Atomic Energy Commission, published last fall by Alfred A. Knopf. The book is entitled "Report of the Atom." On page 164 he says that—

> Up to now we have been in a phase in reactor development where the costs have been terrifically high, and where the payoff has been over the horizon.

He then continues:

> But all this is changing. In racing parlance, it might be said that we have rounded the usable power turn and are headed into the economically feasible power stretch. The goal is in sight. The principle of atomic power has been proved; all that remains is to cut the costs.

Now let us see just what Chairman Dean is thinking about when he talks about the remaining job of cutting the costs.

Mr. Dean, as my colleagues know, was chairman of the Atomic Energy Commission. I know him very well, and have the highest regard for his integrity, his competency, his judgment, and his knowledge in the field of atomic energy. I served under Gordon Dean in the Department of Justice for a couple of years. He was chairman of an executive committee that really was my boss in connection with a project I did as assistant to the Attorney General from 1936 to 1938. I know Mr. Dean so well, and have such a high regard for him, Mr. President, that I place a great deal of weight in his judgment. Listen to what he says. He has suggested the answer previously on page 160 of his book, where, after commenting on the suggestion that the first reactor to produce usable power for a practical civilian purpose should be located in an area—say, the Arctic—where fuel costs are high, he continues:

> This might be true, but there are several drawbacks to such an approach in the year 1953. Inasmuch as a stationary reactor designed solely to produce power for a practical purpose has never been built, the scientists are not at all sure of the best design or the most economical size. A small reactor producing 10,000 kilowatts of electric energy might be built today for $10 million and produce electricity at 50 mills per kilowatt-hour.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. What was the cost a kilowatt-hour which the Senator from Oregon quoted?

Mr. MORSE. Fifty mills a kilowatt-hour.

Mr. DOUGLAS. I ask the Senator if that is not an impossible cost. It would be impossible for an atomic plant to compete with private power under those conditions, would it not?

Mr. MORSE. As of now, it is; but it demonstrates the thesis that I am now pursuing in my speech, namely, the tremendous decrease we have already seen, in a few short years, in the cost of electric power production from an atomic energy reactor. As Gordon Dean states in his book: "All that is remaining now is the problem of cutting production costs."

When there is attained the kind of reduction in costs he is talking about, when the costs are cut down to 50 mills, as compared to the many times higher cost which was predicted 2 years ago, I would say we are making progress. That is one of the reasons why I urge that the Government keep a hand of control over this resource, and that we not give it away to the private utilities, because they are interested in getting hold of it—at least, it appears that way to me—because they have inside information that, with the technological advancement which lies just ahead, there will result the production of electric power at a cost which will make it possible for that kind of power to compete with hydroelectric power.

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

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Did the Senator from Illinois misunderstand the figures used by the Senator from Oregon earlier? He quoted a cost as of 1952, of $258 a kilowatt-hour.

Mr. MORSE. Two hundred and fifty-eight dollars, according to Loughbridges' estimate.

Mr. DOUGLAS. Is that generating cost or capital investment?

Mr. MORSE. That is generating cost. I suppose it takes into account interest on the capital investment.

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

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Then, I take it that the Senator from Oregon, when he quoted the figure $258, was not referring to capital investment, but to the cost of producing electrical power, was he not?

Mr. MORSE. That is what Mr. Loughbridge said in the quotation I used. Of course, I do not know the details of the basis of his figures.

Mr. DOUGLAS. If I may ask the Senator from Oregon this question: What does he understand would be the cost of the most economical reactor under present conditions?

Mr. MORSE. The experts seem to think it would be between $200 million and $400 million.

Mr. DOUGLAS. How much power would such a reactor be expected to generate?

Mr. MORSE. I cannot answer that question.

Mr. DOUGLAS. Am I to understand the Senator from Oregon to say that in order to enter the atomic-energy game, so to speak, one would have to put up from $200 million to $400 million?

Mr. MORSE. I understand that would be the most economical operation.

Mr. DOUGLAS. If that be true, may I ask the Senator from Oregon if he would expect large numbers of private companies to knock each other over in a given region in their haste and anxiety to enter the field?

Mr. MORSE. That is a part of the burden of my argument. There would be, I think, only a few special, privileged groups and combines that would do it. There would be a cluster of private-utility combines seeking to get monopolistic control of such an enterprise. That is why I say, most respectfully, that I think it is absurd to argue on the floor of the Senate, as has been argued during the course of the debate, that there is nothing that would stop a cooperative or municipality or REA from going ahead and entering the atomic-energy and electric-power-producing business under the bill. The only thing that stops them—it is perfectly obvious—is that no municipality would find it possible to raise between $200 million and $400 million to build one of the reactors. I do not believe that any Member of the Senate could name even one municipality which would find it possible to do that. Certainly no little, struggling REA or farm cooperative or municipal power group would be able to raise that much money.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Does the Senator from Oregon remember the story which is told about John W. Gates and Charles M. Schwab? John W. Gates was a resident of my State, and was known as "Bet-you-a-million" Gates; and on a trip to New York on the 20th Century Limited at one time it is said that the two of them were playing poker with a group of cronies. Does the Senator from Oregon remember that story?

Mr. MORSE. No, I do not remember it.

Mr. DOUGLAS. Does the Senator from Oregon remember, further, that when they were playing, a commercial traveler showed great anxiety to get into the game; and does the Senator from Oregon remember that Mr. Schwab and Mr. Gates paid no attention to him, until finally he flipped down a thousand dollars, and said, "Now, here, let me into the game, I want some chips," and that Mr. Schwab then said, "Give the gentleman one white chip."

Does the Senator from Oregon think that is an appropriate reference?

Mr. MORSE. Oh, I think it is completely apropos. It is a perfect fitting cloak for the situation that is presented by this bill—another example of the "big boy" control, and of the little fellow's taking what they hand out to him.

Mr. President, I now continue with the quotation from Gordon Dean:

> But a reactor costing only 6 times as much might be expected to produce 25 times as much electric energy at 8 mills per kilowatt-hour.

Mr. President, I wish to read that again, and also to go back somewhat in the reading of the quotation, because here we have the testimony of a former chairman of the Atomic Energy Commission, who was writing with a great wealth of background information on what is happening in the atomic energy field. He said—and I repeat the last two sentences of the quotation:

> A small reactor producing 10,000 kilowatts of electric energy might be built today for $10 million and produce electricity at 50 mills per kilowatt-hour. But a reactor costing only 6 times as much might be expected to produce 25 times as much electric energy at 8 mills per kilowatt-hour.

Mr. President, eight mills per kilowatt-hour for the cost of producing atomic power would be commercially feasible in the vicinity of Boston, Mass., today. We may well ask, what has been holding back the Atomic Energy Commission from undertaking, or at least proposing to Congress that it undertake, a number of full-fledged powerplants? Mr. Dean completed his remarks on this phase of the matter with the following reflection—and, Mr. President, I particularly wish to call the attention of the Senator from Illinois to that statement by Gordon Dean, because we have been discussing cost estimates by a group of experts in this field; but all of them protect themselves with observations to this effect—and now I quote from Mr. Dean:

> No one, of course, knows any of these things for certain, for the simple reason that no real atomic powerplant has yet been built and operated. Many of our cost calculations will depend to a large extent upon what we learn in the immediate future about the construction of power reactors. But units of the size described, and at the cost indicated, appear to be feasible and will probably produce power at the prices quoted.

Here, Mr. President, we have the definite suggestion that, without turning the people's great new resource over to private enterprise—to private monopoly, if you will—the technology of atomic power has been developed to the point where, if we build a big enough atomic powerhouse, 8-mill power is in sight. Actually, as I shall point out later, writing about a year after Chairman Dean, Mr. McCune, of the General Electric Atomic Products Division, is showing that the per kilowatt-hour cost may be reduced to 6.7 mills when the atomic powerplant which he is describing is constructed.

But before turning to these later technical discussions of the nearness of commercially feasible atomic power, I want to suggest how little dependence men inside the Commission's activities are really placing upon private enterprise to get in and underwrite the progress which the people are being taught will come only when private risk capital is allowed to get into the picture.

Right after making a series of suggestions for changing the rules so as to encourage private enterprise to get into the atomic power field, Chairman Dean makes the following significant admission:

> Meanwhile, to help create the technological clime needed for further rapid progress, it is quite evident to me that the Government, through the Atomic Energy Commission, must continue to play a significant and leading role in reactor development, not only for military purposes, but for general power purposes, as well. Although the Commission should never be in the atomic power business, in the sense of building and operating large power reactors for the sale of electricity to consumers, it does, however, have the responsibility of stimulating within its own laboratories, and in industry, an intensive search for ways and means of extracting usable power from the atom.

Thus, it is clear that the people are going to continue to take the risk and provide the enterprise. Sometimes I have been impressed with the fact that, with all the hurrah about private enterprise, a careful search would reveal the fact that our great monopolistic corporations put more emphasis on the word "private" than on the word "enterprise." They are more concerned with conservation of capital than conservation of resources. In fact, their tendency is to conserve capital rather than to risk it.

FINAL STEPS REQUIRE AEC PIONEERING AT TAXPAYERS' COST

This fact is brought to light even more clearly in the atomic development field by a further paragraph from Gordon Dean's book. He gives away the fact that the main objective behind the present bill is not to release the dynamic

forces of competitive private enterprise, but to get the Government out of the power field while continuing to subsidize with the people's money the developmental work from which riskless capital will profit. Dean writes:

To carry out its responsibility to foster and encourage advancement in reactor technology, the Commission may well have to construct some pilot plants of varying designs and run them under conditions simulating large power reactor operations. Few, if any, private concerns are in a position to place risk capital into large reactors costing $60 million to $120 million or more without pilot-plant experience behind them; and few, if any, would be prepared today to put risk money even into pilot plants costing on the order of $10 million.

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

Mr. MORSE. I yield for a question only.

Mr. GORE. Do not the facts just cited by the able junior Senator from Oregon illustrate the need for an amendment such as the amendment offered by the senior Senator from Colorado [Mr. JOHNSON] or some other such amendment making it possible for the Government, either through the Atomic Energy Commission or some other agency, to develop electricity in commercial quantities?

Mr. MORSE. That is the burden of my argument. That is the burden of this part of my speech. I am trying to point out to my friend from Tennessee, who has made such a brilliant and able fight in this controversy, that we, the Government, have the duty of retaining control over atomic energy power development projects by our public preference; by our requirement, affirmatively stated in the bill, that the Atomic Energy Commission shall be authorized to build some of these reactor plants itself, strategically located in this country, just as we build some of the great multiple-purpose dams.

Continuing with the quotation from Gordon Dean's book, he says:

In close association with industrial groups, whether public or private, the Commission must, therefore, design and build and operate the forerunners of the large reactors which will some day feed appreciable quantities of electricity into the utility networks of the country.

Clearly, in the bill now before the Senate we have an amazing proposal. The people who have risked billions of dollars in bringing the development of this new atomic resource to the verge of commercial utilization are being told that it is in their interest to turn the development of the commercial business itself over to giant private utility and equipment companies which cannot be expected to risk even $10 million on the pilot plants which will finally test the various processes before the first big atomic power station is built.

Proponents of the bill will, of course, point to the 60,000 kilowatt atomic power station which Westinghouse Electric is now constructing for a combination of the AEC and the Duquesne Power Co. near Pittsburgh. But a little examination will reveal the extent to which any argument, which uses this as an example of the readiness of private companies to risk capital in such undertakings, is just a part of the great hoax which is being put over on the people. There is every evidence that the entire proposition plays into the power monopoly campaign to persuade the people that private enterprise offers the only assurance of low-cost atomic power soon.

BOGUS ATOMIC PARTNERSHIP

The Duquesne undertaking is actually just another instance in which the people, through the Federal Government, are taking all the risk, and private monopoly getting all the benefit. For the Government is building the reactor with the power company putting up the capital only for the electric power features which will hook onto the reactor and transform the atomic energy into electricity. The Government is actually guaranteeing the energy, which corresponds to that which a conventional steam boiler unit delivers to an electric turbine generator, at no more than what it would cost Duquesne Power Co. if it had to build a standard steam station. The whole station is so designed that, should the atomic reactor prove unsatisfactory, a conventional steam boiler unit could be substituted and the plant remain in service.

Another aspect of this Duquesne Power-Federal partnership which raises a serious question as to whether it will not play in with the private-company thesis, that only by letting private enterprise take over can the American people get commercially feasible atomic power, is the fact that this first moderate-sized pilot plant is apparently to employ what is considered one of the higher-cost types of reactor. What Chairman Strauss of AEC terms "the country's first full-scale nuclear powerplant" of 60,000 kilowatt capacity will use a "pressurized water" reactor. Apparently the General Electric Co. believes that the "boiling water" or "graphite moderated" reactors offer the best present possibilities for low-cost atomic power.

The AEC has not undertaken any large scale pilot plant experiments with either type of reactor.

It seems to me that some excerpts from the unclassified text of an AEC report on a Program Proposed for Developing Nuclear Power Plant Technology cast much light on the purpose behind the facts to which I have just called attention. Chairman Strauss presented these excerpts to the Joint Commission on Atomic Energy in some detail during the hearings. Following a brief summary of the five reactor experiments which are going forward, the report states:

Consisting largely of small, experimental reactors, the program is designed to provide a foundation upon which future work toward industrial nuclear power can be undertaken by Government or industry. It is based on the assumption that the law will be changed to make industrial participation in reactor development more attractive.

I would give particular emphasis to the last sentence because it suggests that the Commission's whole slant has been toward the private power point of view and that most of its experimental work in the direction of industrial power from the atom has been designed to further the ultimate private takeover of the atomic power industry.

The AEC report was moderately optimistic. It said:

Economic evaluations by the Commission and its contractors show that the probability of producing electricity from nuclear fuel at a cost competitive with electricity from coal, oil, or gas is good. The estimates generally indicate that if the goal of economic nuclear power is pursued with vigor, costs can be brought down—in an established nuclear power industry—until the cost of electricity from nuclear fuel is about the same as the cost of electricity from conventional fuels, and this within a decade or two.

This suggestion of the time schedule as involving a "decade or two" is so out of line with what appear to be the understandings between the AEC and private industry that it again raises the question whether Congress and the people are not being bamboozled in order to further the giveaway to the private power industry.

Of course, it is always rather amusing to me in the course of the debate that if it is a decade or two, why this mad rush to get this bill through now? There is no need for enacting this bill now. Let us wait until next January. Let us wait until the people get a chance to react to this private monopoly reactor proposal in the bill.

There is no question about Chairman Strauss' view that "the big job of driving costs down to levels competitive with conventional electric energy can best be accomplished by joint effort of both industry and Government as a working team."

That is why I said earlier in my speech that that is what I am in favor of. We cannot reconcile that with creating a monopoly. We cannot reconcile that with the monopolistic control this bill turns over to private industry.

Admiral Strauss' idea would be to reduce the Government's part as fast as possible, leaving the entire field of civilian development to private monopoly. This seems to me to be all of a piece with his readiness to let the AEC be used as a front for the private power monopoly's planned invasion of the Tennessee Valley Authority.

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

Mr. MORSE. I yield for a question only.

Mr. GORE. Would the junior Senator from Oregon not agree that a more accurate description would be to aid in helping to use or misuse the Atomic Energy Commission in this regard?

Mr. MORSE. I do not think there is any question about it. That is why I believe we should hold this line until Christmas, if necessary, to get the American people to understand what Admiral Strauss is up to and what the people for whom he is stooging are up to.

How far Admiral Strauss' real thinking is from the important concept of both private and public participation, once the Congress has enacted the proposed legislation is clear from the following excerpt from this statement to the joint committee. He said:

The legislation which has been proposed has as its objective, as I see it, not only

drawing on the skill and resources of American industry, but also integrating atomic energy with the established institutions of the Nation. Its provisions call for recognition of private ownership qualified only by the reservations necessary to protect the national security and the public health and safety and to assure that the advantageous position of individuals and firms already in the program is not a bar to widening future participation by others.

NO SAFEGUARDS FOR THE PUBLIC

He makes crystal clear his belief that the best use of such great energy resources, that is, the best way of securing the maximum return on the public investment in this phase of the atomic energy program, is to be found in private exploitation. In this way he harks back to the old days of unbridled private exploitation of the public domain in the interest of profits. So far as hydroelectric power resources are concerned, such exploitation was brought to an end by the enactment of the Federal Water Power Act in 1920, and the important series of acts establishing Federal power policy during the last 20 years. But neither Chairman Strauss nor the joint committee, which has reported the present atomic energy bill, sees any need for applying these public safeguards to the private exploitation of the people's atomic energy resource.

The main point which I want to make in my remarks on the atomic energy bill this morning is that, under the auspices of the McMahon Act, economically feasible atomic power has come much closer to realization than the proponents of turning the new resource over to private monopoly will admit, at least publicly. And, although Chairman Strauss always tends to come back down to the decade estimate when he gets specific, the substance of his testimony before the joint committee frequently gives the real situation away, recognizing by implication, that about all that is necessary is to build a big enough atomic powerplant.

Thus he says that "recent analysis of the potentialities of several different reactor powerplant designs indicates that when reactors no longer require abnormal development costs and when costs of manufacturing nuclear plant equipment have been reduced, several reactor systems have a good chance of producing power at from 4 to 7 mills per kilowatt-hour in large 300,000-kilowatt plants."

After going on to suggest that the achievement of such costs may be a matter of 10 to 20 years, he uses the undersized Duquesne Power Co. Federal reactor plant as an illustration of present costs being several times the 4 to 7 mills figure. There seems to be no question about unit energy costs coming down with the increase in the size of the station. Thus Strauss says subsequently:

The reactors which will produce this power at 7 mills per kilowatt-hour or less are likely to be 100,000 kilowatts of electrical generating capacity or larger. Some reactors—below 50,000 kilowatts and down to the 10,000 or 5,000 kilowatt range—are technically feasible, but are less likely to become sources of competitive central station power, since unit costs of generating power will be harder to bring down to competitive levels.

This brings me to the paper presented to the Atomic Industrial Forum panel in Washington, D. C., May 24 of this year, by the general manager of the atomic products division of General Electric Co. In his paper Mr. McCune formulated a four-part credo of General Electric Co., which included the three following affirmations:

1. That electric companies will own and operate a number of atomic powerplants within the next 10 years.

2. That some atomic powerplants will be full scale and, what is more important, will generate electricity at competitive cost, possibly within 5 and certainly within 10 years.

3. That this will be accomplished without Government subsidy for production plant construction or operation, and that Government-supplied fuel will be priced at cost-of-production levels.

Dealing with the ability of industry to get along without subsidy, he said:

The Government's large expenditures for research and development of plutonium production reactors, mobile power reactors, and other power reactors form the base from which industry can proceed. It is believed, however, that production-size atomic powerplants can be made economic.

Approaching estimates for two specific types of full-scale atomic powerplants, McCune gives the following significant suggestion as to what should be included and what not included in the assumed investment cost:

While the necessary research and development remain an important financial consideration to workers in this field, the company considers such costs separately, refraining from mixing them with production estimates.

This sounds to me like a tipoff to one of the ways in which the real progress toward the goal of low-cost atomic power is not being exposed to public gaze. Has there not been a tendency to charge all the research and development costs involved in the Federal program to single projects instead of recognizing them as initial investment costs which may be ultimately amortized out of the revenue from many future atomic powerplants pumping economical energy into public and private electric systems?

Basing his calculations on a 300,000-kilowatt atomic power-generating station McCune says:

General Electric believes that the light water-moderated and cooled boiling reactor, using slightly enriched metallic uranium fuel elements can become competitive in the country's higher cost fuel areas in the near future.

He makes this statement despite his recognition of the fact that there are still a multitude of technical problems to be solved, particularly that of developing a satisfactory fuel element.

According to McCune, General Electric foresees an excellent future for the light water boiling reactor plant because of its many similarities to conventional steam plants. He says its adoption by the utility industry should be relatively easy. He adds the following important consideration:

The boiling water reactor has demonstrated safety advantages so that operating companies can select plant sites as available within their systems.

Thus the answer to one of the major problems of the atomic power program, the matter of the safety of adjacent communities, appears to be on the road to being found.

The General Electric estimates for this type of atomic powerplant, as given in McCune's paper, come out at $243 investment per kilowatt of capacity and 6.7 mills per kilowatt-hour of energy generated, assuming that the plant is operating on the base load of a utility system at 80 percent of total full-time output. Such figures are well within the range of commercial feasibility in areas of relatively high conventional fuel costs.

McCune presents the figures for another type of atomic powerplant endorsed by General Electric, using the graphite-moderated water-cooled reactors. His figures are for a 700,000-kilowatt generating station. He explains the size by saying that graphite reactors tend to large sizes for the sake of economy. For this type of atomic powerplant General Electric estimates come out at $277 per kilowatt of installed capacity and 6.8 mills per kilowatt-hour generated. Here, again, the figures are within the range of commercial feasibility in areas where conventional fuel costs run at 35 cents per million British thermal units and over.

Thus, when industrialists are talking to industrialists, we begin to get a picture of commercially feasible atomic power being just around the corner, instead of from 10 to 20 years away, as administration supporters of the proposed legislation would have the people believe. And they admit that the Federal experimental reactor program has established the basis. In other words, the people's risk capital has not only prospected the resource but also developed the technology of utilization. Thus, it is really too late in the game for private enterprise to begin to stake out claims on the ground that private risk capital and the profit stimulus in a theoretically competitive industry are required to enable the people to make the best use of this new energy resource which has been added to the public domain. It just "ain't so," to use a colloquialism, and the action of Congress on the proposed amendment to the Atomic Energy Act should not be based on any such hypothesis.

In the light of where we stand today in the development of commercially feasible atomic power for our farms, our homes, our places of business, and our industries, the bill before us is completely unrealistic, a giveaway of the public interest so vast that it will rise up to haunt those who vote for it.

What I want to make so plain that no one can overlook its significance is this: That the people can no longer be told that commercial atomic power is still so remote that they can afford to allow private enterprise an extended period of freedom from controls while it overcomes the great obstacles to practical atomic power development.

Mr. GORE. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. For a question only.

Mr. GORE. With all the intricate and highly costly processes which the able Senator from Oregon has described, how can small business avail itself of these vast resources which are developed with the people's money?

Mr. MORSE. They do not have a chance. As I said earlier this morning, we hear the argument made on the floor of the Senate that there is nothing to stop the REA's, the cooperatives, and the small municipal plants from participating in this program. There are many things to stop them. One thing is the money. Many experts have said that the most efficient type of reactor plant costs from $200 million to $400 million. There is talk about small cooperatives and REA's coming in. The only way they and the little people of America can be protected in this matter is through their Government in keeping with the philosophy which I discussed earlier this morning and which Mr. Eisenhower speaks of, but which, as the record shows, he has not put into practice, namely, the good, old, sound doctrine which he quotes from Lincoln. It happens to be the obligation of this Government to do for the people what needs to be done and what they cannot do for themselves, in order to promote the general welfare. It goes back to the thesis which I laid down as to what the primary obligation of the Government, acting for a free people, happens to be. The Government takes the steps necessary in order to develop the processes that will make it possible for small enterprise to take advantage of the more than $12 billion the taxpayers have paid for the development of the process, in the first place, and which the Government now seems to propose to give away. As I said earlier today, it will amount to some $42 trillion.

Mr. GORE. Mr. President, will the Senator from Oregon yield for a further question?

Mr. MORSE. I yield for a question.

Mr. GORE. As I understand the amendment offered by the senior Senator from Colorado, it would permit, not direct, but permit, the Atomic Energy Commission to develop, upon a research and experimental basis, a plant which would produce electricity in commercial quantities. Is that a correct interpretation of the amendment?

Mr. MORSE. That is correct; and it is much to be desired.

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

Mr. MORSE. I yield further for a question.

Mr. GORE. How does the able Senator explain the fact that the Eisenhower administration was very, very strong for putting the Atomic Energy Commission into the power business to invade the TVA service area, but is very, very strongly against letting the Atomic Energy Commission develop, even on an experimental and research basis, commercial electricity with atomic energy?

Mr. MORSE. My answer is the same one I have expressed a good many times on the floor. In my judgment, this is a private-monopoly controlled administration. In my judgment, the answer is to be found in the economic philosophy of the President. As I study his record, that philosophy is: Let big business do it. Let private monopoly do it.

Mr. GORE. And have it.

Mr. MORSE. And let the little people of the country pay tribute to them. As I have said before, I do not believe the President understands the difference between private enterprise and private monopoly.

There will not be, in my judgment, an effective check upon private monopoly unless there is followed the same principle for which the great Norris fought on the floor of the Senate, for which the great La Follette, Johnson, Borah, and the others of those great giants among the liberals in American history, fought, namely, that it is necessary to create a public power yardstick as a check against monopoly, which means that it is necessary to have in the bill the kind of amendment which the Senator from Colorado [Mr. JOHNSON] is proposing, whereby there will be authorization in the letter of the law for the Atomic Energy Commission to do these things for the people, just as under the Federal Power Act the Government has the authority to proceed to build multiple-purpose dams. The check against abuses is in the Committees on Appropriations of the Congress.

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

Mr. MORSE. I yield for a question.

Mr. GORE. Conceding that the Atomic Energy Commission might have its hands full with the atom in its research operations presently under way, and in weapons development, could we not then properly create another agency having the express purpose and direction to exercise control in the development of electricity from atomic energy?

Mr. MORSE. I would favor it.

Mr. GORE. Would not the Senator think that in some respects that would be preferable to having the Atomic Energy Commission do it?

Mr. MORSE. I find that very appealing.

Mr. President, I wish to repeat the last point I made, because it is a part of the essence of the argument of this particular speech. What I wish to make so plain that no one can overlook its significance is this: That the people can no longer be told that commercial atomic power is still so remote that they can afford to allow private enterprise an extended period of freedom from controls while it overcomes the great obstacles to practical atomic power development.

They can no longer be told that sometime during the next 10 to 20 years will be time enough in which to bring atomic power under the principles of Federal power policy, to protect the public interest in the same way that it is now protected in connection with use of the people's hydroelectric resources.

In other words, useful atomic power is no longer just a gleam in the eye of the chief of some General Electric or Westinghouse laboratory. On the contrary, under Government auspices, it has reached the point where a responsible executive of General Electric can speak of the possibility that it will be here within 5 years, and remember that something like 3 years is required for the construction of such a large generating station, even when operated with conventional fuel.

PEOPLE'S INVESTMENT ABOUT TO BEAR FRUIT

The fact is that, now that the people's huge investment of risk capital is about to bear fruit in a wonderful addition to their sources of future electric power supply, it is no time to be handing the realization of the profits on this risk capital over to private monopoly, as the bill before us would do. For, long experience in the power field has demonstrated beyond doubt that private monopoly would continue its restrictive practices and so block the full values of this new public resource from flowing to the people whose investment brought it into being. Monopoly control, without any of the safeguarding provisions of Federal power legislation, would effectively defeat the major purposes of public investment in power, namely, abundance of electricity used at the lowest possible electric rates.

In a real sense it would mean, not the investment of true risk capital by private enterprise, but an opportunity for private monopoly to exact a toll on the people's use of the resource and technology which they risked their money to develop to the useful stage.

Now is not the time to sanction such a colossal giveaway, to be reckoned, as I have already suggested, in the millions of millions of dollars—some $42 trillion. Now is rather the time to assure continued progress under the existing law, while authorizing far-reaching investigation of the social, economic, political, and international implications of commercial atomic power in order to proceed intelligently to bring this newest and greatest public-power resource under the controls and safeguards for the public interest in electricity contained in existing Federal power legislation. The fact that the authors of the present bill, as well as the Atomic Energy Commission itself, overlooked the necessity for such an approach calls for postponement of action in this field until the next Congress. It may well be that some of the issues involved in peacetime use of atomic energy will become important in the coming elections so that the people will enlarge their understanding, and Members of the new Congress will come to Washington in January with a mandate from their constituents to save this power resource from the grip of private monopoly.

It is of the highest importance that we proceed along this line, for to enact the bill before us might well open the way to a period in our civilization dominated by a gigantic energy monopoly to an extent which would mortally wound democracy in the country now boasting its widest practice. Once this greatest energy resource gets securely in private hands, without the provisions found necessary in the past to protect the public interest in electric power, the possibility of recapturing the necessary controls will be precarious.

The people have spent the money to develop this resource. The people should have its benefits.

This bill would permit the channeling of benefits to the private utilities without a shred of protection for the owners of right—the shareholders of the United States—the American people.

Mr. President, in this first part of the speech, I have discussed, in the main, the importance of protecting the American people from monopolistic control. I have tried to point out that there is nothing in the bill that guarantees to the American people the development of this power by their Government along the lines analogous to the building of multiple-purpose dams by the Federal Government.

It will be noted in this speech, Mr. President, as is my custom in making long speeches in the Senate, that I have confined my remarks to the subject matter. I intend to do so in the series of speeches to follow. There is so much to be said on these major subject matters—there is so much to be said on the bill—that I shall continue to use this forum as a medium for giving to the American people the information which I think they should have about the dangerous nature of the bill.

So I would summarize for them, into two main headings, the points of emphasis of the part of the speech thus far delivered today. First, this is a private monopoly bill. This is a bill which turns the assets, the property, and the heritage of the American people in the atomic energy program over to private utility, private monopoly combines. This is a bill which gives to the private utilities all the benefits of more than $12 billion of the taxpayers' money invested in the development of the information we already have about atomic energy and the various uses to which it can be put, other than war uses, including a good many peacetime uses, such as, for example, the development of electric power.

Second, summarizing my speech thus far today, I would emphasize that future generations of American boys and girls are entitled to be protected from the horrendous giveaway involved in the bill, a giveaway which I have estimated will probably amount to some $42 trillion, although it is so huge, Mr. President, that I do not think it is capable of calculation.

The fact is that atomic energy is going to be the main source of energy in the economy of this country, and, in my judgment, those of us who are fighting the bill are putting up a fight to protect true private enterprise in America. We are the free enterprisers. We are the ones who believe that if there is going to be true free enterprise in this country, the little-business man, the manufacturer, and the industrialist should not have to pay tribute to a monopolistic combine that will get control, if the bill is enacted into law, of the bulk of the electric power energy of America.

As I said earlier in my speech, if the reactors are spotted in 12 areas of the country, and the development proceeds as it has been proceeding in the past 3 years, based upon the testimony of the experts I read earlier in my address, there will be given to that combination of private monopolies a stranglehold on the power resources which are necessary to turn the wheels of industry. That is why I say we are the ones who are making the fight to protect the continuation of private enterprise.

PROPOSED SPECIAL STATUS FOR THE CHAIRMAN OF ATOMIC ENERGY COMMISSION

Mr. President, I turn now for a few hours to the subject, Proposed Special Studies for the Chairman of the Atomic Energy Commission, as found in the bill.

Mr. President, the atomic age has brought us many new words and phrases and usages to enrich our language. Since the first announcement about an atomic bomb, we have learned to speak of nuclear reactors, fission, fusion, neutrons, radioactive isotopes, and many other scientific terms essential in discussing the new and awesome developments of the past decade. For these pieces of scientific language which help us to discuss the wonders and perils of our new era, we may be grateful. But today I rise to protest another strange, new atomic term for which I feel no gratitude and which I believe has no place in our form of government. That is the phrase "official spokesman."

The amendment which I shall eventually offer to the bill before the Senate would strike out the sentence in the bill which states:

> The Chairman (or Acting Chairman in the absence of the Chairman) shall be the official spokesman of the Commission in its relations with the Congress, Government agencies, persons, or the public, and, on behalf of the Commission, shall see to the faithful execution of the policies and decisions of the Commission and shall report thereon to the Commission from time to time, or as the Commission may direct.

I direct attention to the proposal to create an official spokesman for the Atomic Energy Commission, and I submit that this is either without meaning, or, if it has meaning, that it is undesirable and dangerous.

Of all the departments, commissions, agencies, and offices that have been created by the Congress, and under authority granted in legislation of the Congress, has anyone ever heard of any of them having a formally and legally designated official spokesman?

I am not aware of any other agency of the Government, commission, department, office, or what have you—that has an official spokesman created by law. Nor for that matter have I ever heard of any Federal agency with such an officer or with any officer so designated. That is not to say, of course, that it is undesirable to have an official spokesman. Perhaps we have been remiss all these years in permitting the creation of countless agencies without providing each one of them with an official spokesman.

Mr. CASE. Mr. President——

The PRESIDING OFFICER (Mr. CARLSON in the chair). Does the Senator from Oregon yield to the Senator from South Dakota?

Mr. MORSE. For a question only.

Mr. CASE. Seeing the Senator from Oregon on the floor at this hour of the morning, and seeing the distinguished Senator from Kansas in the chair again, I should like to ask the Senator from Oregon if that brings back memories.

Mr. MORSE. Happy memories. I was about to comment on that. I did comment on it the other day when I was making a short speech in the Senate and the Senator from Kansas honored me with his presence in the presiding officer's chair. I appreciate very much the kindness of the Senator from South Dakota in raising this question so that I can have an opportunity to pay tribute to the Senator from Kansas. I found him, during the tidelands discussion, a very fine, fair presiding officer, and somehow I always feel very good when I see the Senator from Kansas in the chair. In fact, I have been very much concerned about him in recent weeks. I know he had a very painful misfortune with his back, and I am delighted to observe that obviously he has made a full recovery and is now in the pink of physical condition. That pleases me very much, because, in spite of the fact that I have differences in the Senate with my colleagues, I have a very deep affection for them, and it always saddens me when they are ill disposed, either by way of temper or health. I have never seen any expression of any indisposition on the part of the Senator from Kansas so far as temper was concerned, but I have felt very bad about the fact that he had a back injury, and I am delighted to know that he has practically recovered. I welcome him to this debate this relatively early hour in the morning, 8:10 o'clock. I hope to see him here tomorrow morning at 8:10.

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

Mr. MORSE. For a question.

Mr. CASE. Would the Senator object to my saying that one reason why I brought this matter up was in order that the Senator from Oregon might pay tribute to the Senator from Kansas, for if there is any credit to be given here, it should be shared by those who have occupied the chair, including the junior Senator from Arizona [Mr. GOLDWATER], who has just left the chair. Will the Senator also allow me to express my hope that the Senator from Oregon will take a little note of the fact that there are some Senators who may not have the resiliency and the comeback qualities of the Senator from Kansas, and therefore will not make his remarks very lengthy this morning?

Mr. MORSE. I should like to be able to accommodate the Senator from South Dakota, but I am always very frank and I am sure that is an accommodation I shall not be able to extend, because I know that no matter how long I talk, the Senator from South Dakota would think it was too long, and I am sure I could not possibly accommodate him by shortening my remarks. I shall continue to speak until my captain says that the marching orders are such and such; then I shall follow those marching orders.

I am also delighted to see the majority leader back in the Chamber with a change of tie, and after a shave, and in a very happy mood. It makes me feel

good to realize at least my speech has not driven my colleagues to an unshaven condition and a lack of desire to spruce up a bit. I think it has been highly desirable that it should have had this effect on the majority leader. Certainly it is not discouraging.

Mr. KNOWLAND. Mr. President, will the Senator from Oregon yield for a question?

The PRESIDING OFFICER (Mr. CARLSON in the chair). Does the Senator from Oregon yield to the Senator from California?

Mr. MORSE. I yield for a question.

Mr. KNOWLAND. The majority leader will ask the distinguished Senator from Oregon whether he realizes that the majority leader has been in the Chamber most of the evening and during the morning while the Senator from Oregon has been speaking?

Mr. MORSE. Oh, yes.

Mr. KNOWLAND. And that the majority leader was out of the Chamber for about half an hour, to get freshened up a bit?

Mr. MORSE. That is why I am so happy about my speech, if it had the effect on the majority leader that he would desire to stay here, and then would desire to get freshened up at this time. I think that, under these circumstances, this speech is one of the most successful speeches I have ever made. [Laughter.]

Mr. CASE. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield for a question.

Mr. CASE. In view of the oft-proclaimed independence of the Senator from Oregon, will he now identify the captain under whose marching orders he is proceeding this morning?

Mr. MORSE. I suggested, earlier in my speech today, that I would be delighted to enlist in the rear ranks of the army under the captaincy or generalship of the distinguished Senator from Alabama [Mr. HILL] or the distinguished Senator from Tennessee [Mr. GORE]. I have urged them to take the leading position in this band, and to stand under the motto, "It Shall Not Pass."

Mr. ERVIN. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. I yield for a question.

Mr. ERVIN. I wish to ask my distinguished friend, the Senator from Oregon, whether the army of which he is speaking is engaged in a gas attack. [Laughter.]

Mr. MORSE. Oh, I think it is a gas attack—but one that is permissible under the Geneva rules. We are not violating any of the Geneva international rules regarding parliamentary warfare, but the Senator from North Carolina may be very sure that we are trying to be very humane to the prisoners, and we keep the doors swinging, so they can go or come as they choose. We do not urge them to be here for quorum calls, but we extend to them complete liberty to go or come, as they wish. I do not think the Senator from North Carolina would find any group of men conducting a parliamentary war, more considerate of the enemy, but more determined to beat the enemy, than this particular group.

Mr. ERVIN. Mr. President, will the Senator from Oregon yield for another question?

Mr. MORSE. Oh, always for a question.

Mr. ERVIN. I want the Senator from Oregon to believe me when I say that I have found his speech so stimulating that it has robbed me of my capacity to sleep.

Mr. MORSE. Mr. President, I cannot begin to tell the disinguished jurist from North Carolina how much I appreciate that. As a lawyer I know something about his record as a very able jurist; and when he came to this body, he had an unknown admirer here before he ever stepped through the portals. And now to have him tell me that he has found sufficient interest in my speech, to rob him of his sleep—oh, Mr. President, that is almost too much for me to take. First the majority leader spruced up, after being with me almost all night; and now the Senator from North Carolina tells me that my speech has interested him so much that he cannot sleep; and now I am honored by the presence of the Senator from North Dakota [Mr. YOUNG], who was with me most of the night during the debate on the tidelands bill, and gave me encouragement then; in fact, I always had the feeling that I was getting a great deal of sympathetic understanding from the Senator from North Dakota during the tidelands bill debate, just as I am now, when I am thinking of what will happen to the North Dakota boys and girls 100 or 200 years from now, if this terrible bill is passed. His very presence, I say very sincerely, and good naturedly, is a great inducement to me to continue—which I shall do, I repeat, until my captains give me my marching orders.

PRECEDENT FOR ALL COMMISSIONS?

I was saying, Mr. President, that perhaps, too, we should consider the possibility of creating an official spokesman for each commission. Atomic energy certainly has created some unique problems, but I do not see why it requires that the Atomic Energy Commission, alone among all Government agencies, should have an official spokesman. If an official spokesman is necessary for the Atomic Energy Commission, or even merely desirable, why not for other commissions, too? Should not we provide an official spokesman for the Interstate Commerce Commision and the Federal Trade Commission, to say nothing of the Federal Power Commission, the National Capital Planning Commission, the National Security Training Commission, the Securities and Exchange Commission, the South Pacific Commission, the Federal Communications Commission, the Civil Service Commission, the Caribbean Commission, the Inter-American Tropical Tuna Commission, and the Indian Claims Commission? And how about the spokesman for the Tariff Commission, the War Claims Commission, the International Joint Commission, the International Pacific Salmon Fisheries Commission, the International Boundary Commissions, and the Commission of Fine Arts?

The Commission on the Organization of the Executive Branch of the Government—the Hoover Commission—would be the ideal agency to consider the question of whether or not an official spokesman is a necessary adjunct to a Federal commission. Mr. Hoover himself sent some personal comments on organization of the Joint Committee on Atomic Energy during its hearings; but these were only his personal views, inasmuch as the Commission has not reported on the Atomic Energy Commission, and the law creating the Hoover Commission did not designate Mr. Hoover, or anyone else, as official spokesman.

And if the official spokesman is useful to a commission, or even flattering to its chairman, consideration should certainly be given to creating an official spokesman—or perhaps several—for each executive department and the various other Federal agencies.

IS THE LANGUAGE SUPPOSED TO BE USELESS?

It may be that the proposed language in section 21 of the bill simply means that when the Chairman appears before the committee of the Congress or communicates with the Congress and with Government agencies and with the public,, he is to be considered an official spokesman for the Commission. That has always been considered to be the case in Congress, and I am sure that everyone else has taken the same view. If this is all that the term "official spokesmen" means, then it seems somewhat superfluous to give this obvious formal confirmation in an already complex and lengthy piece of legislation. In a bill that occupies 104 printed pages, we should certainly not hestitate to remove any unnecessary phrases.

THREAT TO EQUAL STATUS OF COMMISSION MEMBERS

There is a more compelling reason, however, for removing this phrase from the bill. It is simply that there is a very real danger to the labeling of one, lone officer as the official spokesman for a vast Federal agency. If we name the Chairman as the official spokesman for the Atomic Energy Commission, what of the other Commissioners and officials of the Commission? Are they unofficial spokesmen, or are they being told indirectly to keep their peace?

The same section of the bill which would adorn the Chairman with the designation of official spokesman also states:

> Each member of the Commission, including the Chairman, shall have equal responsibility and authority in all decisions and actions of the Commission and shall have one vote.

This fundamental statement of principle that each member of the Commission "shall have equal responsibility and authority in all decisions and actions of the Commission" is in direct conflict with the designation of only one member, the Chairman, as official spokesman. Certainly the utterances of an official spokesman are actions, if not actual decisions, of the Commission.

The present law, the Atomic Energy Act of 1946, which the bill now under consideration would amend, not only

does not provide for an official spokesman, but it makes virtually no distinction between the Chairman and the other members of the Atomic Energy Commission. It says only, "The President shall designate one member as Chairman."

Recent events have tended to demonstrate the need for spelling out the status of the Chairman and the other members, and I believe that the proposed language providing "equal responsibility and authority in all decisions and actions" does this admirably. But there is no room under "equal responsibility and authority in all decisions and actions" for a single, lone official spokesman.

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

Mr. MORSE. I yield for a question.

Mr. GORE. Is not the executive authority over the management, functions, and policy of the Atomic Energy Commission to be found in the action of a majority vote of the members of the Commission?

Mr. MORSE. That is my view.

Mr. GORE. Will the Senator turn to page 10 of the bill, the bottom line, and read to the Senate the specific investment of authority?

Mr. MORSE. It reads as follows:

Action of the Commission shall be determined by a majority vote of the members present. The Chairman (or Acting Chairman in the absence of the Chairman) shall be the official spokesman of the Commission——

Mr. GORE. Mr. President, will the Senator yield there?

Mr. MORSE. I yield for a question.

Mr. GORE. Is not the bill from which the Senator has just read a verbatim statement of the present law?

Mr. MORSE. That is correct.

Mr. GORE. Then is not the Chairman of the Commission designated as the spokesman for the majority of the Commission?

Mr. MORSE. That is my judgment.

Mr. GORE. Does the junior Senator from Oregon read into that language the right of the President of the United States to override the majority of the Commission?

Mr. MORSE. That is what I fear.

Mr. GORE. Does the Senator read in the law any investment of authority to do so?

Mr. MORSE. Not a single word, in my judgment, justifies the assumption of such authority.

Mr. GORE. Does the distinguished junior Senator from Oregon know of an independent agency of the Government which occupies a position in the law of greater distinction and clarity as an independent agency than the Atomic Energy Commission?

Mr. MORSE. I do not know of any.

Mr. GORE. Did the Senator read, or hear read, the comment of the President yesterday at a press conference to the effect that he did not regard the Atomic Energy Commission as an independent agency in the sense of the ICC or the FCC?

Mr. MORSE. I read it, and I was very much disappointed in his statement.

Mr. GORE. It is to be assumed, then, from the Senator's statement, that he is wholly in disagreement?

Mr. MORSE. Completely. That is why I am offering an amendment to make crystal clear that the old and sound American democratic principle of majority rule shall prevail in the Atomic Energy Commission. I do not want, by any disguised language, by any indirection, by any subterfuge, or by any sleeper clause, a veto power, direct or indirect, to be placed in the hands of the Chairman of the Atomic Energy Commission. I think the American people are entitled to have the Atomic Energy Commission operate on the basis of majority-vote rule. I am sufficiently familiar with the way commissions and executive departments operate to know that it is always a dangerous thing, under the guise of an administrative power, to vest in one man the authority to determine policy in any field, particularly one so vital to the welfare of the people as the atomic-energy field. I shall urge adoption of the amendment which I shall propose at the appropriate time, and which I am discussing in this part of my speech in the hope that the Senate will see fit to place this check upon the Chairman of the Commission.

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

Mr. MORSE. I yield for a question.

Mr. GORE. Does the able Senator, learned lawyer that he is, agree that the general rule of construction is that a specified power operates to exclude powers not specified and conferred?

Mr. MORSE. That is an elementary rule of statutory construction.

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

Mr. MORSE. I yield for a question.

Mr. GORE. I hope the Senator realizes—or perhaps the Senator will realize—that what to the able junior Senator from Oregon is an elementary rule may be the higher of learning for the junior Senator from Tennessee.

Mr. MORSE. No. The junior Senator from Tennessee does himself a great injustice. I would that I felt that I had comparable knowledge to that of the Senator from Tennessee in a great many fields, including the field of law. I have watched the Senator from Tennessee since he has been in the Senate, and I mean no flattery when I say to him that I have great admiration for the brilliancy of his mind and for the great storehouse of knowledge he has tucked away in his head. I wish to say to him also that I consider it a great honor to be associated with him in the fight in opposition to this bill. As I said during his absence a few moments ago, I am simply a private soldier in the rear ranks of the army, which I hope will have many enlistments in it—the parliamentary army under the generalship of the Senator from Tennessee and the Senator from Alabama [Mr. HILL].

Going back to the question of the undesirability of having an "official spokesman" for this Commission, indeed, the whole idea of one, single "official spokesman" smacks of something alien not only to the concept of a five-member commission, but to our entire spirit and method of operating governmental agencies. I do not think it is mere coincidence or lack of ingenuity that accounts for the fact that the Congress has never before provided Federal agencies with formally designated "official spokesmen." Rather it is because we cherish free speech and abhor censorship. Certainly, we recognize that when a high official of an agency speaks, it is with greater authority than when a subordinate speaks, at least insofar as the policies of the agency are concerned. But we do not believe in saying that even subordinates shall not speak.

To set up a Commission of 5 members with "equal responsibility and authority" and then say that only 1 shall speak for the 5 is so foreign to our democratic processes as to be ridiculous. Not only is the designation of the Chairman as "official spokesman" an implied censorship of the other Commissioners, but it also threatens to censor the Congress. Are Committees of the Congress to accept as "official" only that testimony received from the Atomic Energy Commission's "official spokesman"? Nor is this problem to be considered remote or unlikely. The hearings on this piece of legislation and on this very section in the bill included conflicting testimony by members of the Commission.

It brings to mind, Mr. President, what would happen if this doctrine were applied to the Joint Chiefs of Staff. Today we have a Chairman of the Joint Chiefs of Staff. I certainly am glad that Admiral Radford is not the official spokesman of the Joint Chiefs of Staff, in the sense that by any legislative designation as such, any of his comments would have any special official status, because we know that for many months past there has been a division within the Joint Chiefs of Staff, and a majority of the Joint Chiefs of Staff have not shared Admiral Radford's enthusiasm for armed intervention in Indochina. In fact, I think that illustrates very well the point I wish to make. Be on guard against vesting in this man any special authority under the label "official spokesman."

I think it is very fortunate that we have recognized, in the conduct of our military affairs, that, after all, the Joint Chiefs of Staff is exactly that. It is the Joint Chiefs of Staff. We Senators and Representatives, as Members of Congress, want to know, when we come to military questions, what the point of view is of each member of the Joint Chiefs of Staff. Certainly it would not be in the best interests of America if the Chief of Staff had any direct or indirect veto authority over the other Chiefs of Staff.

I reiterate: Watch out for this gimmick. Watch out for it. In my judgment, it is bad administrative policy, and we should see to it that the bill is rid of it before it is passed.

CONTRADICTIONS IMPLICIT IN "OFFICIAL SPOKESMAN" PROVISION

The committee's report on the bill (S. Rept. No. 1699) says:

The Chairman is given the task of being the official spokesman for the Commission (which does not ban the holding or expres-

sion of separate or dissenting views by any member).

The parenthetical attempt to justify the creation of a new and alien creature of Federal agency organization—the "official spokesman"—apparently reflects the haste which has marked the formulation of this legislation.

Neither this legislation nor any other of any Congress, nor any other act by any authority anywhere at any time, is ever certain to ban the holding of dissenting views by human beings. What this legislation is likely to do, despite the parenthetical assurance of the report, is to discourage or hamper the expression of separate or dissenting views.

It sets up a sort of chain of command notion; it sets up a sort of caste system within the Commission.

If, as this bill now provides, the Chairman is the Commission's official spokesman, what is the lot of the Commissioner with separate or dissenting views. He may well feel that in a Commission with an official spokesman, it is not for him to speak. Or, if he does speak, can he command the audience or expect the consideration which will go with the title of official spokesman? He cannot—that is, he cannot if the title of official spokesman has any meaning. If it does not have any meaning, why use it? This is an interesting way, as I see it, of using a title, of using a label as a device for creating a psychological position of superiority which will cause those associated with him to feel that they are under him; to feel that their responsibility is not equal, as the bill is now phrased, but that, after all, they are more or less advisory to the official spokesman.

Perhaps what the report's brief explanation was trying to say was this: We are providing for a Commission of 5 equals only the Chairman will be more equal than the other 4 Commissioners.

The amendment which I am proposing would eliminate the term "official spokesman" for the Chairman of the Commission, thereby correcting a contradiction in the bill. It is simply not possible to have five Commissioners with equal responsibility and authority and then give one of them the title and potentially large—albeit, undefined in the bill—power of official spokesman.

The magnitude of the peril which could result from cloaking the Chairman of the Atomic Energy Commission with potentially vast new influence as official spokesman of the Commission has been underlined in the debate of the past few days. We have heard how the Commission, which has a tremendous burden in the atomic energy field, has been thrust into the saddle as a purchaser of conventionally generated power for the Tennessee Valley Authority.

The present electric power situation, involving TVA as well as AEC, clearly shows the wisdom of providing for an Atomic Energy Commission of five equals, all free to speak their views, and none with special privilege or title.

Thus far, I have purposely avoided mentioning an important phase of the consideration of this section of the bill, because it has seemed to me that the underlying principles which I have been discussing are, after all, of primary importance.

SUBSTITUTE FOR EARLIER "PRINCIPAL OFFICER" PROVISION

An earlier version of the present bill provided that the Chairman of the Atomic Energy Commission would be designated as the Commission's "principal officer." This was dropped by the authors of the present bill, but only after the "principal officer" provision had been the subject of extensive and sharply conflicting testimony before the joint committee.

In fact, when the public knowledge of the use of the label "principal officer" became broadcast, there were critical discussions in the Senate by a considerable number of the Members of the Senate, forewarning, at that very early date, of the danger of having one member of the Commission set apart from the other members of the Commission, and given a special title, as "principal officer," or, as is now proposed, "official spokesman." Although a great deal has been written about this matter in newspapers and elsewhere, the best summary of the committee's hearings on this subject and the issues which developed is contained in the separate views published in the committee report accompanying the present bill.

I ask that section 4 of the separate views beginning on page 109 of Senate Report No. 1699, be inserted in the RECORD at this point.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Section 4 of the separate views is as follows:

4. PLACING AEC CHAIRMAN ON PEDESTAL

In considering legislation which proposes a complete overhaul of the McMahon Act, our joint committee might well have undertaken a systematic review of all phases of the Atomic Energy Commission's organization and management. This it did not do. The committee's interest in the management of the atomic energy program was directed mainly to a proposal to make the chairman of the Commission its "principal officer." Seemingly innocuous and trivial at first, this proposal has opened up issues of such gravity and importance that it merits extended discussion.

Why the sponsors of the pending bill desired to elevate by statutory prescription the Chairman of the Atomic Energy Commission, it is difficult to say. Under the McMahon Act, basic authority to administer the atomic-energy program was vested in a five-man commission responsible for important policy decisions. The act also provided for a General Manager to whom the Commission could delegate "executive and administrative" functions. The General Manager is the Commission's director of operations, responsible for day-to-day administration.

This organizational arrangement, which brings to bear the collective judgment of the 5-man Commission on crucial matters in the atomic-energy program, while centering in 1 officer the responsibility for directing its farflung operational activities, appears to be well conceived and conducive to good administration. Three of the 5 Commissioners testified as to its efficacy. The General Manager gave a clear and explicit statement of his duties and relationship to the Commission. No important evidence had ever been brought before the joint committee to indicate that the organizational arrangement was unsatisfactory and should be altered by law.

Nevertheless, Chairman Strauss appeared before the joint committee to ask for additional authority in the Chairman's office. He disavowed any responsibility for originating the "principal officer" proposal, suggested that the Chairman's role should be defined more precisely than by the simple designation "principal officer." Mr. Strauss rested his argument on the recommendations of the first Hoover Commission that the chairmen of certain regulatory commissions be made responsible for carrying on the executive and administrative tasks of these commissions.

Since Mr. Strauss relied so heavily on the Hoover Commission report, it is well to emphasize that the Atomic Energy Commission (hardly more than a year old when the Hoover Commission started to work) specifically was excluded from the Hoover Commission studies on independent regulatory commissions.

The Task Force Report on Regulatory Commissions (appendix N), upon which the Hoover Commission based its report, states at page 3:

"Although the Atomic Energy Commission has certain regulatory powers and is an independent commission, it has been excluded partly because so large a part of its work is operational, and partly because so many of its problems appear to be unique."

Again the task force report states at page 29:

"To avoid misunderstanding, we emphasize that our examination has been limited to the regulatory commissions; we have not made any study of primarily operating commissions such as the Atomic Energy Commission and the Tennessee Valley Authority, both of which combine a governing board with an executive official to manage the operations of the agency. Consequently we do not intend to imply any judgment on such an organization for these purposes."

The statements we have quoted make it clear and certain that the first Hoover Commission's recommendations concerning regulatory commissions in general were not intended to apply to the Atomic Energy Commission in particular. Mr. Hoover has expressed his personal opinion in a telegram to Chairman Cole that the general recommendations are applicable to the Atomic Energy Commission, but there is no warrant for that opinion in the reports of the Hoover Commission. Whether the decision of that group not to study the organization of the Atomic Energy Commission was based on "security reasons," as Mr. Hoover asserts, or on the unique and largely operational character of the agency, as the task force reported, the fact remains that the Atomic Energy Commission was not studied.

In an effort to bring the Atomic Energy Commission within the organization pattern which the Hoover Commission recommended for regulatory commissions generally, Mr. Strauss maintained in his testimony that the relationship of Chairman and General Manager in the Atomic Energy Commission is analogous to that of chairman and executive officer in the recommended organization of regulatory commissions. This analogy is inaccurate and misleading.

The Hoover Commission task force regarded the executive officer as the designee of the chairman, working under the chairman's active direction, speaking in his name, reporting to him exclusively, taking from him the burden of routine administrative detail but keeping away from the policy matters which are the business of the Commission itself (see Task Force Report on Regulatory Commissions, appendix N, pp. 47–48). In other words, the executive officer is the chairman's helper in discharging day-to-day administrative duties which the task force

proposed to be vested in the chairman of the regulatory commission.

Under the law governing the Atomic Energy Commission, the General Manager enjoys a much more important position than that of Chairman's helper. He receives a salary of $20,000 per annum, equal to that of the Chairman and exceeding by $2,000 that of each other Commissioner. He performs "executive or administrative" duties delegated by the whole Commission, whereas the executive officer, in Mr. Strauss' analogy, would be merely carrying out such duties vested in the Chairman.

The anomalous situation that would be created by increasing the Chairman's statutory authority is highlighted by Mr. Hoover's suggestion that the phrase "principal officer" be clarified by substituting "administrative and executive authority." Precisely this authority now is vested by law in the General Manager by delegation from the Commission as a whole.

Commissioner Smyth, in his testimony before the joint committee, pointed out cogently that to give the Chairman greater administrative authority implied that he should assume the functions of the General Manager who has been responsible, since the establishment of the Commission, for day-to-day administration of the Commission's business and staff. "If the Chairman were to become the senior administrative officer of the Commission, with the General Manager as his deputy," Commissioner Smyth observed, "the essential purpose of our commission form of organization would be defeated." It was his judgment that in such a case "the other Commissioners would be left uninformed and essentially without function" (hearings, pt. II, p. 785).

To accept Mr. Strauss' analogy for the Atomic Energy Commission could only mean that 1 of 2 alternative developments would ensue: either the General Manager would be reduced in status and authority to a mere executive assistant of the Chairman; or else a straight line of authority or "chain of command" would be created, running from the Chairman as "principal officer" to the General Manager in his present position as directing officer of operations, with the four other Commissioners being shunted aside. Under any such arrangement, to use the expression of Commissioner Zuckert, "you would have a Chairman and four junior grade Commissioners." The Commission would be maintained in form, but there would be one-man administration in substance.

Although Mr. Strauss said he retained a preference for the commission form of organization in the atomic energy field, his conviction was a half-hearted one; a substantial portion of his testimony on this matter was given over to the argument that "you can't operate a large business by committee." In this approach he had the backing of one Commissioner, Joseph Campbell, the newest appointee. Mr. Campbell, it appeared, was not quite sure what his duties were as AEC Commissioner or whether a Commission even was necessary; he was "not sold" on the commission form of organization and wanted a "more coherent chain of command." Adding up the testimony of Messrs. Strauss and Campbell leaves the net impression that they have little use for the commission form of organization but that they are not quite ready to say so.

A year ago, when President Eisenhower designated Mr. Strauss to be Chairman of the Atomic Energy Commission, the New York Times in an editorial warmly applauded the choice and made this observation about the agency Mr. Strauss was to head:

"The Atomic Energy Commission is probably the most important technical body in the world today. It commands intellectual, financial, and industrial resources of unprecedented magnitude. Its power is immense, its decisions have an influence which is far reaching. For those reasons it has responsibilities that far transcend those of other Government agencies, except those that are concerned with national defense and with foreign affairs."

That editorial statement is enough to suggest why the Congress placed the management and direction of the atomic energy program in a five-man commission. The undertaking is vast, the responsibilities great, and there is still much pioneering work to do, as Commissioners Smyth and Zuckert emphasized before the Joint Committee. A commission, the latter said, would make surer progress in charting the tasks ahead "than a line organization of the kind that builds bridges, fights wars, or sells toothpaste."

Similarly, the Joint Committee reported after its extended investigation of the atomic energy program in 1949:

"The framers of the McMahon Act deliberately established a five-man directorate, rather than a single administrator, to control our atomic enterprise for the very purpose of assuring that diverse viewpoints would be brought to bear upon issues so far reaching as those here involved (81st Cong., 1st sess., Rept. No. 1169, p. 81)."

Therefore we are deeply disturbed at the indications that the Atomic Energy Commission is disintegrating as a commission under the chairmanship of Mr. Strauss. Three of five Commissioners, Mr. Smyth, an eminent scientist; Mr. Murray, an experienced businessman; and Mr. Zuckert, an able public administrator, registered their concern with the Joint Committee over the increasing centralization of authority in the Chairman. They urged the Congress to resist this tendency, and expressed the fear that the designation of the Chairman as "principal officer" would only accelerate it. We agree with them, and we will not support any statutory provision which reinforces the dominance of the Chairman to the detriment of the Commission as a whole.

The committee decided to strike "principal officer" from section 21 of the bill, and the phrase does not appear in the final version, H. R. 9757. The committee also wrote language into that section specifying that each Commissioner "shall have equal authority and responsibility." However, the Chairman's position was singled out by the following language:

"The Chairman (or the Acting Chairman in the absence of the Chairman) shall be the official spokesman of the Commission in its relations with the Congress, Government agencies, persons or the public, and, on behalf of the Commission, shall see to the faithful execution of the policies and decisions of the Commission, and shall report thereon to the Commission from time to time or as the Commission may direct."

This particular phraseology apparently represents an attempt to write into law part of an informal description of the Chairman's role which Commissioner Smyth presented to the committee. So far as we know, this is the first time a Federal statute proposes to give the chairman of a commission formal status as "official spokesman." Whatever the legal effect of this phrase, we believe it would be a mistake to pin down by law the Chairman's accepted position as chief spokesman of the agency.

Designating the Chairman as "official spokesman" and obliging him "to see to the faithful execution of the policies and decisions of the Commission," are either redundant or a roundabout way of granting him the additional authority he seeks. If redundant, as Commissioner Smyth pointed out in connection with the "principal officer" proposal, the wording had best be eliminated. It does not appear in the McMahon Act and its inclusion now would be construed as meaningful since the Congress cannot be assumed to legislate for idle or trivial reasons. If the language is not redundant, this is a grant of new authority which, uncertain though its dimensions, conflicts with the "equal authority and responsibility" of the other Commissioners and overlaps or replaces the authority and responsibility of the General Manager.

Mr. MORSE. In connection with the ruling upon this matter, the junior Senator from Oregon is delighted to have the Vice President honor him with his presence in the chair, as we go forward with the discussion on this very important piece of legislation.

The separate views also point up the problem of spelling out the duties and responsibilities of the Chairman as opposed not only to the other four "equal" members of the Commission but also to the authority and activity which has been assigned to the General Manager. The amendment which I am proposing would remove the unprecedented and mischievous "official spokesman" provision.

While this amendment relates only to a single sentence in this lengthy bill and admittedly does not pose, at least on the surface, issues of the gravity of those raised by some other provisions of the bill, I believe that adoption of this amendment is necessary to provide for effective administration of the atomic energy program and to avoid troublesome and costly disputes in the future.

The amendment is necessary and desirable because of the demonstrated propensity of the current Chairman to arrogate special powers which have not been expressly conferred.

It strikes me as odd that the majority of the joint committee has demonstrated so much concern over the independent or semi-independent status of the AEC Chairman. For it has shown no concern over the Commission's independence from dictation by the Bureau of the Budget and the White House. Indeed, elevation of the Chairman, who was one of the two minority members in the Dixon-Yates case, at the possible expense of those who oppose the deal might be construed as disciplinary action, however described and explained.

Certainly, the provision of the bill, which the proposed amendment would strike, does not contribute to the independence of this sensitive Commission. It threatens to do the opposite and should be eliminated.

Mr. President, for the benefit of the public, I wish to summarize this part of my speech, as I did the first section of the speech. I have pointed out that the language of the bill which creates the Chairman as the official spokesman of the Commission sets a very bad precedent; a bad precedent from the standpoint of administration, a bad precedent from the standpoint of vesting too much power in the Chairman of the Commission; a bad precedent because I think it runs a risk of creating an administrative situation, whereby the Chairman will come to develop, if it is not intended that he should, an indirect or a direct veto power. I am against a veto power in the Commission. I want the American people to understand that I think it is very much in their interest to insist that the sound American democratic principle of

majority rule should prevail in the Atomic Energy Commission; that we back up the meaning of the language in the McMahon Act that the Commissioners shall be equal—shall be Commissioners with equal responsibility—by not elevating, over other members, one member called the Chairman, and designating him as "official spokesman."

We are dealing here, I recognize, with a problem of administration which the American people, at first glance, might not think is very significant. It is of the utmost significance, however. Why do I say that? Because, Mr. President, the American people cannot separate their substantive rights from their procedural rights. The American people must always recognize that in the administration of government, their rights are dependent, in no small measure, upon the administrative procedures in accordance with which administrative officials must act.

One of the constant abuses of administration that we always have to watch for is the abuse of arbitrary, capricious discretion. Watch out for it.

I will pause long enough to welcome my good friend the senior Senator from Utah [Mr. WATKINS]. I am very happy to see him here so early in the morning. I always feel more comfortable when his legal mind is at work, either behind me, alongside of me, or in front of me. I am sure he will be appreciative, being the great lawyer and ex-judge that he is, of the soundness of the point that I am now making; and that is, if you want to protect the American people's substantive rights in the administration of any law you had better take a good long look at the procedural powers you vest in the administrators who are going to carry out the law.

Let me determine that; let me determine the power the administration is going to have. Let me write the procedural part of a piece of legislation and I do not care very much what you write in by way of its substantive procedures. I say that, of course, by way of exaggeration to emphasize the point. But there is a point there that needs to be emphasized, and that is that the substantive rights of any piece of legislation are dependent entirely upon the procedural power that is given to the administrators who carry out that law. And that is what we have got to get across to the American people as we stand in opposition to this particular section of the bill. We have got to get them to see that what we are doing is fighting now before the evil develops, where we will have a preventive course of action.

We are insistent that the principle of majority rule prevails on the Atomic Energy Commission, and that each Commissioner enjoys a position of equal responsibility with the other four members of the Commission.

I repeat, if you do not follow that preventive course of action, as sure as you are alive, this so-called official spokesman will become the vetoer of policy on the Atomic Energy Commission; he will be the policy determiner. It will be gradual; it is not going to happen suddenly in a month, or 2 months, or in a few years, but eventually we are going to see that the other 4 Commissioners will be relegated to the position of being yes-men or advisers to the official spokesmen. That is the way bureaucracy works. That is the kind of arbitrary procedure and arbitrary discretion that I think the chairman can develop under this language.

Mr. President, I have not said very much in this debate about the Dixon-Yates deal. The fact that some action has been taken by the Senate, in my judgment, does not make this a moot question, because, as I said, Mr. President, I want the American people to understand the very undesirable features of this bill. I think that with the passage of time there will be the votes here in the Senate equal to the two-thirds necessary to overrule a motion to lay on the table the motion to reconsider a vote. That is what I think will happen once the country becomes familiar with the bad features of this bill.

So, for the record, I want to say a few things about the Dixon-Yates deal.

The Dixon-Yates deal to disrupt the TVA power program is undoubtedly one of the most shocking operations I have seen in my experience in the Congress, and in the last year and a half I have seen some rough ones in the field of electric power.

I have been battling away against the Secretary of the Interior in his give-away program; I have been warning the American people what he is up to; I have been trying to point out that he is serving the private monopolies of the country; and I think one of the best indications of the type of administrator he is is the story that appears in today's Washington Post and Times Herald entitled "Secretary McKay Denounces Kicking Around by Alaskans." I read:

> ANCHORAGE, ALASKA, July 21.—"I just get sick and tired of being kicked around by Alaskans," Secretary of the Interior Douglas McKay told a group here yesterday who had asked how the Territory could achieve statehood.

A perfectly sensible question to ask the Secretary of the Interior, I should think; a question that certainly did not call for the explosion they got because here is what the story goes on to say:

> The Secretary, here on a look-and-listen tour of this vast northern land, gave his audience six reasons and a tongue lashing in explaining why statehood had not been gained.
>
> "I'm for statehood," he told the members of the board of directors of Operation Statehood, "but the President of the United States is the one who writes the policies for the executive department and I just work for him."

A rather interesting concept—a very interesting concept.

Somebody ought to tell the Secretary of the Interior that he works, first, for the American people; second, if we want to put it in terms of working, he works for the executive branch of the Government with the President at its head. But he also works for the Congress of the United States.

A great many obligations fall upon him to carry out—duties in connection with the administration of the laws in respect to which he is directly responsible to the Congress of the United States. But it is the attitude that is expressed here—it is the attitude that I want to call attention to—which bears on the point I was making concerning what happens to these administrators when they are given too much power—what happens to these administrators when given power that is never contemplated by the Congress.

I think this is a pretty shocking exhibition of dictatorial, arbitrary, tyrannical attitude on the part of the Secretary of the Interior.

When he says he is for statehood, it sounds to me like what so many Republicans say: They are all for it—but. This time he is all for it, but he works for the President, says the Secretary up in Alaska. But we had come to believe that these Republicans were going to carry out the Republican platform, and the Republican platform did not say they were "for statehood for Alaska—but"; the Republican platform said they were for statehood for Alaska.

That, of course, is what the Secretary of the Interior ought to recognize, that in his position he has the duty to advise the President; and if he is for statehood, he ought to be willing to stand for statehood himself, irrespective of what the President's views are.

Where do we get this idea? It is dangerous. You had better watch out. It is growing and developing in this country, as I said some hours ago when I was discussing the matter of exercising an honest, independent judgment on issues, this primary duty of keeping faith with one's conscience, this idea that apparently one has to bend the knee to some kind of a superior power irrespective of what the facts are.

I will tell you what we need, Mr. President. We need increasing numbers of men in elective offices who are not afraid to be defeated, who are willing to keep faith with their consciences, even though it may mean defeat. We need increasing numbers of men in appointive offices who are willing to walk out of office the moment after they stand for the dictates of their conscience and then find themselves in irreconcilable disagreement with their superiors. This idea of buckling down, this idea of yielding, this very fallacious opinion that the administration of government calls upon a man to sacrifice his convictions, is going to lead this Government of ours into sad days if the American people do not see to it that more men are elected and more men are appointed who do not bend the knee to that false notion of so-called party responsibility.

But the Secretary of the Interior said to these Alaskans, these voteless Alaskans, these second-class citizens who have to sit up there and take this kind of abuse from a Secretary of the Interior, which they would not have to take if they had statehood—he went on to give these reasons why statehood legislation has been stymied:

> 1. The President's opposition for defense reasons.

If there was ever a phony reason for not recognizing statehood in Alaska, that is one. Those of us who favor statehood

for Alaska and for Hawaii feel that granting statehood would strengthen the defenses of our country. It would give to those Territories their elected officials here in the Congress of the United States who would be able to bring to our attention on a representative basis the facts in regard to the defense needs of these Territories, and it would give them at home in their States a government and legislators and all the other elected officials and appointed officials who go along with a State.

Talk about postponing statehood for Alaska for defense reasons. In my judgment there is no merit in that argument.

The Secretary of the Interior went on to say:

2. Alaskan opposition to partition of the Territory.

Yes; some of the fishing interests, some of the canneries, some of the big lumber moguls, some of those selfish economic interests—they can better exploit the natural resources of Alaska under Territorial control with a very cooperative Secretary of the Interior such as McKay than they could under statehood. There is where the opposition to statehood comes from.

Mr. President, the record is crystal clear. The overwhelming majority of the people favor statehood for Alaska. When I was on the Committee on Armed Services I went to Alaska with a subcommittee headed by the then Senator from Wyoming, Mr. Hunt. The other member of the committee to go with us was the Senator from Massachusetts [Mr. SALTONSTALL].

For me, Mr. President, when we got through our hearings throughout the Territory at that time which took us over as far as Nome there was not any question about the fact that in every community in which we went—and we listened to the grassroots of Alaska represented by the rank and file people of Alaska, the people want statehood.

I want to say that the Secretary of the Interior is dead wrong; and if he quotes the President accurately, the President is dead wrong if they try to justify denial of statehood to Alaska on the ground of opposition to statehood within Alaska.

The article goes on to give his third reason:

3. Tying of the Alaskan and Hawaiian bills together.

What an argument that is. What an argument that is for denying statehood to Alaska. That is really an argument of petulance—the President did not have his way up here, parliamentarily speaking.

A majority of us felt that the two requests for statehood ought to be tied together, and we so voted, and now we get the Secretary of the Interior going up and advising the people of Alaska by telling them that one reason that the President is opposed to giving them statehood is because the elected representatives of a free people tied Alaska statehood together with Hawaiian statehood.

I want to say, Mr. President, that is a weak argument, an argument as weak as tissue paper, just as weak as tissue paper. That is what you call a very, very small one. That is what you call the absence of argument. That is what you call trying to stir up ill feeling in Alaska toward the majority of us here in the Congress in tying these two bills together. That is real subversion. That is what you would have to call the undermining of the respect of people, the confidence of the people in the legislative branch of the Government where we are dealing with the subject of subversion.

And then the fourth reason the Secretary of the Interior gives for the President's opposition to statehood for Alaska—the opposition of some Congressmen to admit the noncontiguous territory applies also to Hawaii. No, but, Mr. President, we have spoken; the Senate voted. That argument was made, surely, but it did not persuade a majority of us. So he digs up that old dead fish and advances it as a very weak rationalization in support of a very untenable position that the President has taken. Fifth, the belligerent attitude of the Alaskans. "The belligerent attitude of the Alaskans." What does that mean, "The belligerent attitude of the Alaskans?" Does it mean that because the Republicans took a good sound trouncing in the Alaskan elections recently held, that that should deny them statehood, because it showed a belligerency? All I want to say is that we need more belligerency like that. I commend them for that kind of belligerency.

But I think the Secretary of the Interior makes himself ridiculous by seeking to place upon the President of the United States responsibility for denying statehood to Alaska on the ground that the President apparently does not like the belligerent attitude of the Alaskans. Have we really come to that in America?

Really, Mr. President, the implications of that are just awful—and I use the word "awful" in its dictionary sense. The implications of that are dangerous. But does he mean—I repeat, does he mean that, just because the residents of the Territory got a little fed up before some people in this country got fed up with this administration, that creates a belligerency? Does it mean that that justifies this administration's denying them statehood? Well, just let that idea become understood by the American people, Mr. President, and you are going to see a lot more belligerency in this country; they will follow the Alaskan example.

And then this newspaper story goes on to say:

He told the nonpartisan group he objected to their belligerent attitude toward Members of Congress—himself, Director of Territories William Strand, and other officials.

Well, who does he think he is? He goes up there as a sort of stage-character tyrant and proceeds to give a tongue-lashing to the people of Alaska, by telling them that be objected to their belligerent attitude toward Members of Congress, himself, Director of Territories William Strand, and other officials. Well, who does he think he is? A young Hitler? Have we got to the point where free American citizens, even though they are second-class citizens in Alaska, are not given the rights to vote that they ought to be given, have to take that kind of abuse from a Secretary of the Interior?

And then the paper quotes him as saying—you see, I am calling attention to this, Mr. President, because it is a pretty good example of what I am trying to point out about this matter of giving just too much unchecked power to administrators of government; and one of the reasons why I think we had better check Mr. Admiral Strauss and this atomic energy bill, too; because he is another one of these fellows who show too much of a tendency, as McKay reacts. He said to these people in Alaska, "Your people's attitude, as to change—get back down to earth, start acting like ladies and gentlemen."

This is the Secretary of the Interior of the United States Government, talking to fellow citizens up in Alaska. It is an example of what I mean—the exercise of bigheadedness through arbitrary, capricious discretion, a bad taste and poor manner.

The trouble with McKay is, he is autointoxicated by his own stupidity. That is why he is so frequently referred to as the "mental peanut." I know him. He used to be Governor of my State; and what a record of a goose egg unfertile he made. But you see, these little titles—give them high position far beyond their capacity, and you get this kind of a blow-off that he gave to the people of Alaska. He says, "There is not one thing done by this administration that you approve. A fine job has been done running the railroad. Does anyone give me credit, or Frank Kalbaugh—general manager of the Alaska railroad"? He said, "Reports that Alaska is being held ready for the Department of the Interior is just a bunch of horse feathers. I assure you," he said, "it would take away a lot of our headaches if you got statehood tomorrow. I have no empire ambitions."

He has not very many brains, either. That is obvious from that speech. Disgraceful performance. Disgraceful performance—any official of our Government going into a territory such as Alaska, and heaping up that kind of abuse.

Well, I have been very kind to him, but he does not deserve it, Mr. President; he does not deserve any kindness. I think when appointed officials conduct themselves that way, elected officials of the free people who are responsible to the ballot box should take them to task.

Now, Mr. President, speaking of this Dixon-Yates deal, I am disturbed by more than the deal itself. I am deeply disturbed by what this debate has revealed to us about the nature of the management of the Atomic Energy Commission and the Bureau of the Budget.

When nuclear material is used to create heat, it leaves a plutonium ash which is the stuff of which bombs are made.

The burning debate over the Dixon-Yates deal has also left us an explosive residue.

Three civilian members of the Atomic Energy Commission out of the five were against the Dixon-Yates deal. They have called it unauthorized, unbusinesslike and several other similar things. They were a majority of the Commission. They buckled under when the President cracked the whip over their supposedly independent heads but the three did

come before the Joint Committee on Atomic Energy, state their position and explain why they opposed the deal.

THE BUDGET BUREAU COST COMPARISONS

There has been released, among other comparisons, a comparison of TVA power costs at Paducah, Ky. compared to the Dixon-Yates proposal. It shows that the Dixon-Yates costs will run $2,923 more than the TVA Paducah costs. It is put before the Joint Committee by an AEC witness as the work of AEC and Budget Bureau experts.

It sustains the position taken by the majority of the Commission against the Dixon-Yates contract.

One might say, Mr. President, that these are administration witnesses. One might say, Mr. President, that when I cite these men I am citing the experts, Bureau of the Budget experts and AEC experts, who had the responsibility and the obligations of analyzing cost figures, and making a comparison; and this is their testimony.

After the joint committee hearings were closed the Bureau of the Budget—and this was weekend before last—released a statement in defense of the deal.

Accompanying that Budget Bureau statement is an analysis of the Dixon-Yates deal, compared to TVA costs at Paducah, which gives a completely different and phony analysis. It is set forth in the CONGRESSIONAL RECORD for July 13, pages 10378 and following. It develops that this analysis was prepared at AEC and released by the Budget Bureau, although it varies from the previous analysis which they submitted to the joint committee. The analysis arbitrarily raises TVA coal costs to 19 cents per thousand B. t. u.'s, although the bona fide cost of coal to TVA at Paducah is today 16.8 cents per thousand B. t. u.'s. That is what it has been since July 1. The fictitious coal cost results in a comparison which shows Dixon-Yates' proposal only $283,000 more expensive than TVA costs at Paducah.

Then, in the very next paragraph, the AEC tries to prove that the TVA is profiteering on them, and uses 15½-cent TVA coal cost—not its fictitious 19 cents or the real 16.8 cents, but the 15½-cent TVA cost to be effective in the future—to prove their case. They decide the case they want to prove; and I say most respectfully, Mr. President, it is perfectly clear that, on the matter of the fuel costs, they went out and selected an arbitrary figure that has no relationship to fact. This was no footnote to the previous paragraph. It was a raw, indefensible choosing of figures to make the TVA look bad in both instances. The whole thing, which was called to our attention by Senator CLINTON P. ANDERSON last Thursday evening, is statistically dishonest. It makes it appear that there is minority rule at the AEC, inasmuch as only two Commissioners have not opposed the deal.

They appear to be not scrupulously accurate and careful men. They prove to be puffers and trimmers. If you do not like those words, look at the table at page 10379 of the RECORD for Thursday, July 13, and then the paragraph immediately following.

The release of the table shows another thing. It shows that the views of the majority, civilian members of the Atomic Energy Commission have very little influence down there. They voted against this deal. But their Chairman and their staff go right down the line propagandizing for it with spurious calculations regardless of the majority.

We should call the Chairman of the AEC, Admiral Strauss, the General Manager of AEC, General Nichols, and the Director of the Bureau of the Budget before an appropriate committee and make them tell us which of their analyses is correct—the first one submitted to Congress or the second one offered to the public. We should demand to know all the background of this second installment, who arranged for it and what mathematical genius devised the formula to get the misleading results. We ought to see if they have abandoned A-bombs and H-bombs for political P-bombs like this one.

One of the major misfortunes of the Dixon-Yates mess is that it is so blatant and shocking in its implications, and traces back to such high sources, that it has blanketed great basic issues raised by the atomic energy bill.

THE INDEPENDENCE OF THE AEC

Likewise, the question of whether independent agencies, whose members are confirmed by the Senate, are to continue to be independent, or can be pushed around like privates in the rear ranks, is a more basic issue than the "deal" itself. I am not discounting the serious effect of the Dixon-Yates deal, if it goes through. But what has happened to an independent agency when the President can give it orders and the minority run the staff?

How long will it be before the White House tells the Federal Power Commission how to decide the Hells Canyon case or another like it?

Mr. GORE. Mr. President, will the Senator from Oregon yield for a question?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Tennessee?

Mr. MORSE. I yield for a question, only.

Mr. GORE. What is the essential difference, if any, between the assumption of power to direct and order the Atomic Energy Commission in a management function or the assumption of power to do the same in the case of the Federal Power Commission, the Federal Trade Commission, or any other independent agency?

Mr. MORSE. There is no difference at all, and we must not tolerate such action. We must provide checks against it. After all, it can happen in the United States, and we can go too far down the road of granting unchecked power to the President of the United States—be he Dwight Eisenhower or any other President—and his subordinate officials. In my judgment, that is exactly the road we travel if we begin to create precedents of this sort. I am opposed to it. I do not care whether the President who acts in that way is a Democrat or a Republican. In any case, I am opposed to giving any President of the United States the right to direct the making of such a contract, when a majority of the members of the Commission are opposed to it.

Mr. President, there is another matter we have to clear up, too, because yesterday the President indicated at his press conference that he would have to follow the advice or views of his Attorney General. But, as I understand, a relatively few days ago the Attorney General participated in a Meet-the-Press program; and at that time, in answer to a question put to him on the program, he said this matter had not been submitted to him. Of course, it is quite possible that the matter was submitted to him subsequent to that program; but the President had taken his adamant stand regarding the contract long before that program. If the matter has been submitted to the Attorney General, let us learn of it. I should like to see how the Attorney General advised the President.

Mr. GORE. Mr. President, will the Senator from Oregon yield again to me, for a question?

Mr. MORSE. I yield for a question.

Mr. GORE. Since the Senate voted last evening——

Mr. MORSE. Mr. President, I yield only for a question.

Mr. GORE. This is a question.

Mr. MORSE. Let me hear the beginning of it again, then, so I can be my own judge about that.

Mr. GORE. Since the Senate last evening by yea-and-nay vote indicated its willingness to tolerate that assumption of power by Executive, and to overrule the view of the majority of an independent agency, contrary to law and contrary to precedent, does not the Senator from Oregon agree with me that that makes it incumbent upon us to safeguard every major provision of this act?

Mr. MORSE. I completely agree.

Let me suggest to my good friend, the Senator from Tennessee, that he would make me much less anxious in his cross-examination if he would use first, rather than last, the words "Does not the Senator from Oregon agree?" Then I shall listen more carefully to the content of the question, rather than to wonder whether a question mark will finally come. Of course, the Senator from Tennessee knows I am having a little fun with him as I make that suggestion.

Mr. GORE. Certainly.

Mr. President, will the Senator from Oregon yield for another question?

Mr. MORSE. I yield for a question.

Mr. GORE. Does not the junior Senator from Oregon regard it as a proper preface to a question, to recognize the situation and the facts of life we face, and against which and in the light of which we must consider this bill?

Mr. MORSE. The Senator from Tennessee is completely correct. What I really believe in my heart, and from the bottom of my heart, is that once we get through presenting to the American people the facts regarding this bill and the dangerous nature of the bill, so far as the public welfare is concerned, we shall see the sentiment of this Congress change. Once the American people come to realize what this bill will do to their best interests, I am satisfied we shall be

able to obtain some substantial modifications in the bill.

Mr. President, as I was about to ask, how long will it be before the Interstate Commerce Commission is told to "hike" freight rates? Such orders are only a step beyond the sort of order given the AEC and the TVA, and men who start usurping power seldom stop until they are stopped.

Beyond that question, and of paramount importance, are the basic issues raised in the Atomic Energy Act itself.

Mr. President, I wish I did not feel this way about the situation. I wish I had cause not to feel this way about it. But my great fear of this administration is that the President in his enthusiasm—if we wish to term it such; and, of course, I wish to be as kind as possible—in his enthusiasm for going ahead with what he wishes to do, may continue and expand the type of action he took regarding the Dixon-Yates matter. Of course, that would lead to government by Executive mandate, so long as the Congress were to rubber-stamp it. I am in favor of stopping it now. I think the President made a horrendous mistake. I think it was a terrible mistake, and I believe we must hold him responsible for it, and at this time must take a course of action that will demonstrate to him that we are not going to tolerate it and that we do not believe in having a President of the United States attempt to exercise that kind of arbitrary power. I am satisfied that the American people will share that view, once they come to understand the implications of the President's act.

CONTRACT GIVEAWAY SMALL COMPARED TO BILL EFFECTS

The little Dixon-Yates mess has diverted our attention from a giveaway literally thousands of times as big to a little one involving only $90 million or $137 million of tax money to be thrown into a swamp in Arkansas, across the river from Memphis. The bill is a giveaway of such tremendous magnitude that in our generation we shall be unable to know its full extent.

In fact, for 200 years to come it will be impossible to know the full extent of this giveaway. That is why I said earlier this morning that what we who oppose the bill really are dedicating ourselves to is a course of action here in the Senate which we believe is necessary to protect the economic rights and the very economic freedom of boys and girls to be born in the United States 200 years from now, because if we let a monopolistic combine get the stranglehold it will get, under the provisions of this bill, over the atomic electric-power producing centers of the Nation, we shall give that combine a complete throttle hold and stranglehold on the entire economy.

I repeat that the experts tell us that if we wish to have constructed in various strategically located areas of the country, in 12 regions, huge atomic-energy reactors costing from $200 million to $400 million, those reactors will have the potential and the capability of producing the power that our economy needs and will need for generations to come. If that is true, do not talk to me about private enterprise, Mr. President, but, instead, talk to me only in terms of protecting private enterprise from that kind of monopolistic control; and do not use on me the old, bewhiskered argument that I have heard made on the floor of the Senate, namely, that the State regulatory bodies can take care of the situation. Mr. President, that is a laugh. Read the history of the attempts to control through the so-called State regulatory bodies. Their history is that the State regulatory bodies time and time again, all too frequently—with some notable exceptions—come under the control and domination of the powerful monopolistic forces in their States. State regulation has not been the answer to protection of the consumers' interests in the whole matter of power development. The answer has been the public-power yardstick and a cooperative program, with the Federal Government working in cooperation with private utilities and private enterprise in the respective States; and with the Federal Government building great, multiple-purpose dams; and with the private utilities building great, low-head dams; and with the two of them pooling into a common pool the power that is generated with the Government maintaining a competitive yardstick check upon the private monopoly, so that the consumers of the area will not have to pay tribute to a private monopoly—will not have to pay, through excessive electric rates, for the building of the dams to be owned by the private utilities after the power rates the consumers pay have, in turn, paid for the dams.

Mr. President, Norris, La Follette, Johnson, Borah, and—yes—some great men still in the Senate, have conducted fights similar to the fight that is being made in the Senate at this time.

Madam President——

The PRESIDING OFFICER (Mrs. BOWRING in the chair). The Senator from Oregon has the floor.

Mr. MORSE. Madam President, I do not wish to embarrass him by making any complimentary remarks which he might regard as flattery, because there is no flattery to it; but at this moment there sits on this floor the great senior Senator from Georgia [Mr. GEORGE], who has had no small part to play in the development of the power program of the Nation, as it was developed under Norris and the others. There is the record.

I say this case is so analogous to the fight that Norris made, to the fight that was made when we developed this multipurpose, self-liquidating, public-power-dam proposal and policy and program, that I feel compelled to go to the effort to which I am willing to go to focus attention on this bill, because I think the same checks, the safe safeguards, and the same basic policies should be written into this act.

I think the people have a stake in the development of electric power through atomic energy. We must protect that right. Surely, it takes some application. It takes a little daring—I admit that too—on the part of some of us. It takes a willingness to suffer a lot of abuse, and distortion and misinterpretation of motive. That is a cheap price to pay if, as the result, there can be spread on the pages of the RECORD of the Senate a record which will forewarn the American people as to what is in store for them if the passage of the bill is not checked.

We are feeble in comparison with the giants who preceded us. We are really, comparatively speaking, of much less effect than the great Norris and his colleagues of his day. But that is no reason why we should not try, at least, to be true to the sound political faith that he manifested in the great legislative record he made in this body in the whole field of power development.

At a later time in the course of this debate, I shall discuss at some length the patent features which are involved, because I think that is one of the big giveaways in the bill. I think that what we are on the brink of doing is letting a few so-called experts from the field of private enterprise, who are on the inside of the development program, a development program that you and I paid for, Madam President, a development program which has cost the American people more than $12 billion—we are on the verge of letting those people on the inside have such a tremendous handicap in their favor in the race for patents that they can just leisurely walk over to the Patent Office and get them, because they know what is available. But do not forget that you and I, and 164 million other Americans, paid for that development program.

I am a little disturbed at the unreasonableness of the argument which is made sometimes that the people who are on the inside of the development program should have this advantage. It is said, "Didn't they help during the war? Didn't they help the Government during the war? Why, these firms came in and helped the Government."

Madam President, one would think they were not parties to the war. They were fighting for their survival, just as everyone else was fighting for his or her survival in that war. It was their patriotic duty to come in and help. They did not have to fight in battle. Let me tell you, Madam President, they were well paid for their help. They made huge profits out of their help. Yes; they helped the Government, but the Government helped them, so far as financial rewards were concerned; and they did no less than their patriotic duty.

I do not believe it is fair, I do not think it is right, I do not feel it is equitable, to let those pepole, who were given great advantages, and who were well paid for any performance of work they did during the war, come in now, and get the patent advantages which they expect to get.

I have a feeling, and I think it is a pretty common-sense one, too, and I think it is the kind of common-sense feeling which will be shared by most Americans, that really those patent advantages belong to the American people. The American people paid for all the experimentation, for all the processes, for all the laboratory work, to the tune of better than $12 billion which went into the development of the atomic-energy program. I do not think it is right. Certainly it is not right to put some of these people in the know-how—some of the people who have had the advan-

tages. I do not think it is right to put them in a position where they will now reap the huge profits from the experimentation, simply because they were parties to it. They know what is available to be patented, and they are going to get this kind of handout and giveaway.

I do not like it because, somehow, my sense of fairness tells me that the equities are on the side of the American people, and that the Government should protect the income from those patents, which otherwise would have accrued to the individuals, for the benefit of all the people.

But, as I have said, I shall discuss this subject at some length on another occasion.

I have before me, Madam President, the column in today's Washington Post and Times Herald, written by Drew Pearson, dealing with a related phase of this problem. I think it is such an important observation that it should be made a part of the RECORD. I read the column, as follows:

PAST DEALS IN UNITED STATES SECRETS

(By Drew Pearson)

Congressmen who plan to give atomic secrets to private industry under Eisenhower's proposed new Atomic Energy Act might take a look at Justice Department and Senate records to see what private industry did with important secrets in the past.

The record, spelled out in the Truman committee and Munitions Committee hearings, shows that our potential enemies got access to priceless military secrets, some of them the property of the United States Government, as follows:

The Electric Boat Co., now making the atomic submarine, paid commissions to the famed munitions peddler, Sir Basil Zaharoff, to sell submarines around the world; and the United States Navy submarine plans were sold to both the Japanese and the Germans around 1914.

The Bausch & Lomb Optical Co. made a secret deal with Carl Zeiss, of Germany, whereby the Germans got the blueprints for the United States Navy submarine sights.

Standard Oil of New Jersey made a deal with I. G. Farben, of Germany, which prevented the United States from developing synthetic rubber for 4 years.

The Aluminum Corporation of America worked out a monopoly deal with I. G. Farben which kept magnesium away from the American aircraft industry and retarded our production of airplanes.

The Sperry Gyroscope Corp. exchanged valuable patents with German, Italian, and Japanese firms, all of them later Axis countries.

The Radio Corporation of America, which had observers attached to the United States Army Signal Corps, when the Signal Corps developed the priceless secret of radar, hired one of the Signal Corps technicians, William D. Hershberger, and then filed radar patents in Japan and other foreign countries.

After the war the Army asked the Justice Department to examine the case with a view to prosecution. After the war also, RCA hired the recently retired head of the Signal Corps, Gen. Harry Ingles, and the Army promptly lost interest in prosecuting.

This, in brief, is the past record. American industrialists, it is hoped, have attained a higher standard of ethics today, but the atomic-energy secrets they would get from the Government under the proposed new atomic energy bill are the most valuable in the world. They cost the taxpayer $12 billion to develop.

Madam President, let me make clear that I make no blanket charge against American industry to the effect that, in my judgment industry as a whole would follow such a highly selfish, greedy course of action as Drew Pearson alleges in his column. I am only pointing out that there is potential danger in the bill; the opportunity for that course of action exists.

The patent features of the bill, in my judgment, need drastic revision, so that the American people can be protected from the kind of selfish course of action upon which Pearson comments in his article. I repeat: I think we are dealing in the bill with rights which belong to the people—all the people—and do not give to private industry any right to a preferred position, which the patent features of the bill, in my judgment, give to them.

We know that nuclear material can provide more power—many times more—than wood, coal, hydro, petroleum, gas and every other fuel used by man before the discovery of the atom.

This tremendous resource was developed with public funds and the materials and processes developed to date are the property of the people of the United States.

This bill proposes to give away the atom, which cost the American taxpayers $10 billion to $12 billion to a few gigantic corporate combinations of chemical and utility companies which may create a new type of concentration in our business and economic life.

FAVORITISM TO INSIDERS—BARRON'S ANALYSIS

Barron's Weekly, a business magazine, has accurately described the situation in its July 2 edition.

Oh, Madam President, I wish I could get every American to read Barron's Weekly for July 2. In fact, I wish I could get every Member of Congress to read it, because when I quote Barron's, I am quoting a source which cannot be subjected to the slightest criticism, so far as defending the so-called private enterprise system is concerned. It is a great defender, however, of the private enterprise system in its true perspective. Barron's, in my judgment, is a great souce of material for information on the true functions, the true obligations, of the private enterprise system.

I shall read their report on the bill, but first it should be explained that the insiders know that the so-called compulsory licensing of patents provided by the pending measure is not compulsory at all.

As I described the situation earlier, the patent provision of the bill says that in the case of patents filed before September 1, 1959, the Atomic Energy Commission may declare any of them affected with the public interest—section 152-a, page 63, of the bill. That gives it some discretion. And it shall grant patent licenses, for just compensation, to persons who apply for the right to use such patents to the extent that it—the AEC—finds that the use of the invention or discovery is of primary importance to the conduct of an activity by such person authorized under this act.

There are enough indefinite words in that phrase to give the AEC a second round of discretion.

In fact, Madam President, the pending bill is just potholed with clauses and words of discretion which in my judgment give to activities that are the favorite recipients of advantage under the bill broad powers and opportunities which are not in the interest of the people, and give to the Commission itself, for that matter, the kind of discretionary power which I have for 9 years in the Senate on many occasions deplored and fought.

Listen to this. What I referred to was a discretionary patent provision, not a compulsory one, and that is what Barron's knew when they carried this report:

The pending amendments are not designed to liberate atomic energy from bureaucratic control. Instead, cooperation of electric utilities and manufacturers of electrical equipment with AEC will perpetuate Government domination of a subsidized atomic energy industry, willingly accepted by the private partners in return for protection against intruders. To close the field to all but the AEC's clients, the amendments provide for compulsory patent licensing, and the channeling of domestic and foreign technological progress toward Washington's favorites.

CONTRACT INDICATION OF THE SHAPE OF THINGS TO COME

One of the great significances of the Dixon-Yates deal is that it shows how the way in which the minority rulers of the Atomic Energy Commission will exercise their discretion. The episode is just an inkling of what is to come if this bill passes in its present form. It is a demonstration of how granting and denial of project licenses, or discretionary patent licenses, may be explained to the public, with accompanying puffing and trimming of figures when that is necessary.

ADMIRAL STRAUSS DECLINES ANTIMONOPOLY ROLE

It is notable that in the Atomic Energy Commission's appearances before the joint committee, Admiral Strauss, while not objecting to the Federal Trade Commission and Attorney General reviewing compliance with monopoly and antitrust laws, objected to being given the affirmative responsibility to see that its licenses and arrangements promoted free competitive enterprise, or did not promote monopoly of undesirable business combinations.

Some of the members of the Senate will recall that in the original draft of the proposed amendment an allusion to encouraging free enterprise had been dropped.

The Commission, it appears, did not want the responsibility now imposed by section 7 of the McMahon Act to affirmatively encourage free enterprise, and has described the provisions of the section as broad and unusual.

It has been made clear that the Commission does not want to produce commercial electric power either—Admiral Strauss and his associates want to keep out of that field.

It might be appropriate, if we are going to pass this bill, if we took a suggestion from the cartoonist, Herblock, who calls Mrs. Hobby's Department the Department of Not Too Much Health, Education, and Welfare, and renamed the

AEC the Not Too Much Atomic Energy Commission, or the Not Too Much Responsibility Commission.

It is too bad that Senators have to study and vote on all kinds of bills. I think it is terrible that Secretary Benson cannot shrug off responsibility for butter and milk or wheat or cotton.

Madam President, I should like to interrupt the course of my remarks just long enough to transact a little business with the junior Senator from Nebraska [Mr. REYNOLDS]. He and I serve as members of the Committee on the District of Columbia, and a flock of bills have come over from the House, which he now has in his hand, bills which passed the House and are awaiting the attention of the Committee on the District of Columbia of the Senate.

Unfortunately, the Senator and I have found it very difficult to get together at a mutually convenient time during recent days to consider these bills in the committee, but I wish to assure him that when I finish this speech—some time later—I shall be fresh enough to transact that business with him today, and if it meets with his convenience I sincerely hope that he will be around so that we can come to a meeting of minds, or a meeting of disagreement, one or the other, on these various bills. I still have the proxy in my pocket, and I shall be glad to go in with him on that basis, 2 to 1, on those bills, and we will dispose of them one way or the other before the day is out.

Mr. REYNOLDS. Madam President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Nebraska?

Mr. MORSE. Only for a question.

Mr. REYNOLDS. I was available for a good many hours from midnight to this morning had I been able to find the Senator from Oregon to complete the business to which he has referred. Where was the Senator from Oregon?

Mr. MORSE. I was right here, and I missed the Senator. I have not known the Senator very long, but there is something about him that has caused me to develop a very deep fondness and affection for him, and I would have felt better with his presence here on the floor all the time during my speech. I am sure that while he may not know it now, he will discover that the people of Nebraska are very much interested in some of the points I am going to bring out in this speech about the dangers of the pending bill.

I know the Senator is going to read every word of it, and that is probably just as good as listening to it, but I am glad he is here now, so that I have this chance to tell him here publicly that he and I will work together on the District of Columbia bills at sometime.

Now, Madam President, let me return to the point I was making. I had stated that it is too bad that Senators have to study and vote on all kinds of bills. I think it is terrible that Secretary Benson cannot shrug off responsibility for butter and milk or wheat or cotton. But unfortunately it is not for public officials to pick and choose. If there is a public service which requires doing, then officials should either do it or get out.

As I understand it, the joint committee has adopted an amendment to S. 3690 since its introduction that will amend section 105, the antitrust section, so that the Attorney General will have the exclusive power of forbidding or approving licenses and actions where the antitrust laws are concerned. The Federal Trade Commission's role is being eliminated also.

But even with the Trade Commission left in, it seems to me that the legislative direction to the Atomic Energy Commission to exercise all their prerogatives to broaden and promote competitive enterprise is desirable and that they should have a directive to use their licensing power affirmatively to offset monopoly growth, and to have some direct responsibility for preventing monopoly, whether Admiral Strauss wants to render that needed service or not.

All the responsibility the Commission would have under the bill is to report promptly to the Attorney General "any information it may have with respect to any utilization of special nuclear material or atomic energy which appears to violate or tend toward" violation of the antimonopoly and antitrust laws, or to restrict free competition. It is not specifically enjoined to lock the door before the horse gets out of the stable.

There would be nothing unusual about requiring the AEC to take on some antimonopoly responsibilities. Although they may be neglected, such responsibilities are vested in many Government agencies. They are not concentrated, as some believe, with the Attorney General.

I have here a brief study—only 14 pages—of the antimonopoly functions of Government agencies, which has been supplied to me which ought to be considered very carefully by all the Senators before they act on this bill. It shows that no less than 24 Government agencies are charged by law with antimonopoly authority and responsibility.

First, let me restate the situation:

Sponsors of the original drafts of the new atomic-energy bills—H. R. 8862 and S. 3323—at one time argued that the Commission should be relieved of the affirmative responsibilities contained in section 7 (c) of the McMahon Atomic Energy Act of 1946. They contend it was a police function belonging to the Attorney General and Federal Trade Commission.

Section 1 of the Atomic Energy Act of 1946, the McMahon Act, as amended, includes as part of the declaration of congressional policy "strengthening free competition in private enterprise." This phrase was altered in an early draft of the current new bill, but is restored as it finally comes to the floor and has a place among other expressions of our pious hopes.

But the McMahon Act contains more. Section 7 provides as follows:

> Where activities under any license might serve to maintain or foster the growth of monopoly, restraint of trade, unlawful competition, or other trade position inimical to the entry of new, freely competitive enterprises in the field, the Commission is authorized and directed to refuse to issue such a license or to establish such conditions to prevent these results as the Commission, in consultation with the Attorney General, may determine. The Commission shall report promptly to the Attorney General any information it may have with respect to any utilization of fissionable material or atomic energy which appears to have these results.

In effect, what we have before us is only the last sentence of the old act—the reporting to the Attorney General after the horse has been stolen.

In order that there may be the clearest sort of understanding that it has long been congressional policy, and is not at all unusual, to put affirmative responsibilities in this field on other agencies than the Department of Justice, I urge study of the memorandum which appears earlier in my remarks.

Because of the enormous expense of nuclear fission installations and the patent problems involved in this new field, one of our most urgent concerns should be the fostering of competition and prevention of monopoly.

The AEC is the guardian of the atom. It is the first to open the door to its use. It logically follows that it should open the door only when competition will be served and to keep it firmly shut when monopoly seeks to enter.

Madam President, in summarizing this section of my speech, and before I turn to the next, I wish to call the attention of the American people to what I think I have established in this portion of my remarks.

I have pointed out that with the expenditure of more than $12 billion the American people have an investment in the secrets, in the scientific knowhow of atomic energy power development. I have tried to point out that these representatives of industry, who were doing naught but performing their patriotic duty during the war, fighting for their own preservation along with the rest of us, do not have any moral right to come in now and take these processes and, just because they know of their development, and get patents on them, to the great disadvantage of other people in private industry. I just do not think it is cricket. That is not the kind of baseball rules on which I was brought up.

I do not think they are entitled to that sort of advantageous handicap, that sort of bonus; and I want to point out that these representatives of industry, who were in on the so-called ground floor, not only were in as a matter of patriotic duty, but they were also well paid, very well paid, extremely well paid; and the firms that participated and cooperated with the Government made good profits. Those firms did not lose by cooperating with the Government in the development of the atomic energy program. That is why I do not think it right for us to give them the patent advantages, which I feel will be given to them under this bill.

Now, the second thing I have tried to bring out in this part of my speech is that here again, I think it is perfectly clear that we, the Congress, have an obligation to protect the public's investment in this tremendous project. I just cannot get it out of my head that there is the program which was paid for by the

taxpayers of America—a tremendous investment; and the President comes along, now, with what amounts in my judgment to a plan that ought to be considered as exceeding his executive authority, by in effect giving away to a private monopoly combine at least great advantages belonging to the people, and to this public development of this program.

Now, Madam President, I know, because of the parliamentary situation, I can do no more at this time then send to the desk an amendment, which, at the proper time, I shall offer, and which has to do with the part of my speech that I discussed not so long ago—this matter of correcting the official-spokesman language of the bill; and my amendment will propose, on page 11, on line 1, through line 8, to strike the following sentence:

The Chairman (or Acting Chairman in the absence of the Chairman) shall be the official spokesman of the Commission in its relations with the Congress, Government agencies, persons, or the public, and, on behalf of the Commission, shall see to the faithful execution of the policies and decisions of the Commission, and shall report thereon to the Commission from time to time or as the Commission may direct.

I am simply sending the amendment to the desk, and asking that it lie on the desk until I can take it up when it is in order.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the desk.

Mr. MORSE. There has been a great deal of talk throughout this debate, Madam President, about the antimonopoly functions of Government, and I think we ought to get into the RECORD at this point a discussion of the antimonopoly functions of Government; and so, for the RECORD, let me present a little analysis, because it is interesting to see how these antimonopoly functions are found permeating through many phases of our Government fabric.

ANTIMONOPOLY FUNCTIONS OF GOVERNMENT

DEPARTMENT OF JUSTICE

The district attorneys of the United States, in their respective districts, under the direction of the Attorney General, are charged with the duty of instituting proceedings in equity to prevent and restrain violations of the antitrust laws. The district courts of the United States are invested with jurisdiction to prevent and restrain such violations—title 15, United States Code, sections 4, 9, and 25.

FEDERAL TRADE COMMISSION

Price discrimination which may substantially lessen competition or tend to create monopoly in interstate commerce is illegal, and the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix or limit the quantities of commodities to purchasers—title 15, United State Code, section 13 (a).

The Commission is empowered and directed to prevent persons, partnerships, or corporations from using unfair methods of competition in commerce and unfair or deceptive acts or practices—title 15, United States Code, section 45.

FEDERAL RESERVE SYSTEM

The Board of Governors of the Federal Reserve System is authorized and directed to enforce compliance with laws limiting interlocking directorates and officers in banking corporations—title 15, United States Code, section 19.

CIVIL AERONAUTICS BOARD

The Civil Aeronautics Board has authority to enforce compliance with legal prohibitions on monopolistic price-fixing or interlocking directorates for air carriers—title 15, United States Code, section 21.

The Board may, upon its own initiative or upon complaint, investigate and determine whether any air carrier or foreign air carrier has been or is engaged in unfair or deceptive practices or unfair methods of competition in air transportation. Cease and desist orders may be issued after hearings and findings—title 49, United States Code, section 491.

Consolidation or merger of air carriers requires approval of the Board. It is specifically provided "that the Board shall not approve any consolidation, merger, purchase, lease, operating contract, or acquisition of control which would result in creating a monopoly or monopolies and thereby restrain competition or jeopardize another air carrier not a party to the consolidation, merger, purchase, lease, operating contract, or acquisition of control."—title 49, United States Code, section 488.

INTERSTATE COMMERCE COMMISSION

Common carriers in interstate commerce are prohibited from dealing in securities, supplies, or other articles of commerce with companies having interlocking directors, and the Interstate Commerce Commission is authorized to administer this section and report its findings of possible law violations to the Attorney General—title 15, United States Code, section 20.

The Interstate Commerce Commission has authority to enforce compliance with legal prohibitions against monopolistic price-fixing agreements and interlocking directorates for companies under its jurisdiction—title 15, United States Code, section 21.

The Interstate Commerce Commission also has jurisdiction to prevent unlawful combinations of carriers to prevent the continuous carriage of freight—title 49, United States Code, section 7.

FEDERAL COMMUNICATIONS COMMISSION

The Federal Communications Commission has authority to enforce compliance with legal prohibitions on monopolistic price fixing or interlocking directorates for common carriers engaged in wire or radio communication or radio transmission—title 15, United States Code, section 21.

The Federal Communications Commission is directed to refuse radio station licenses to persons found guilty by the courts of unlawfully monopolizing or attempting to monopolize radio communication through the control of the manufacture or sale of radio apparatus, through exclusive traffic arrangements, or any other means, or to have been using unfair methods of competition. Licensees are forbidden to acquire, own, or operate any cable or wire telegraph or telephone system, if the purpose or effect is to substantially lessen competition or to restrain commerce or to unlawfully create monopoly in any line of commerce—title 47, United States Code, sections 311, 313–314.

FEDERAL POWER COMMISSION

The Federal Power Commission has broad authority to regulate electrical utilities engaged in interstate commerce, including the determination that power rates and service are reasonable and nondiscriminatory—title 16, United States Code, sections 813, 824e, and so forth.

In the licensing of electrical utilities by the Federal Power Commission, there is an express condition that "combinations, agreements, arrangements, or understandings, express or implied, to limit the output of electrical energy, to restrain trade, or to fix, maintain, or increase prices for electrical energy or service are hereby prohibited"—title 16, United States Code, section 803 (h).

DEPARTMENT OF AGRICULTURE

It may be a surprise to know that under the law the Department of Agriculture has very definite antimonopoly functions; and may I digress just long enough to welcome the distinguished statesman from Alabama [Mr. HILL] to the floor, because I had something to say about the Senator from Alabama, some time, oh, a reasonably short time ago. I said for the RECORD on the floor that I considered the pending bill so dangerous to the welfare of the American people, that I considered the bill so dangerous from the standpoint of the economic rights of unborn generations of American boys and girls of the decades ahead, that I was willing to enlist in the rear ranks of any parliamentary army raised by the two distinguished gentlemen now sitting together over on the other side of the aisle, the Senator from Alabama [Mr. HILL] and the Senator from Tennessee [Mr. GORE], and it would be a great honor—a great honor—to serve under their generalship.

I urge them publicly, here, in full view of the American people, to take note of the fact that the American people are beginning to recognize the seriousness of this bill, as far as jeopardizing their rights is concerned; and I hope that this great patriotic call to duty, a call far beyond the line of duty, one might think, would be assumed by these two great generals from Tennessee and Alabama. Here is one private—here is one private who will march forward, for days and weeks to come, and until we finally force a reconsideration of the action taken by the Senate, and until we get the bill so modified that the American people will be protected from the provisions in it now, which I think are so dangerous to the people's welfare. That is all I can do. I want to tell you that, under your leadership, we will win; and I suggested earlier today that, when we draw that parallel line, the motto should be "It shall not pass."

Mr. CARLSON. Madam President——

Mr. MORSE. I yield for a question to the Senator from Kansas.

Mr. CARLSON. Madam President, I do not know that I can phrase this in the form of a question, but I sincerely hope that no one will raise a point of order in regard to my short statement.

Mr. MORSE. Ah, but that does not go. I must tell the Senator from Kansas something. When the tidelands debate was on, we were in that parliamentary situation, and I was having a little difficulty with the Senator from Nevada, the Senator will remember. So enthusiastic was he in regard to that discussion, that he found it difficult to ask me some questions. He was inclined to start out without asking questions. I remember the Senator from Kansas was in the Chair, and I appealed. I appealed to the Presiding Officer. I said, "I want the Senator to protect me, now. I want the Senator to know that I am yielding only for a question." Let me refresh the memory of the Senator from Kansas regarding what he said to me. He said I would have to protect myself. Does he remember that? He said that I would have to protect myself.

Mr. CARLSON. Madam President, will the Senator from Oregon yield for a question?

Mr. MORSE. I yield for a question.

Mr. CARLSON. Let me ask how long the distinguished Senator from Oregon expects to speak; and then may I state that it was my privilege to occupy the chair which at the present time is occupied by the distinguished senior Senator from Nebraska [Mrs. BOWRING]; and again this morning I had the opportunity of occupying the same position, and at that time the distinguished Senator from Oregon made some remarks about how he and I spent the night together in the Senate chamber, one of us while serving as the presiding officer, and the other as the speaker.

I wish to say that I enjoyed the speech of the Senator from Oregon this morning, and I desire to compliment him upon his efforts to bring about the result he espouses. I do not agree with him about it, but I admire him for it.

Mr. MORSE. Madam President, I wish to say that the richest kind of payment in this job is the kind of payment I have just received, namely, the sincere expression of mutual respect that has passed between the Senator from Kansas and myself, even though there are great difference between us with regard to policies.

And then, Madam President, the question asked by the Senator from Kansas deserves a more definite answer than I am able to give at the present time. I am not going to speak at great length—for me [laughter]; but I am sure it will be too long for the Senator from Kansas.

There are a few more things to be said. I have needed this warm-up, this sort of batting practice. I needed this conditioning and training. I started last week. I had a pretty good idea, last week, of what was coming. So last week I got a little exercise, and today I am getting a little more, and tomorrow I shall get a little bit more; and then we shall really go to work.

By that time, I think my generals will have the army enlisted, and I am going to take a little more time today, for the recruitment office to go to work. [Laughter.] I am going to hold out here for the recruitment office activity. But my colleagues do not need to worry; my speech will not be as long as was my speech the last time, unless some unforeseen condition develops. But I do not expect that to be the case.

But, Madam President, I wish to say that I am deeply moved by what, as I have stated, is the finest compensation one in this situation could receive, namely, a realization that we have succeeded in calling the attention of the American people to what those of us who are opposed to the pending bill feel are its dangerous implications.

So, Madam President, I shall proceed for a little while longer, and then I shall consult with my generals.

I see the Senator from New Mexico [Mr. ANDERSON] in the Chamber. He was here late last night. He should have stayed home longer; he did not need to return yet, because there are plenty of other things for me to say. I hope the Senator from New Mexico, whose future services we shall wish to have the benefit of, in the forefront of the battalion of this army that is to charge will get some rest, because we shall hold the fort for the time being.

DEPARTMENT OF AGRICULTURE

Madam President, at this time I wish to discuss the antimonopoly features of the Department of Agriculture.

Whenever the Secretary of Agriculture has reason to believe that any association of producers of agricultural products monopolizes or restrains trade in interstate or foreign commerce to the extent that the price of any agricultural commodity is unduly enhanced thereby, he is directed to serve a complaint upon such association. The Secretary is authorized to hold hearings and issue cease-and-desist orders against monopolization or restraint of trade in agricultural commodities, and such orders are enforceable in the district courts, under charge of the Department of Justice—title 7, United States Code, section 292.

The Secretary of Agriculture is authorized to enter into marketing agreements with processors and producers of agriculture commodities, which agreements are exempt from the antitrust laws, but must embody provisions prohibiting unfair methods of competition and unfair trade practices in the handling of such commodities—title 7, United States Code, sections 608b and 608c (7).

Meat packers are forbidden to engage in manipulation or control of prices in interstate commerce, or to create a monopoly in the buying or selling of articles, or otherwise to restrain commerce. It is unlawful to conspire or combine with any other person to apportion business territory, or in the purchase or sale of articles or to manipulate or control prices. Whenever the Secretary of Agriculture has reason to believe that any packer is violating these provisions, he is directed to serve a complaint upon the packer, stating the charges. The Secretary is authorized to hold hearings and to issue cease-and-desist orders, which orders are enforceable in the circuit courts—title 7, United States Code, sections 192–194.

DEPARTMENT OF THE INTERIOR

Whenever the Secretary of the Interior has reason to believe that any association in the fishing industry engaged in catching, collecting, or cultivating aquatic products, monopolizes or restrains trade in interstate or foreign commerce, to the extent that the price of any aquatic product is unduly enhanced thereby, he is directed to serve a complaint upon such association. The Secretary is authorized to hold hearings and issue cease-and-desist orders against monopolization or restraint of trade in aquatic products; and such orders are enforceable in the district courts, under charge of the Department of Justice—title 15, United States Code, section 522.

Lessees of coal lands reserved to the United States in Alaska may consolidate small holdings into a single bloc not exceeding 2,560 acres of contiguous land, with the approval of the Secretary of the Interior; persons or corporations violating this section are guilty of a felony—title 48, United States Code, sections 436 and 442.

The Secretary of the Interior, in administering leases for certain minerals on public lands, is obligated to limit the number and size of holdings according to the terms of the law. Persons violating this section may be compelled to dispose of their interests in appropriate proceedings instituted by the Attorney General in the district courts—title 30, United States Code, section 184.

Certain combinations formed for the purposes of constructing or carrying on the business of a refinery, common carrier pipeline, or a railroad line are permitted, subject to the approval of the Secretary of Interior.

Lessees who enter any arrangement in restraint of trade in the mining or selling of coal, phosphate, oil, oil shale, gas, or sodium, will have their leases forfeited by appropriate court proceedings.

Leases for gas and oil, and so forth, rights on public lands are administered by the Secretary of the Interior, and must contain the provision, among others, that the sale of the production of such leased lands to the United States or to the public will be at reasonable prices, for the protection of the interest of the United States, for the prevention of monopoly, and for the safeguarding of the public welfare—title 30, United States Code, section 187.

The Secretary of the Interior administers the granting of rights-of-way to pipeline companies transporting oil across specified public lands; companies who violate the antitrust laws automatically forefeit the right-of-way titles—title 43, United States Code, section 970.

In connection with land reclamation and irrigation projects, the Secretary of the Interior is directed to establish the size of farm units on each project in accordance with his findings of the areas sufficient to support a family—title 16, United States Code, section 590z-2.

In the sale or lease of power from such projects, the Secretary of the Interior shall give preference to municipalities

and other public corporations or agencies, and to cooperatives and other nonprofit organizations—title 16, United States Code, section 590z-10.

Similar preference provisions are contained in title 43, United States Code, section 45h (c).

Electric power and energy generated at reservoir projects under control of the Department of the Army are delivered to the Secretary of the Interior for disposition "in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission."

Preference in the sale of such power and energy shall be given to public bodies and cooperatives, and the Secretary of the Interior is authorized to construct transmission lines in distributing the electricity—title 16, United States Code, section 825a.

POST OFFICE DEPARTMENT

Now, Madam President, what about the Post Office Department? Does it have antimonopoly functions? It certainly does. My reason for placing this material in the RECORD is to show a public policy of long standing in the United States. I am talking about public policy that leaves no room for doubt that the American people want to be protected from monopolistic practices.

In my judgment, one of the great weaknesses of the bill is that we cannot reconcile it with the antimonopoly public policy of the United States. I say there rests upon us the very solemn obligation of seeing to it that we keep faith with all these antimonopoly provisions of the law, which imposes upon other bodies the duty of protecting the American people from monopolistic practices. I criticize the bill because in my judgment it will lead to monopolistic control of the atomic energy program in the field of electric-power development.

So let us take a look at how we have declared public policy in regard to the antimonopoly functions of the Post Office Department.

The Postmaster General has authority, whenever he believes that bids received for carrying mail on any star route are exorbitant or unreasonable, to provide the desired service by means of his own choosing.

Contracts for carrying mail must not be made with any person who has entered, or proposes to enter, into any combination to prevent the making of any bid for carrying the mail—title 39, United States Code, sections 432 and 433.

The Post Office Department is forbidden to make contracts for furnishing supplies with any person who has entered, or proposes to enter, into any combination to prevent the making of bids for furnishing such supplies, or to fix prices therefor, and so forth—title 39, United States Code, section 808.

DEPARTMENT OF THE NAVY

Mr. President——

The PRESIDING OFFICER (Mr. YOUNG in the chair). The Senator from Oregon has the floor.

Mr. MORSE. Mr. President, what about the Navy Department? It has antimonopoly functions, too.

The Secretary of the Navy is authorized to build at any navy yard or naval factory aircraft or spare parts and equipment, whenever it should reasonably appear that corporations bidding for such construction have entered into any combination or agreement or understanding, the purpose of which is to deprive the Government of fair, open, and unrestricted competition in letting naval aircraft contracts—title 34, United States Code, section 749a.

DEPARTMENT OF COMMERCE

The Bureau of Foreign and Domestic Commerce is charged with the duty, among others, to make special investigations of manufacturers in foreign countries which are controlled by trusts or cartels—title 15, United States Code, section 171.

DEPARTMENT OF THE TREASURY

The Secretary of the Treasury is directed to make such rules and regulations as are necessary to prevent the making of restrictive agreements in favor of imported goods—title 15, United States Code, section 73.

Whenever the existence of unfair methods of competition and unfair acts in the importation of articles into the United States is established to the satisfaction of the President, he shall direct the articles concerned to be excluded from entry and the Secretary of the Treasury shall, through the proper offices, exclude such entry—title 19, United States Code, section 1337.

UNITED STATES TARIFF COMMISSION

Unfair methods of competition and unfair acts in the importation of articles into the United States, the effect of tendency of which is to substantially injure a domestic industry or to restrain or monopolize trade and commerce in the United States are unlawful, and the Tariff Commission is authorized to investigate any alleged violation on complaint under oath or upon its own initiative. The Tariff Commission is authorized to make findings, with an appeal by the importer to the United States Court of Customs and Patent Appeals.

SECURITIES AND EXCHANGE COMMISSION

What about the antimonopoly functions of the Securities and Exchange Commission?

The Securities and Exchange Commission is given broad powers to regulate securities transactions and to compel the simplification of public utility holding company systems in order to limit undue concentration of control—title 15, United States Code, chapters 2B and 2C.

GENERAL SERVICES ADMINISTRATION

Section 302 (b) of the Federal Property and Administrative Services Act of 1949, as amended, states:

> It is the declared policy of the Congress that a fair proportion of the total purchases and contracts for property and services for the Government shall be placed with small-business concerns.

Where contracts in excess of $10,000 are negotiated without advertising, sufficient advance publicity is required. In case of advertised bids, any evidence of violation of the antitrust laws must be referred by agency heads to the Attorney General for appropriate action—title 41, United States Code, supplement V, section 252 (a) and (d).

Section 207 of the Federal Property and Administrative Services Act of 1949, as amended, requires any executive agency in beginning negotiations for the disposal of any plant or other property costing $1 million or more, or of patents, processes, etc., irrespective of cost, to seek advice of the Attorney General, and it shall be the duty of the Attorney General to advise the executive agency whether the proposed disposition of the property would tend to create or maintain a situation inconsistent with the antitrust laws. The executive agency must assist the Attorney General by furnishing him any information it may possess appropriate or necessary to the Attorney General's determination.

This section also provides that nothing in the act shall modify or limit the applicability of the antitrust laws to persons who acquire property under the provisions of the act—title 40, United States Code, supplement V, section 488.

In one respect the section is broader than a similar provision in the Surplus Property Act of 1944. Section 207 requires a determination by the Attorney General as to whether the proposed disposal would tend to create or maintain a situation inconsistent with the antitrust laws, while under the Surplus Property Act of 1944 the determination was whether the proposed disposition would violate the antitrust laws.

However, it should be noted that under the earlier act, disposal of surplus property was to be governed by broad objectives in promoting competitive enterprise, discouraging monopolistic practices, and strengthening small business. The Surplus Property Administrator had the duty "to devise ways and means and prescribe regulations to prevent any discrimination against small business in the disposal and distribution and use of any surplus property."

The Smaller War Plants Corporation was directed to cooperate with the Surplus Property Administrator in aiding small business. For the disposal of large war plants, a reporting procedure to Congress was prescribed and the advice of the Attorney General also was required, as noted above—title 50, United States Code, section 1611 and the following.

RUBBER PRODUCING FACILITIES DISPOSAL COMMISSION

The Commission, established by act of Congress for disposal of Government-owned rubber plants, is directed to make recommendations for disposal which include the following criteria, among others: First, that the disposal program be designed best to afford small business enterprises and users the opportunity to obtain a fair share of the end products of the facilities sold and at fair prices; and second, that the recommended sales shall provide for the development within the United States of a free, competitive, synthetic rubber industry, and to not

permit any person to possess unreasonable control over the manufacture of synthetic rubber or its component materials.

The Commission is directed to consult and advise with the Attorney General in order to secure guidance as to the type of disposal program which would best foster the development of a free competitive synthetic rubber industry, and to supply the Attorney General with such information as he may deem requisite to make a determination that the proposed disposition will not violate the antitrust laws. The program of disposal is to lie before the Congress for 60 days before being carried out—Public Law 205, 83d Congress, first session.

OFFICE OF WAR MOBILIZATION AND CONVERSION

This postwar agency, no longer existent, was directed, among other things, to provide that small plants received fair allocations of scarce materials. The act creating the Office of War Mobilization and Reconversion also directed the Attorney General "to make surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of war mobilization and during the period of transition from war to peace and thereafter." Such reports were to be transmitted to the Congress—title 50, United States Code, section 1559 and 1660.

OFFICE OF DEFENSE MOBILIZATION

The Defense Production Act of 1950, as amended, contains certain provisions designed to encourage and assist small business in defense mobilization work—64 Statutes 815.

SMALLER WAR PLANTS CORPORATION

The Small Business Mobilization Law enacted in 1942 authorized the chairman of the War Production Board to certify to the various procurement officers of the Government that small business concerns or groups of such concerns were competent contractors for the purposes of receiving war contracts. A Smaller War Plants Corporation was created to assist small business in this field—title 50, United States Code, sections 1103 and 1104. It was later terminated and its remaining functions transferred to the Reconstruction Finance Corporation and other agencies.

RECONSTRUCTION FINANCE CORPORATION AND SMALL BUSINESS ADMINISTRATION

The objective of encouraging small business through RFC loans was added to the RFC Act during the 80th Congress—62 Statutes 261.

When the liquidation of the RFC was ordered in the 83d Congress, title 2 of the enactment provided for the creation of a Small Business Administration. The act recites, in part:

It is the declared policy of Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation (67 Stat. 230).

TENNESSEE VALLEY AUTHORITY

Even the TVA was given antimonopoly functions.

The TVA is empowered and authorized to sell surplus electrical power, giving preference to public, cooperative, and other nonprofit agencies; to enter into 20-year contracts with such organizations; to assist in their establishment by extending credit; to make contracts for sale of power to private utilities which are cancelable upon 5 years' notice; to construct transmission lines "in order to promote the fullest possible use of electric light and power on farms"; and "to make studies, experiments, and determinations to promote the wider and better use of electric power for agricultural and domestic use, or for small or local industries"—title 16, United States Code, sections 831i and 831k–1.

RURAL ELECTRIFICATION ADMINISTRATION

The Administrator is authorized and empowered to make loans for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines, and so forth, for the furnishing of electric energy to persons in rural areas, and loan preference is to be given to public, cooperative, and nonprofit agencies—title 7, United States Code, section 904.

BONNEVILLE POWER ADMINISTRATION

Facilities for generation of electric energy at the Bonneville project are to be operated for the benefit of the general public, and particularly of domestic and rural consumers. The Administrator is directed to give preference and priority to public bodies and cooperatives in disposing of electric energy generated at the project. Not less than 50 percent of the energy is to be made available to public bodies. Such public groups are allowed reasonable opportunity to become organized and to acquire financing. Rate schedules are to be approved by the Federal Power Commission and shall be fixed with a view to encouraging the widest possible diversified use of electrical energy. To further encourage such widespread use, to provide reasonable outlets for the power, and to prevent its monopolization by limited groups, the Administrator is authorized and directed to construct and operate transmission lines, substations, and appurtenant equipment—title 16, United States Code, sections 832a and 832c.

Mr. President, I am not saying that these are all the antimonopoly functions under the law vested in various commissions and agencies and departments of Government. I have taken the time, boring as it may have been, and dry as it undoubtedly was, because statutory material is always dry, to read into the RECORD the law already on the books, which leaves not the slightest room for doubt that the American people, through their elected representatives, have really from the beginning of the monopoly problem in this country written into the record with crystal clearness a public policy of checking monopoly.

Why should the Atomic Energy Commission be an exception? Why should legislation dealing with electric power to be derived from atomic energy not contain the same protection features we have written into the law with respect to the other activities of our Government?

I have spent much time in this first speech pointing out that one of my major objections to the pending bill, among many, is the fact that it does not provide for regulation of monopolistic control of electric energy which comes through atomic energy development. We have a duty, I believe, to keep faith with a long-established Federal public policy, to see to it that private utility combines do not get the control which, in my judgment, they would get under the bill over this great source of energy so vitally necessary to the economy of this country by generations of American boys and girls for years and years to come.

There is now in the record a clear expression of public policy for antimonopoly control, and I say that we cannot justify passing the pending bill until we write into it a whole new section—and we are going to offer such a section—which will place upon the Atomic Energy Commission the duty to prevent monopolistic control, instead of authorizing the Commission to enter into contracts which, in my judgment, would give control to the private monopoly.

Mr. President, I now wish to read into the RECORD a couple of communications I have received. The first is from the American Public Power Association. I have not been in the Chamber every moment of the time during the debate, and this may already be in the RECORD, but it deserves repetition. It is under the date of July 21, on the letterhead of the American Public Power Association, and reads:

DEAR SENATOR MORSE: The American Public Power Association, which represents over 700 local publicly owned electric utilities in 38 States and Puerto Rico, is greatly disturbed about certain features of the Cole-Hickenlooper bill (S. 3690) to amend the Atomic Energy Act of 1946.

This is, without doubt, one of the most important pieces of legislation to be brought before the Congress in recent years. Its passage would have a profound influence on American life for many future generations, for it would set the pattern for peacetime use of a great new source of energy. Needless to say, it would have a particularly great effect on the future of the electric industry, including the portion represented by the American Public Power Association.

Let me digress to say that here is an association which represents some of the little fellows, here is an association which represents some of the REA's and the cooperatives, who are not at all impressed with the argument that there is nothing in the bill which will prevent an REA or a cooperative or a municipality from going ahead with the development of one of the reactors mentioned in the debate. The only thing that prevents them is the inability to get a good many million dollars to do the job. That is why they look to their Government to protect them, and they look to their Government to make available to them a source of cheap power, under a public-power yardstick formula, which will not

result in their being forced to pay tribute to private monopoly combines.

Here are some of the people who represent the grass roots of America, to whom the people who are opposed to this bill are appealing to wake up before it is too late to make known their interest in the pending bill, to familiarize themselves with the shortcomings of the bill.

As I said earlier this morning, I am satisfied that once the Congress comes to understand what the people will say about the glaring inequities of the bill, Congress, under its obligations, within a representative government, will change its course of action on the bill, and we will get a reconsideration of the Ferguson amendment, which has already been agreed to, which was a great mistake, in my judgment, and we will get other amendments added to the bill which will correct some of the shortcomings which many of us have been protesting.

The Public Power Association letter continues:

Thus far, much of the Senate debate has centered about the so-called Dixon-Yates proposal by which a private utility holding company combine would furnish 600,000 kilowatts of power to the Tennessee Valley Authority, as a replacement for power which TVA now furnishes the Atomic Energy Commission.

Under this arrangement, the AEC would be used as a broker to buy power for the TVA is already adequately furnishing the power requirements of the AEC. It has been estimated that under the Dixon-Yates contract the additional cost of power to the AEC would range from $3,685,000 a year to $5,567,000 a year. Moreover, the Federal Government would reimburse the Dixon-Yates combine for its payment of Federal income taxes—a scheme which we understand is unprecedented in the history of our Government.

Although the Dixon-Yates controversy is extremely important particularly from the standpoint of the future of TVA, the debate on this contract has largely obscured from public view some of the extremely important power and related provisions of the atomic energy legislation. They are as follows:

1. Patents: Testimony which representatives of our association presented to the Joint Committee on Atomic Energy on May 12, 1954, described the patent provisions of the identical bills then before the committee (S. 3323 and H. R. 8862) as affording "opportunity for the creation of a monopoly on a scale never before known in America."

The PRESIDING OFFICER. The Senator will suspend to receive a message from the President of the United States.

(At 10 o'clock and 55 minutes a. m. a message was received from the President of the United States, which appears elsewhere in the RECORD.)

Mr. MORSE. Mr. President, I wish to point out how cooperative I am. I would not think of interrupting the President's program the way the President is interrupting my program. I believe it desirable that the American people make very clear to the White House their interest in this program which the opponents of the pending bill are fighting for, in the public welfare.

I now return to the letter:

Although we believe that the patent features of the bill presently before the Senate have been improved by their alteration in the direction of the 1946 Atomic Energy Act, we believe that the patent provisions of the new bill are still complicated, the procedures to be followed by the Commission in compulsory licensing are not well defined, and the way is opened for favoritism in the granting of exclusive patents.

2. Construction of nuclear reactors for power production: For all practical purposes, the Atomic Energy Commission and other Federal agencies are prohibited from building nuclear reactors for the commercial generation of electric power.

Let me digress to say that I am not impressed with the opinion that because there are no words of prohibition in the bill in a strictly literal sense, the Commission is not prohibited. If they are to have the affirmative power, Congress has to grant it to them, and the affirmative power is not given them in the bill. When we get through with the amendments being offered, such as the Johnson amendment, the affirmative power will be in the measure.

The letter continues:

Since the Federal Government to date has invested some $12 billion in the field of atomic energy, and since the Federal Government will continue to retain ownership to nuclear materials, it would seem that the Government should not be prohibited from building pilot or "yardstick" plants for the generation of electric power, particularly in view of the fact that the Atomic Energy Commission itself is the largest single consumer of electricity in the world, its requirements exceeding about 5 million kilowatts of capacity. Certainly the Federal Government should not be prohibited from supplying its own needs for power.

To prohibit the Government from constructing plants of its own would be the same as saying to the Government that it had ownership of the navigable streams of the Nation, but could not build hydroelectric power facilities.

3. Preference in power marketing: In any incidental surplus power which the Atomic Energy Commission may produce as a byproduct to experimental work, the present bill does not require that the Commission give a preference to local public agencies and rural electric cooperatives in the marketing of such power. Such nonprofit agencies are given preference in the marketing of federally produced hydroelectric power, the first such preference condition having been adopted by Congress in 1906.

4. Issuance of licenses: In the future, both local public and private power systems, as well as rural electric cooperatives, will be required to come before the Atomic Energy Commission to obtain 40-year licenses to build powerplants for the commercial production of electric power from nuclear materials. Here we are confronted with a situation similar to that of the Federal Power Act, since non-Federal agencies are required to go before the Federal Power Commission to obtain a license to build hydroelectric power projects on navigable streams. But whereas the Federal Power Act required that the Federal Power Commission give preference to applications submitted by local public agencies, no such condition is included in the pending atomic energy legislation.

5. Following procedures of Federal Power Act: As noted above, the Atomic Energy Commission, under the pending bill, would be authorized to issue 40-year licenses for nuclear power facilities. Yet, none of the significant regulatory procedures contained in the Federal Power Act have been included in the atomic energy legislation to govern the conduct of the Commission in issuing such licenses.

To correct these serious deficiencies, we urge your support of amendments, most or all of which have already been introduced in the Senate, which would do the following:

1. Prohibit the signing of the Dixon-Yates contract, which we believe is not only contrary to the purposes of the Atomic Energy Commission, but would be a devious means of opening the door to destruction of the TVA power system.

2. Substitute for the applicable provisions of the Cole-Hickenlooper bill the essential provisions of the 1946 Atomic Energy Act relating to patents.

3. Permit the Government itself, where specifically authorized by the Congress, to build nuclear powerplants.

4. Require that the Atomic Energy Commission give a preference to local public agencies and rural electric cooperatives in the marketing of power from federally owned nuclear-power facilities.

5. Require that local public agencies and rural electric cooperatives receive a preference in obtaining licenses for nuclear power facilities, where there is a limitation on the availability of such materials.

6. Bring the licensing provisions of the Atomic Energy Act into line with the procedures established under the Federal Power Act.

The American people can rightly take pride in the careful manner in which the Congress, over the past 50 years, has developed legislation which protects for all Americans their rights to natural resources. We are at the threshold today of developing for the benefit of many future generations an entirely new source of energy. Depending upon the manner in which Congress acts upon the pending legislation, this energy source—holding such bright potentialities for the future—can either be developed for the benefit of all Americans, or it will become the province of a relatively few large corporations.

Unless the amendments to which we have referred are adopted, we fear that the latter will be the result.

We, therefore, strongly urge that the Congress, in formulating legislation of such transcendent importance, follow the same principles which in the past half century have guided the actions of Congress in preserving a national resource for the benefit of all the people.

In submitting these recommendations we do not in any sense advocate a Federal Government monopoly in the field of nuclear energy, just as we do not advocate a Federal or public power monopoly in the electric industry. Local public agencies, whom we represent, and private companies should be permitted to share in the opportunity of making this resource available to all the people. But the Federal Government, which in the first instance has made this resource available through the expenditure of some $12 billion of tax funds, should not abdicate its responsibility by permitting unbridled exploitation of this resource or licensing of its use under loose procedures which do not protect the public interest.

Sincerely,

ALEX RADIN,
General Manager.

Mr. President, I want to commend publicly Mr. Alex Radin and his organization, the American Public Power Association, for the clear statement of the association's views on this bill. They are views which, for the most part, I share. I think they are views which should receive the careful reading and attention of the Senate of the United States. I think they are views which for the most part should be enacted by way of amendments to this bill; and I shall continue to do what I can to secure the enactment of such amendments.

Now, Mr. President, I want to read into the RECORD a telegram I have received from Mr. J. E. Smith, president, for the board of directors of the National Rural Electric Cooperative Association. This, too, may have been used by other speakers. It cannot be used too much. It cannot be repeated too often. Here are the grassroots of America again being heard from. Here is the telegram, dated July 21:

By resolution passed unanimously at a meeting of the Board of Directors of the National Rural Electric Cooperative Association at Wausau, Wis., July 21, 1954, the following message is sent to all Members of the Congress:

"It is our firm belief that the atomic energy program, developed with the people's funds to the extent of $12 billion, is a part of the public domain as much as public lands, the navigable rivers and other resources long considered to be the people's property. We feel most strongly that this is the basic premise which should guide the Congress in the consideration of S. 3690 and H. R. 9757.

"We commend those Members of the Senate who have courageously set forward the issues in S. 3690 and urge the continuation of debate until all issues are clarified and the bill satisfactorily amended.

"We urge that the licensing provisions and procedures be brought into line by appropriate amendments to make such licensing subject to the same safeguards applicable to water resources under the Federal Power Act. This includes public notice to interested parties, public hearings, and preference to public bodies and cooperatives on all licenses for the construction, operation and fueling of atomic establishments for the production of electric power.

"We oppose the granting of private patents on discoveries made with Government funds, in the past or the future, directly or indirectly, and we urge compulsory licensing of all patents affecting the use of this great resource. No private monopoly should be permitted to jeopardize the domestic welfare and national security.

"We urge that preference in the purchase of electric energy generated as a byproduct of the atomic energy program be given to public bodies and cooperatives. Section 44 should be so amended.

"We urge amendment of the bills to empower the Atomic Energy Commission to construct and operate or license any other Federal agency to construct and operate electric generating facilities, and that preference in the purchase of electricity generated in such facilities be given to public bodies and cooperatives.

"We deplore the attempt to use the Atomic Energy Commission to open the way for invasion of TVA by the private power companies via the so-called Dixon-Yates contract, and we urge both Houses to amend the Atomic Energy Act to specifically forbid the signing of such contracts.

"We urge the Congress to recognize the vital importance of this wholesale revision of the Atomic Energy Act; that the Congress recognize that S. 3690 and H. R. 9757 are primarily electric power bills, and that the rights of the people to the full benefits of their investments of $12 billion be recognized and safeguarded against monopolistic restraints and exploitation, through licenses, patents, subsidies for atomic fuel and any and all other devices."

J. E. SMITH, *President*
(For the Board of Directors of National Rural Electric Cooperative Association).

Mr. President, I also want to commend publicly Mr. Smith and the association. I want to commend the REA's throughout the country. I want to commend the membership of the REA's throughout the country for the valiant support they have given in the past, as they are giving it today, to those who have fought in the Congress of the United States to protect the public interest in the natural resources of the country.

It is a hard fight. I have said elsewhere, and I repeat here, I suppose it is a fight that is never won, but it is a fight that we must never permit to be lost. It is a fight we must keep alive, Mr. President. We must never retreat on this issue, because what we are fighting for is really to protect the people's property in the natural resources of the country; and that has been the record of the REA. I was deeply moved by the telegram from Smith, because I think it is a very concise and clear analysis of some of the major deficiencies of this bill, and I consider it to be of imperative importance that we proceed with amendments which will correct the defects and shortcomings that both Smith and Alex Radin, representing those two great organizations, have pointed out.

Mr. President, my attention has just been called to a very interesting paragraph under the heading in today's New York Times "Highlights of News Parley":

Atomic Energy Commission: He did not know that 3 of the 5 members had opposed the signing of the private power contracts he had ordered; besides he did not believe the Commission was independent in the sense that the ICC or FCC was.

It is an interesting statement. Of course, I would respectfully make a suggestion or two. I would suggest that that is all the more reason why we should not be having so-called "official spokesmen" of the Atomic Energy Commission; and the President had better familiarize himself with the five spokesmen of the Atomic Energy Commission, who, under the law as it now exists—and I hope we keep it that way—have equal responsibility in exercising jurisdiction over policy formation in the field of atomic-energy development.

I am quite surprised at what I am sure is common public knowledge, that three members of the Commission did not approve the Dixon-Yates contract, and that that fact was unknown to the President of the United States. I think he ought to get some new advisers. He ought to find out why that barrier is apparently maintained between himself and the news. He ought to be told these things, and I think somebody should hang his head in regret to let the President of the United States get into a news conference and have a question put to him such as Doris Fleeson is reported in the newspaper to have put to him, and that he made such a response as he did, showing such a lack of information and knowledge of something that is common knowledge to the public generally.

The item in the New York Times, in part reads:

DORIS FLEESON of the United Features. Mr. President, one of the major points in the debate on the Atomic Energy Commission-TVA contract today arose out of testimony before the Joint Committee on Atomic Energy that three Commissioners of the Atomic Energy Commission opposed signing the contract.

Therefore, the Senators are arguing the question of whether the President has the power to order independent agencies to take action that their administrators or a commission majority oppose. Would you discuss your attitude toward that problem?

Answer. Well, he was not going to discuss it very greatly, very obviously. He had an Attorney General and, when there was a matter of legality arose, why, he had to be governed by what the legal staff of that office decided was correct, because they would remember this:

It wasn't always a matter of taking authority in these cases, it was a matter of somebody exercising responsibility, and someone had to do it. And, frequently, he supposed lots of people would like to get out of exercising responsibility, but you had to do it when the chips were down.

Now, in this one, she was telling him things and she was giving him a premise that he didn't know existed. But he would say this:

The Atomic Energy Commission, he did not believe, was an independent commission in the sense that the ICC or FCC was. It was something that he was compelled to take action on and over which to exercise supervision.

I shall leave it to the reader to determine how responsive that was. It was responsive enough, and only enough, to show that the President did not know the facts; and when he talks about responsibility, in his answer to the question, he had better find out who was responsible for letting him, in that press conference, disclose such gross ignorance of what the Atomic Energy Commission had decided in regard to the contract. That kind of lack of knowledge, Mr. President, at the White House level, frightens me. Would anybody think that is safe for democracy? Why then, Mr. President, talk about not checking the President?

Talk about not writing into the bill a provision that will prevent him from ordering the signing of a contract, when apparently he did not know that 3 out of the 5 Commissioners thought it would be very unsound public policy. In fact, Mr. President, there is very serious question whether the legal authority to do that exists.

Mr. President——

The PRESIDING OFFICER (Mr. BENNETT in the chair). The Senator from Oregon has the floor.

Mr. MORSE. Mr. President, I should like to see the opinion of the Attorney General, to which I referred earlier this morning, which—if it exists—apparently came into existence subsequent to the Attorney General's appearance on the Meet-the-Press program some days ago, because, judging from his remarks on that program, he had not then been apprised of this situation.

But the remarks credited to the President would seem to indicate that the President felt that he had at that time an opinion of the Attorney General. If so, I should like to see it.

Mr. President, I try to be a good soldier. My associates in the ranks and my superior officers—all of us being together in this battle—have told me there is much ammunition ready for the batteries and there are many gunners ready to shoot. So in a short time I

shall yield, under orders. I shall do so reluctantly, because I feel in fine shape. I suggested to them, in whispered conversation, "You had better let me continue for a while." But they expressed a desire to use me later in the fray. Mr. President, they need not worry about that, for I could continue now and could still take part in the fray, later on.

But, Mr. President, I am about to yield the floor, although at this time I wish to point out some of the things I shall discuss before the debate is over.

I shall discuss some of the tax features of the bill.

Mr. President, I am glad to see my friend, the Senator from South Carolina [Mr. JOHNSTON] enter the Chamber. Earlier in the day I talked about the enlistment in the people's cause in this fight, and I am proud to be a soldier in the ranks, with the Senator from South Carolina. In connection with these great issues of protecting the people's interest in the natural resources, I always find that at all times he is ready and willing to stand up and be counted and to fight, using every parliamentary means at his disposal, to protect the interests of the people.

So I am delighted to see him in the Chamber. I have a little "Dutch uncle" advice to give him: Let us repair to some spot for refreshment and repose, while our cohorts bring up their battalions, and inform the American people what they are about to lose if this bill passes; and then the Senator from South Carolina and I will return, in the wee hours of the morning, and beat the robins to it.

Mr. JOHNSTON of South Carolina. Mr. President——

Mr. MORSE. Oh, Mr. President, I cannot yield, except for a question.

Mr. JOHNSTON of South Carolina. Mr. President, is it not true that both the Senator from Oregon and I can be back here this evening—and is this not especially true of him, inasmuch as I feel very fresh this morning, and quite "ready to go"—and then can continue to carry the fight into the night and on into the future?

Mr. MORSE. Oh, Mr. President, there is something stimulating about staying here late at night and in the middle of the night and early in the morning, and fighting for the people's cause—even though almost alone, sometimes. But as one stands here, he can just imagine the spirits of great liberals who fought this battle more effectively than the Senator from South Carolina and I, in our feeble way, can ever fight it; but they fought it and they made a record which we cannot justify walking out on. We must stand here firm, and must support the record of such great liberals as La Follette, Norris, Borah, Johnson, and the many others.

As I said earlier today, I know the Senator from South Carolina agrees with me that here are a couple of soldiers that the generalship in this battle can count on to the very last—and let me say we do not drop very easily, either.

Mr. President, I see my friend, the Senator from Georgia [Mr. RUSSELL] now on the floor. He may be surprised to find the situation such that he may wish to come in and help defend the right of the Senate of the United States to use the parliamentary rules to protect the people, so long as those rules remain unchanged on the statute books.

My friend, the Senator from Georgia, and I disagree on how the rules should be changed so a minority can be protected. But so long as the rules we now have remain on the books—for the various reasons I set forth earlier in my speech today—I intend to use them; and I do not intend to fly under any false colors, as regards what I am doing. On the contrary, I have sent to the desk my resolution on filibusters, although I do not expect to have it taken up. As Senators will recall, it was not taken up during the tidelands debate, either. But until it is taken up and until some such resolution is adopted, we shall stand shoulder to shoulder, protecting the people's interest in the domain that belongs to the people, including the public power domain.

I know that my good friend, the Senator from Georgia, is just aching to participate in the debate, being the master of filibustering in the Senate that he is. In fact, I do not think there is a keener technician, strategist, and scholar of filibustering in the Senate than the great junior Senator from Georgia [Mr. RUSSELL]. He knows this field of action so well, that he knows that if his urge to say something is allowed to materialize while I have the floor, it can occur only when I yield to him for a question—and only for a question. In fact, Mr. President, he taught me that lesson when I came here some 9 years ago. [Laughter.]

I think I learned well under the tutelage of the Senator from Georgia, because one would have to be an impossible student not to learn under the tutelage of the Senator from Georgia, who is so keen in the matter of parliamentary battles—so keen, in fact, that I wish to express to him publicly my appreciation for his tutorship and for the great lessons he taught me. He taught me, Mr. President; and I have learned much at his feet; and I have no doubt that I shall learn more from him now, if we wishes me to yield for a question.

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

Mr. MORSE. Yes; for a question only.

Mr. RUSSELL. I wish to ask the Senator from Oregon whether he realizes that, of course, everyone thoroughly appreciates compliments?

But I wish particularly to ask the Senator from Oregon whether he realizes that my views on this matter are somewhat different from his, in that he utilizes something of which he disapproves, whereas, insofar as the junior Senator from Georgia is concerned, he believes in the right of unlimited debate under any circumstances, regardless of whether he may agree with the thesis of those who have the floor.

Mr. MORSE. You see, Mr. President, the only difference between the junior Senator from Georgia and myself is that I am more selective than he; that is all.

Mr. RUSSELL. Mr. President, I should like to ask the Senator from Oregon another question, if he will yield.

Mr. MORSE. I yield for a question, Mr. President.

Mr. RUSSELL. Going to the last analysis, does the Senator from Oregon think that if there were a State which had no law against murder, that would justifying a person in killing 2 or 3 other persons—until the State could pass a law against murder?

Mr. MORSE. Oh, no. But I would call that a surprisingly false analogy, for an intellect as keen as that of the Senator from Georgia to use on me, by way of a rebuttal reference.

Mr. RUSSELL. Does not the Senator from Oregon know that what I am trying to do is to get him firmly on my side of this question, where he will grant that the Senate of the United States is the last bulwark of the liberties of the American people, and that there should not be gag rule in the Senate of the United States?

Mr. MORSE. Oh, I am unalterably opposed to gag rule. So in my resolution, I propose that there be 96 hours of debate after a cloture petition has been filed. That is a very long time for debate. So my friend, the Senator from Georgia, and I differ in respect to degree.

But, Mr. President, perhaps some Senator would like to move that the unfinished be laid aside, and that the Senate may proceed to consider my resolution. If any Senator would care to make such a motion, I would be delighted to discuss for some time with my friend, the Senator from Georgia, what I think are the advantages and superiorities of my resolution over the present cloture rule.

Mr. RUSSELL. Mr. President, will the Senator from Oregon yield for another question?

Mr. MORSE. Yes; for another question.

Mr. RUSSELL. I should like to ask the Senator from Oregon how many Senators could speak, under his rule, if all of them wished to express themselves at as great length as the Senator from Oregon is capable of doing—and in which I support him, let me say. Is it not true that it would not be possible for more than approximately three Members of the Senate to speak after the petition for cloture was filed, under such an arrangement?

Mr. MORSE. Of course, I may say to the Senator from Georgia that I am rather realistic about that. There are not very many Members of the Senate like us. [Laughter.] So I think we would have plenty of time.

Mr. RUSSELL. I should like to ask the Senator from Oregon whether, of course, that prediction is based on the premise that the Senator from Oregon decided to speak first? [Laughter.] Otherwise, I would have difficulty in obtaining an opportunity to speak.

Mr. MORSE. I am sure I would express the point of view of the Senator from Georgia if I were to speak first, and thus I would save his energy. And I should like to do that at times, here in the Senate, except in the parliamentary procedure battle.

But in the present case I wish to save his energy. I hope he will go into meditation with himself, today; and if he does, I think I can hear him say to

himself, "I must come to the aid of those fellows, because, after all, a very important principle is at stake here."

And let me say that the generals—either General GORE or General HILL—will accept at any time the enlistment of the Senator from Georgia, for the recruiting office is open; and what a great strengthening of the army that would be. [Laughter.]

Mr. President, in closing I wish to say that I see a great conservationist on the floor of the Senate; I see a great American; I see a great statesman; I see one of the giants among the liberal force—the great JIM MURRAY, of Montana. I have not yet had a chance to congratulate him publicly on the great victory he has just won in the primary contest in the State of Montana. I now wish to congratulate him; and I desire to point out that on just such issues as the one on which we are fighting this fight, the Senator from Montana, before some of us even thought of entering American politics—certainly that is true of this speaker—was marching up and down Montana, fighting to protect the people's interest in the great natural resources of the country. His is a magnificent record, in keeping with the spirit and objectives of the great Norris. So I wish to say publicly to JIM MURRAY that I am greatly indebted to him for the inspiration he has given me in our various natural-resource fights in the Senate, and for the leadership he has given our cause. It is my sincere hope that, come November, he will be returned to the Senate of the United States by the largest majority the people of Montana ever gave a Senatorial candidate in all the history of that State.

Well, Mr. President, I am through for the time being, with these few volleys. Later, I think we shall have to use some atomic weapons. [Laughter.] But we will be ready.

I say now, Mr. President—not facetiously, but seriously—that it is important that the American people wake up, before it is too late, to the losses they will suffer if this bill in its present form should pass.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Ervin	Kilgore
Anderson	Ferguson	Knowland
Barrett	Flanders	Kuchel
Beall	Frear	Langer
Bennett	Fulbright	Lehman
Bowring	George	Lennon
Bricker	Gillette	Long
Bridges	Goldwater	Magnuson
Burke	Gore	Malone
Bush	Green	Mansfield
Butler	Hayden	Martin
Byrd	Hendrickson	Maybank
Capehart	Hennings	McCarran
Carlson	Hickenlooper	McCarthy
Case	Hill	Millikin
Chavez	Holland	Monroney
Clements	Humphrey	Morse
Cooper	Ives	Mundt
Cordon	Jackson	Murray
Crippa	Jenner	Neely
Daniel	Johnson, Colo.	Pastore
Dirksen	Johnson, Tex.	Payne
Douglas	Johnston, S. C.	Potter
Duff	Kefauver	Purtell
Dworshak	Kennedy	Reynolds
Eastland	Kerr	Robertson
Russell	Smith, N. J.	Upton
Saltonstall	Sparkman	Watkins
Schoeppel	Stennis	Wiley
Smathers	Symington	Williams
Smith, Maine	Thye	Young

Mr. SALTONSTALL. I announce that the Senator from Idaho [Mr. WELKER] is necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

The PRESIDING OFFICER. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Tribbe, one of his secretaries, and he announced that the President had approved and signed the following acts:

On July 19, 1954:

S. 268. An act for the relief of Harold Trevor Colbourn;

S. 1050. An act for the relief of Josephine Maria Riss Fang;

S. 1796. An act to incorporate the Board for Fundamental Education;

S. 2468. An act to authorize the President to appoint to the grade of general in the Army of the United States those officers who, in grade of lieutenant general, during World War II commanded the Army Ground Forces, commanded an Army, commanded Army forces which included a field army and supporting units, or commanded United States forces in China and served as chief of staff to Generalissimo Chiang Kai-shek in the China Theater of Operations, and for other purposes; and

S. 3196. An act for the relief of Dr. Helen Maria Roberts (Helen Maria Rebalska).

On July 20, 1954:

S. 1303. An act to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship by voting in a political election or plebiscite held in occupied Japan.

On July 22, 1954:

S. 3605. An act to abolish the offices of Assistant Treasurer and Assistant Register of the Treasury and to provide for an Under Secretary for Monetary Affairs and an additional Assistant Secretary in the Treasury Department.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 2380. An act to amend the Mineral Leasing Act of February 25, 1920, as amended; and

S. 2381. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of oil and gas on the public domain.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6393. An act granting the consent and approval of Congress to an interstate forest fire protection compact;

H. R. 7130. An act to amend the Immigration and Nationality Act to provide for the loss of nationality of persons convicted of certain crimes;

H. R. 8180. An act to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers, sailors, and airmen of the United States;

H. R. 8658. An act to amend title 18, United States Code, to provide for the punishment of persons who jump bail;

H. R. 9020. An act to provide increases in the monthly rates of compensation payable to certain veterans and their dependents;

H. R. 9804. An act to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes; and

H. R. 9888. An act to amend the laws granting education and training benefits to certain veterans to extend the period during which such benefits may be offered.

The message further announced that the House had agreed to the following concurrent resolution (H. Con. Res. 258) to extend the greetings and felicitations of Congress to Hon. Herbert Hoover on the 80th anniversary of his birth, August 10, 1954, in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States hereby extends to the Honorable Herbert Hoover its greetings and felicitations on the 80th anniversary of his birth, August 10, 1954.

SEC. 2. The Congress expresses its admiration and gratitude to Mr. Hoover for his long years of devoted service to his native land and to the world in general in many different capacities.

SEC. 3. The Congress is especially appreciative of his willingness to accept cheerfully the heavy burden of serving as Chairman of the second Commission on Organization of the Executive Branch of the Government, which is an arm of the Congress, in order to complete the work so well begun a few years ago by a similar commission under his chairmanship.

SEC. 4. The Congress expresses the hope and desire that Divine Providence may permit Herber Hoover to be spared to give many more productive years of honored service to humanity and to his beloved country.

SEC. 5. A copy of this resolution shall be transmitted to America's elder statesman, the Honorable Herbert Hoover.

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 President pro tempore:

H. R. 4854. An act to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington;

H. R. 7434. An act to establish a National Advisory Committee on Education;

H. R. 7601. An act to provide for a White House Conference on Education;

H. R. 8571. An act to authorize the construction of naval vessels, and for other purposes;

H. R. 9040. An act to authorize cooperative research in education; and

H. J. Res. 534. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SALARY OF COMMISSIONER OF PATENTS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to fix the salary of the Commissioner of Patents, and for other purposes (with accompanying papers); to the Committee on Post Office and Civil Service.

REPORT ON NUMBER OF PROFESSORS AND INSTRUCTORS AT UNITED STATES NAVAL POSTGRADUATE SCHOOL

A letter from the Under Secretary of the Navy, reporting, pursuant to law, on the number of professors and instructors employed at the United States Naval Postgraduate School, together with the amount of their compensation; to the Committee on Armed Services.

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a confidential report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of May 1954 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT ON TORT CLAIMS PAID BY POST OFFICE DEPARTMENT

A letter from the Deputy Postmaster General, transmitting pursuant to law, a report on tort claims paid by the Post Office Department during the fiscal year 1954 (with accompanying papers); to the Committee on the Judiciary.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the Board of Supervisors, Los Angeles County, Calif., favoring the enactment of Senate bill 3594 and House bill 9538, to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries, which was referred to the Committee on Interstate and Foreign Commerce.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. CORDON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 4690. A bill to provide for the erection of appropriate markers in national cemeteries to honor the memory of members of the Armed Forces missing in action (Rept. No. 1970).

BILLS INTRODUCED

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

By Mr. LEHMAN:

S. 3786. A bill for the relief of Taghi Mirsepassi, Heshmatol-Molouk Philsouf Mirsepassi, and Khadidje S. Mirsepassi; to the Committee on the Judiciary.

By Mr. FREAR:

S. 3787. A bill to provide that the daily ration of personnel in the Army, Navy, Marine Corps, Air Force, and Coast Guard shall include at least one quart of milk per day, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. FREAR when he introduced the above bill, which appear under a separate heading.)

By Mr. BURKE:

S. 3788. A bill for the relief of Robert Domm Woods; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. 3789. A bill for the relief of Susanne Fellner; to the Committee on the Judiciary.

By Mr. NEELY:

S. 3790. A bill to provide grants to municipalities in those States which are parties to the Ohio River Valley Sanitation Compact to aid in the construction of sewage treatment works to prevent pollution of waters in the Ohio River basin; and

S. 3791. A bill to amend the Water Pollution Control Act; to the Committee on Public Works.

By Mr. DOUGLAS:

S. 3792. A bill for the relief of Giuseppe Airo-Farulla and Joseph Antoine Airo-Farulla; and

S. 3793. A bill for the relief of Angelo Spiros Phillippas (George A. Phillips) and Loula Spiros Phillippas (Lola Phillips); to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 3794. A bill to provide for the termination of Government operations which are in competition with private enterprise; to the Committee on Government Operations.

INCREASED RATION OF MILK FOR MEMBERS OF ARMED FORCES

Mr. FREAR. Mr. President, I introduce for appropriate reference a bill to provide that the daily ration of personnel in the Army, Navy, Marine Corps, Air Force, and Coast Guard shall include at least one quart of milk per day, and for other purposes. Because of the time element, I will seek a more appropriate opportunity to explain the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3787) to provide that the daily ration of personnel in the Army, Navy, Marine Corps, Air Force, and Coast Guard shall include at least one quart of milk per day, and for other purposes, introduced by Mr. FREAR, was received, read twice by its title, and referred to the Committee on Armed Services.

MUTUAL SECURITY ACT OF 1954—AMENDMENT

Mr. SMATHERS submitted an amendment intended to be proposed by him to the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes, which was ordered to lie on the table and to be printed.

REVISION OF THE ATOMIC ENERGY ACT OF 1946—AMENDMENTS

Mr. MORSE submitted an amendment intended to be proposed by him to the bill (S. 3690) to amend the Atomic Energy Act of 1946, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY submitted amendments intended to be proposed by him to Senate bill 3690, supra, which were ordered to lie on the table and to be printed.

Mr. ANDERSON submitted an amendment intended to be proposed by him to Senate bill 3690, supra, which was ordered to lie on the table and to be printed.

CONTROL OF LAKE LEVEL OF LAKE MICHIGAN

Mr. FERGUSON submitted an amendment intended to be proposed by him to the bill (H. R. 3300) to authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army, to help control the lake level of Lake Michigan by diverting water from Lake Michigan into the Illinois waterway, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 6393. An act granting the consent and approval of Congress to an interstate forest-fire protection compact; to the Committee on Agriculture and Forestry.

H. R. 7130. An act to amend the Immigration and Nationality Act to provide for the loss of nationality of persons convicted of certain crimes;

H. R. 8658. An act to amend title 18, United States Code, to provide for the punishment of persons who jump bail; and

H. R. 9804. An act to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes; to the Committee on the Judiciary.

H. R. 8180. An act to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers, sailors, and airmen of the United States; and

H. R. 9888. An act to amend the laws granting education and training benefits to certain veterans to extend the period during which such benefits may be offered; to the Committee on Labor and Public Welfare.

H. R. 9020. An act to provide increases in the monthly rates of compensation payable to certain veterans and their dependents; to the Committee on Finance.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nomination this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. WATKINS, from the Committee on the Judiciary:

David John Wilson, of Utah, to be judge of the United States Customs Court, vice William P. Cole, Jr., elevated.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. SALTONSTALL. Mr. President, as in executive session, from the Committee on Armed Services I report favorably approximately 2,400 routine nominations of officers in the Navy and Marine Corps.

In order to save the expense of printing on the Executive Calendar of this large number of names, which have already appeared once in the CONGRESSIONAL RECORD, it is requested that these nominations be ordered to lie on the Vice President's desk for the information of any Senator.

The VICE PRESIDENT. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the nominations will be received and will lie on the desk.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. DUFF:

Statement prepared by him on the men's apparel industry of Philadelphia.

EMERGENCY SCHOOL CONSTRUCTION—TELEGRAM

Mr. WILEY. Mr. President, I believe that my colleagues have received, as I have, a significant telegram from a number of distinguished American organizations on behalf of the emergency school contruction bill which was reported by the Senate Labor Committee.

I may say that I have received similar welcome messages from a considerable number of educators in my State, from the Milwaukee County Teachers Association, from superintendents of schools in the various counties, and from many other groups.

I earnestly trust that, although the hour is late in this 2d session of the 83d Congress, that it will be feasible for both Chambers to complete final action on this proposed legislation.

I ask unanimous consent that the telegram from these leading American groups, to which I have referred, be printed in the body of the RECORD.

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

WASHINGTON, D. C., *July 21, 1954.*

Senator ALEXANDER WILEY,
United States Senate,
Washington D. C.:

Following is the text of telegram sent today to President Eisenhower:

"The people of the United States possess no more precious national treasure than the children enrolled in our schools. To safeguard this resource and to meet the demands of increasing enrollments and rising birth rates, our schools must have more classrooms. We believe that emergency funds should be provided to States and localities whose educational needs far surpass their available fiscal resources. For this reason we respectfully urge you to request Congress to give favorable consideration to emergency public school construction bills introduced by Senator COOPER and 10 other Senators and by Representative FRELINGHUYSEN. Letter follows requesting personal interview with group representing the signers of this message.

"American Association of School Administrators; American Association of University Women; American Federation of Teachers; American Library Association; American Parents Committee; American Vocational Association; Congress of Industrial Organizations; Cooperative League of the United States of America; Council of Chief State School Officers; Department of Classroom Teachers, NEA; Department of Rural Education, NEA; Friends Committee on National Legislation; Jewish War Veterans of the United States; National Association of Secondary School Principals; National Congress of Parents and Teachers; National Council of Jewish Women; National Education Association; National Grange; National Jewish Welfare Board; Order of Railway Conductors."

J. L. MCCASKILL,
Director, Division of Legislation and Federal Relations, National Education Association.

LOCAL-SERVICE AIRLINES

Mr. WILEY. Mr. President, a most important piece of legislation passed the House this week, and will soon be considered by the Senate. I refer to H. R. 8898, providing for the issuance of permanent certificates to local-service airlines.

In this connection, I send to the desk the text of a brief statement I have made on this subject. I append the text of a letter which I had received from T. K. Jordan, director of the State aeronautics commission at Madison, and a telegram from Brad Taylor, chairman of the aeronautics committee, department of Wisconsin, American Legion, urging support of the legislation.

I ask unanimous consent that the statement and the appended letter and telegram be printed at this point in the RECORD.

There being no objection, the statement, letter, and telegram were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

Among those who contribute greatly to the advancement of American aviation are the local-service airlines.

Since the beginning of their operations, shortly after World War II, the local-service airlines have made tremendous progress and have achieved an enviable record.

Today there are 14 of them servicing 440 communities in the United States. Of the 440 communities, 260 are serviced by the airlines exclusively. They employ approximately 1,000 trained pilots, and operate 150 twin-engined aircraft.

Within the past 5 years the local-service airlines have increased the number of paying passengers from 425,000 in 1948 to 2,000,000 paying passengers in 1953. The commercial revenues of the airlines in 1948 were only $5 million. Today they number $24.3 million. The volume of airmail handled by the local carriers has increased from 361,000 airmail-ton miles in 1948 to 976,000 airmail-ton miles in 1953—almost a threefold increase.

I am proud that 2 of the 14 local carriers give service to my State of Wisconsin, 1 of them directly servicing 13 communities. Last year this carrier served approximately 176,575 passengers and handled over 2½ million pounds of mail and express.

Forty percent of the area of Wisconsin is within 25 miles of scheduled local air service, and it is estimated that 80 to 90 percent of the State's population is within an hour's easy drive of local air service.

When local-service airlines were first authorized to operate, the Civil Aeronautics Board considered it only an experimental venture, and granted to the airlines only temporary certificates. The purpose of this was so that the Board could better determine which areas wanted and would support air transportation services.

The local airlines, however, have experienced great difficulty in securing adequate financing because of the temporary nature of their operating authority. As a result it was difficult to effectuate substantial reduction in operation costs. Needed improvements were deferred and the regularity of service was interferred with.

It has therefore become necessary for us to assure the local service airlines some degree of permanence in their operations. For that reason the House passed H. R. 8898, which bill will soon be considered by the Senate.

The legislation has for its purpose the requiring of the issuance of permanent certificates to these 14 local-service airlines to enable them to continue providing air service to the small communities of this country.

The experimental period for these airlines is over. They have definitely demonstrated their usefulness to the public. They are now an important mode of transportation in the progress of our Nation's aviation.

Enactment of this legislation will put the local service airlines on a more stable and steady footing.

It will contribute greatly to their financial stability, uplift their morale and encourage the citizens of the communities which they serve to really get behind them. The airlines will be an increased asset to the well-being of this Nation.

THE STATE OF WISCONSIN,
STATE AERONAUTICS COMMISSION,
Madison, July 21, 1954.

Re bill S. 3759

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The State of Wisconsin and many of its communities are vitally interested in favorable consideration by the Senate of the subject bill. The bill proposes that permanent certificates of public convenience and necessity be issued to the 14 local service airlines presently operating in the country under temporary certificates.

Wisconsin is served by two local service airline carriers—North Central Airlines (formerly Wisconsin Central Airlines) and Ozark Air Lines. Attached is a map showing the extent of the service rendered by the two above-mentioned local service carriers. From a standpoint of service, approximately 40 percent of the area of Wisconsin is within 25 miles of local air service, and between 80 percent and 90 percent of our population is within an easy hour's driving range of such service.

North Central Airlines, presently serving 13 Wisconsin communities, inaugurated service in 1948, and has made a remarkable growth in spite of numerous handicaps since that time. In 1953 Wisconsin communities on North Central (directly served) produced 85,494 passengers, 640,749 pounds of mail, 875,528 pounds of express, and received 91,081 inbound passengers, 364,780 pounds of inbound mail, and 673,317 pounds of inbound express.

Ozark Air Lines has been serving the State about a year and is developing substantial traffic out of Milwaukee, but I do not have figures readily at hand concerning the exact amount at this time, but the traffic is sub-

stantial. Ozark Air Lines connects with many important Illinois cities and St. Louis, Mo., on a route running southwest out of Milwaukee via Rockford, Ill.

All points served by both carriers are important agricultural, recreational, and industrial centers, to which air transportation is of vital importance to our State and Nation. In addition, from a military standpoint, local air service at La Crosse, Wis., benefits Camp McCoy, 25 miles away, and the local air service at Madison is of material value to Truax Field. So is the local air service at Milwaukee and Duluth, Minn., helpful to the National Guard and Air Defense Command at these places.

The present temporary certificates introduce elements of uncertainty that are annoying and expensive and unnecessary handicaps to both the local service carriers and the communities alike.

All of the airports on which the local service carriers operate in Wisconsin are owned by local municipalities. These airports have a value in excess of $20 million. To keep these airports in condition to meet the future traffic needs requires long-range planning and improvements, and the uncertainties introduced by the local carrier's temporary certificates make it very difficult, if not impossible in some cases, to carry out such projects.

Because of the vital importance of local air service to the communities and to the State, the communities and the State feel compelled to become parties to Civil Aeronautics Board certificate renewal cases, to be sure that our interests are properly represented and recognized and that we do not suffer by default. This action is expensive, costing many thousands of dollars and taking months of time on the part of communities and the State of Wisconsin, to prove and reprove already established facts.

From the local carriers' standpoint, temporary certificates make it difficult to finance operations, contract for housing and services on a long-range basis, and do business with the public and the communities they serve in an orderly and businesslike manner.

North Central's certificate is up for renewal in September 1955 and Ozark is presently in process of renewal. We would urge that both be accorded permanent certificates without further expensive and time-consuming investigation and delay, through enactment of S. 3759.

There seems to be a feeling in some quarters that the Government and communities and the States would be better protected by continuing the local service carriers on temporary certificates instead of on permanent certificates. We think that this is definitely a mistake and that all will be better served if the carriers are given permanent certificates and be allowed to go about their business in an orderly and well-planned manner. Routes that have adequate potential to justify service will benefit through permanent certificates and those routes that do not have adequate potential will probably not succeed, no matter what kind of a certificate the carrier might hold.

As far as airmail subsidy is concerned, the attitude toward such expenditures should be exactly the same, whether the carrier certificates are temporary or permanent. Since the proposed legislation provides that permanent certificates will be granted except where the Civil Aeronautics Board determines that such service is inadequate and inefficient, we believe that enactment of S. 3759 will be a sound step forward in the development of air transportation.

Yours very truly,

WISCONSIN STATE AERONAUTICS COMMISSION,
T. K. JORDAN, *Director.*

MADISON, WIS.,
July 18, 1954.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

The American Legion, department of Wisconsin, in session in Madison has considered and sincerely feels that bill sponsored by Senators MCCARRAN and BRICKER to grant certificates of unlimited duration to local-service airlines, including North Central Airlines, should have your full attention and support. Best regards from our organization.

BRAD TAYLOR,
Chairman, Aeronautics Committee, Department of Wisconsin American Legion.

PRINTING OF ADDITIONAL COPIES OF HEARINGS RELATIVE TO CONTRIBUTION OF ATOMIC ENERGY TO MEDICINE

Mr. JOHNSON of Texas. Mr. President, late yesterday the distinguished chairman of the Committee on Rules and Administration, the Senator from Indiana [Mr. JENNER], and the distinguished majority leader, the Senator from California [Mr. KNOWLAND], expressed the desire to have the Senate consider House Concurrent Resolution 257, involving the printing of 10,000 additional copies of hearings held by the joint committee, relative to the contribution of atomic energy to medicine. At that time I was unable to discuss the concurrent resolution with members of the appropriate committee.

In response to my request, the chairman of the committee withheld his request for consideration of the concurrent resolution until I was able to contact the Senators concerned. I have now done so, Mr. President, and I wish to express my appreciation to the distinguished chairman for withholding the concurrent resolution. I suggest to him that if it is called up now, I visualize no objection.

Mr. JENNER. Mr. President, I ask unanimous consent that the concurrent resolution (H. Con. Res. 257) may be considered at this time.

The VICE PRESIDENT. The concurrent resolution will be read for the information of the Senate.

The legislative clerk read the concurrent resolution (H. Con. Res. 257), as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Joint Committee on Atomic Energy 10,000 additional copies of the hearings relative to the contribution of atomic energy to medicine, held by the said joint committee during the current Congress.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

TERMINATION OF FEDERAL SUPERVISION OVER PROPERTY OF CERTAIN TRIBES OF INDIANS IN STATE OF UTAH

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2670) to provide for the termination of Federal supervision over the property of certain tribes, bands, and colonies of Indians in the State of Utah and the individual members thereof, and for other purposes, which was, on page 2, strike out lines 5 through 7 inclusive and insert "Tribe."

Mr. WATKINS. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WATKINS, Mr. DWORSHAK, and Mr. ANDERSON conferees on the part of the Senate.

ACTIONS FOR RECOVERY OF CERTAIN TAXES IN DISTRICT COURTS—CONFERENCE REPORT

Mr. MCCARRAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 252) to permit all civil actions against the United States for recovery of taxes erroneously or illegally assessed or collected to be brought in the district courts with right of trial by jury. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 252) to permit all civil actions against the United States for recovery of taxes erroneously or illegally assessed or collected to be brought in the district courts with right of trial by jury 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 amendments.

PAT MCCARRAN,
ARTHUR V. WATKINS,
HERMAN WELKER,
Managers on the Part of the Senate.

KENNETH B. KEATING,
S. J. CRUMPACKER,
E. E. WILLIS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MCCARRAN. Mr. President, the bill S. 252 was sponsored by the senior Senator from Georgia [Mr. GEORGE]. Its purpose is to permit all civil actions against the United States, for recovery of taxes erroneously or illegally assessed

or collected, to be brought in the district courts, with right of trial by jury.

At the present time such actions may be brought if the maximum amount involved does not exceed $10,000, but may not be brought if the amount in issue is greater than $10,000. Also, it is possible to bring an action against a former collector of internal revenue, or a director or former director of internal revenue, under the fiction that the action is against him in his individual capacity. The Government defends such actions. However, such an action may be brought only in the jurisdiction in which the defendant resides. Thus, there is no complete and speedy remedy available to the taxpayer in all instances.

At the present time when an action is brought in the district court, under the $10,000 limit, there is no right of trial by jury. There is a right of trial by jury in the action brought against a former collector of internal revenue or a director or former director of internal revenue, in his individual capacity.

The bill of the Senator from Georgia would permit a taxpayer to sue the United States in the district court of the district in which the taxpayer resides, and to have the right of trial by jury in connection with that action, without limitation on the amount involved.

The House amended the bill so as to strike out the provision for the right of trial by jury.

The Senate conferees insisted upon the Senate position, and the conference was deadlocked for more than a year. The House conferees have now receded completely, and the House has approved the conference report, eliminating the House amendment, and reverting to the bill as it was passed by the Senate.

I ask unanimous consent that there may be printed in the RECORD at this point, as a part of my remarks, the statement by the managers on the part of the House, a copy of which I send forward.

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

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE ON THE BILL (S. 252) TO PERMIT ALL CIVIL ACTIONS AGAINST THE UNITED STATES FOR RECOVERY OF TAXES ERRONEOUSLY OR ILLEGALLY ASSESSED OR COLLECTED TO BE BROUGHT IN THE DISTRICT COURTS WITH RIGHT OF TRIAL BY JURY

The Senate bill would permit a taxpayer to sue the United States in the District Court of the District in which the taxpayer resides to recover internal revenue taxes erroneously or illegally assessed or collected, and to have the right of trial by jury.

The House amendment would have stricken from the bill the provisions authorizing a trial by jury in such actions at the request of either party. This amendment was predicated primarily, if not exclusively, upon the historical ground that it would be a departure from long-standing precedents if a jury trial were permitted in an action against the Government itself.

On the same day it amended and passed S. 252, however, the House approved another bill (H. R. 4401) which would permit actions to recover such taxes against former collectors or against directors or former directors of Internal Revenue to be brought in the district of the taxpayer's residence. Inasmuch as jury trials have always been permitted in such actions, and as the Government of the United States defends those suits and pays any judgment entered against the defendant therein, the effect of the enactment of H. R. 4401 would be similar to that of S. 252. That is, each bill would permit actions for the recovery of taxes erroneously or illegally assessed or collected to be brought in the district court of the taxpayer's residence, with right of trial by jury.

The House conferees have concluded that to accomplish this desirable result through continued preservation of the fiction that the action is against an individual (i. e., the director or former director or former collector of Internal Revenue)—rather than against the Government itself—is unwarranted. The conferees believe it to be the better practice to grant taxpayers a direct action against the United States, as the Senate bill provides, without compelling taxpayers to forego the right of trial by jury, which they now can obtain in an action against a former collector or director. While it is most unlikely that juries in such cases are fooled into thinking the defendant collector or director himself is required to pay any such judgment out of his own funds, any legal fiction which might result in placing such an unfair burden upon the taxpayer-plaintiff deserves to be stricken from our law. The House conferees have therefore discarded the reasoning that it would be a harmful precedent to permit jury trials in cases of this class. There appears to be no more danger of excessive jury verdicts in cases where the Government itself is sued than in cases where the collecting officer of the Government is sued. In either case recovery is limited to the amount of taxes erroneously or illegally collected. It is therefore the conclusion of the House conferees that the Senate bill, in granting jury trials in actions of this nature by express statutory provisions rather than by use of a legal fiction, is the more desirable method.

Although the conference committee did not have before it the bill H. R. 4401, in view of the approval given by the House through its action on that bill to the principle of a jury trial in actions by taxpayers to recover income taxes illegally or erroneously collected, the managers on the part of the House feel further justified thereby in acceding to the Senate bill which applies this accepted principle of a jury trial to similar actions authorized therein to be brought against the Government itself.

KENNETH B. KEATING,
S. J. CRUMPACKER,
E. E. WILLIS,
Managers on the Part of the House.

Mr. McCARRAN. I now move, Mr. President, that the Senate approve the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

REVISION OF THE ATOMIC ENERGY ACT OF 1946

The Senate resumed the consideration of the bill (S. 3690) to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

Mr. GORE. Mr. President, I have been waiting in the Capitol throughout the night, and now until 12 o'clock noon, to address the Senate in the most serious way of which I am capable upon the provisions of the pending bill, and particularly in support of the pending amendment.

Perhaps I am a little inclined to think that after I have discussed an amendment it has had adequate debate. I mean that facetiously, of course, but I make the statement only as a preface to saying that insofar as I am concerned I shall be glad to assist in bringing the Johnson amendment to a vote as soon as those who desire to discuss it shall have done so. It is my hope that the amendment may be voted upon before the day ends, and perhaps before the afternoon ends, though I believe we should recognize that there are no "privates" in the United States Senate. The distinguished junior Senator from Oregon indicated that he was a private in this fight. I would say that the junior Senator from Oregon is about as far from being a private, or the bearer of any other title which indicates that he is amenable to direction, as any man who ever served in this body.

So far as I am concerned, my desire is to bring to an issue the amendments as they arise, after debate sufficient to insure that the Senate will act in full recognition of the stupendous issues involved.

As stated in the committee report, the Atomic Energy Act of 1946 was written at the very outset of what has become known as the atomic era. The report further acknowledges that those who participated in the drafting of that law recognized the enormous potential of the atom which was first publicly unleashed at Hiroshima and Nagasaki. At that time, although there was realization of the atom's potential, the Congress was aware of the fact that many factors were unknown. I believe it fair to say that in 1946 the military or defense aspects of the program overshadowed the potential peacetime uses of the atom. Nevertheless, drafters of the law were cognizant of the fact that the program at that early date could not be viewed in its proper perspective. For that reason, they wrote into the law numerous controls designed to safeguard the public interest in this fabulous new resource.

The declaration of policy contained in the 1946 act clearly enunciated the proposition that the public interest would be best served in the initial phases by research and development conducted under Government auspices. It was declared to be the "policy of the people of the United States that, subject at all times to the paramount objective of assuring the common defense and security, the development and utilization of atomic energy shall, so far as is practicable, be directed toward improving the public welfare, increasing the standard of living, strengthening free competition and private enterprise, and promoting world peace."

The policy was sound in 1946 and has served us well. It is a sound policy in 1954. The wisdom of the policy is recognized by the drafters of S. 3690. Although they changed a few words, they carried forward the essential elements of the 1946 declaration of policy in their own declaration. The provisions of the 1946 act carried out the provisions of the declaration of policy in that act. However, I have serious doubts that the provisions of S. 3690 will achieve the purposes enunciated in the declaration of policy now before us.

The act of 1946 stated that the significance of the atom bomb for military purposes was at that time evident, but it also stated that the effect of the use of atomic energy for civilian purposes upon the social, economic, and political structures of the Nation could not at that time be determined. It was contemplated that when such factors became known, with reasonable certainty, Congress would reexamine the law and make whatever changes are necessary. It was believed that new legislation on the subject would be needed from time to time. The framers of the 1946 act felt that Congress should not attempt to legislate these changes in a vacuum. So section 7 (b) of the 1946 act provided that whenever in the opinion of the Atomic Energy Commission peacetime uses had been sufficiently developed to be of practical value the Commission should prepare a report to the President for transmission to the Congress stating all facts with respect to such new peacetime use. The Commission was directed to give its estimate of the social, political, economic, and international effects of such new developments and to make recommendations for any needed new legislation. It was the idea of the framers of the 1946 act that Congress should not attempt broad changes in this field in the absence of such a report from the Commission. Despite the fact that no such report has been prepared or delivered to the Congress, we here today are attempting to legislate. Moreover, we seem to be in a big hurry about it all. We seem to be operating on the theory that we have got to do something, even if it is wrong.

Mr. President, I appreciate the careful attention of the few Senators who are present in the Chamber. I wish to call attention to the fact that I am undertaking to make a speech on the contents of the bill, and I am anxious to have the attention of my colleagues, in order that I may avail myself to the fullest of the opportunity to bring my convictions to bear, for their consideration upon this important issue.

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

Mr. GORE. I yield for a question.

Mr. LEHMAN. Did I correctly understand the Senator to say that, even though the Atomic Energy Commission was directed by law to make a report to the President, with recommendations, it has not done so?

Mr. GORE. That is my understanding.

The bill before us apparently assumes that the effect of the use of atomic energy for civilian purposes on the social, economic, and political structures of the Nation can now be determined. Unknown factors have become known, or at least that is the impression we are given. Of course, tremendous strides have been made in atomic research. We have boosted the blasting capacity of the atomic bomb, and we have made the atomic bomb look smaller when compared with the hydrogen bomb. There is no doubt about it—we know how to make war with the atom. But what, Mr. President, do we know about enhancing peace with the atom?

Of course, we know that the atom will have certain applications in the field of medicine. It will prove useful in the field of agriculture, we are sure. It can be a bonanza for some segments of industry, and we are told it will probably revolutionize the electric power industry. Still, Mr. President, we are not yet certain just how widespread these applications will be. We are even more uncertain as to the time when these applications will become practical. Electric energy has already been produced from the atom both directly and indirectly. But much work remains to be done before energy so produced will be competitive with energy generated by conventional means. Even our greatest engineers do not foresee all the ramifications. They do not see the solution for all of the difficulties, but neither do they foresee, perhaps, the great potentialities of this source of energy with which the Senate is now called upon to deal. Those who support the committee bill obviously are of the opinion that the blessings of atomic energy will be available to all almost overnight if only the atom is turned over to private enterprise.

First of all, Mr. President, I question whether the Congress has before it sufficient information upon which to base a judicious decision. Certainly Members of the Congress outside the joint committee have had a minimum of time to assimilate what information is available. Even assuming—and this I do not admit—that the time has arrived for Congress to make an overall revision of the act, I doubt that the bill before us provides adequate safeguards for the public interest.

I am particularly disturbed over those provisions of the pending bill which would liberalize the procedures for granting licenses and patents. I should like to discuss that later, in a brief way.

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

Mr. GORE. I yield.

Mr. MAGNUSON. Is it not true, that although many of us have suggested that we did not understand all the ramifications, even the members of the joint committee itself, in their own report, told the United States Senate, the Congress, and the people that they did not quite understand the ramifications of this bill?

Mr. GORE. I believe that is fairly to be found in the report, I will answer to my distinguished and able colleague, the senior Senator from Washington.

Since 1946 a majority of the research and development in nuclear fields has been carried on for the Atomic Energy Commission by private enterprise operating under contract. That, Mr. President, is a significant factor that needs to be borne in mind as we consider the licensing and patenting provisions of the pending bill.

By its very nature, atomic research has precluded widespread participation. Only a relatively few, and for the most part large, American corporations have had a major part in the conduct of the atomic energy program. Only those firms possessed of practically unlimited resources, both in money and personnel, have been privileged to take part in this development program. There have been, of course, numerous contractors on cognate problems and functions of the program. As a corollary, only those relatively few corporations with large financial and manpower resources have acquired the know-how which is prerequisite to further devolpment.

Under the committee bill it is contemplated that the Atomic Energy Commission will issue licenses to private firms for development of commercial uses of the atom. The committee bill assumes that since a license may be issued to any person or firm which meets the qualifications set forth in the act, that everyone possesses an equal opportunity to secure a license. Such an assumption ignores the economic facts of life. Such an assumption ignores the development of the atomic program from the effectuation of the 1946 act until now. It is painfully plain that those few corporations which have been privileged to be on the inside on research which has taken place to date, will have a headstart on those not so fortunately situated.

Mr. MAGNUSON. Mr. President, will the Senator yield further at that point?

Mr. GORE. I yield.

Mr. MAGNUSON. What the Senator is saying is correct. It was only recently very apparent at the Hanford atomic energy plant, where they were conducting some of these experiments. There were only two corporations considered in the negotiations, General Electric and Westinghouse; no one else was considered as either capable of or even suggesting going ahead with what we are dealing with here—those two corporations, that is all, in all of the negotiations with the Commission. Those were the only two considered.

Mr. GORE. I thank the Senator for his contribution. That is illustrative.

Mr. PURTELL. Mr. President, may I inquire, is the Senator from Tennessee yielding for a question, or for a statement, in this instance?

Mr. GORE. Mr. President, in reply to my distinguished colleague——

Mr. MAGNUSON. Mr. President, if the Senator will yield, I will ask the Senator whether he knew that.

Mr. GORE. The junior Senator from Tennessee did not know that.

Mr. MAGNUSON. I might say that is correct.

Mr. GORE. And, in reply to my able friend from Connecticut, I wish to say to him that I have been here for 18 hours awaiting an opportunity to address the Senate on the bill. I have no purpose of delaying this speech. I feel burdened with the responsibility of the office of United States Senator, and I consider this to be the most important bill with which the Senate has dealt since I have been privileged to be a Member of it. I trust, then, that the Senator from Connecticut is not going to be extreme; and I trust that, under those circumstances, the Senator is not going to be unreasonable, when a colleague, who is genuinely interested in this bill, rises to make a contribution. The junior Senator from Tennessee, I may say, has not resorted to a great many parliamentary maneuvers which are available. The junior

Senator from Tennessee is a graduate of the so-called Sam Rayburn school, at the other end of the Capitol, where the parliamentary rules are far more complicated than the ones which apply in this body. Were a contest to arise on parliamentary stringencies, there are many devices to which resort could be taken. I trust that we can discuss the pending bill with sufficient freedom that Members of the Senate may have reasonable opportunity to make contributions to its discussion and consideration.

Mr. LEHMAN. Mr. President, will the Senator from Tennessee yield for a question?

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Does the Senator from Tennessee yield to the Senator from New York?

Mr. GORE. I yield for a question.

Mr. LEHMAN. Will not the Senator from Tennessee agree with me that there has been a very definite effort—as shown, I think, by the distinguished Senator from Connecticut—to handicap a free, honest, broad discussion of this question?

Mr. GORE. I hope the junior Senator from New York will excuse me if I do not reply directly to that question. I hope I shall not contribute to that kind of consideration.

Mr. President, it is painfully plain, as has been illustrated by the example cited by the senior Senator from Washington [Mr. MAGNUSON], that the few corporations which have been privileged, under contract, to conduct this vast and important program, will be at a distinct point of advantage. I do not say that by way of indictment of these companies. In fact, I believe these companies have contributed well and patriotically. Some of them have done so with little compensation. But I fear that unless we clothe these licensing and patenting provisions with proper safeguards, the compensation of those companies for involvement in this program may well become unconscionable. A few corporations which, in large part, have carried forward this great program, already have the know-how; they have a monopoly on the know-how. They have built up contacts with others who have the know-how. If we open the door to everyone—as the pending bill does—and if we do not provide further safeguards, then where is the equality of treatment?

The bill contains practically no provisions to insure that those now in on the ground floor will not exploit their advantage, to the disadvantage of others who may seek to enter the field later. In addition, there is a paucity of safeguard for the interest of the general public. We might as well accept the fact that when we speak of commercial uses of atomic energy at this time, we are talking about the generation of electric power. It seems to me inescapable that we must consider this matter in the light of its effect upon Federal power policy that has been developed over the years. To me, one of the paradoxes of this bill is that the Federal Government is practically foreclosed from use of the atom for developing electric energy. The Atomic Energy Commission itself is severely restricted in this respect. The AEC is the biggest single consumer of electricity in the world. It is expected to use some 5 million kilowatts a year in the future. Its consumption may reach the astounding total of 10 percent of all the electricity consumed in the United States. Mr. President, I wish to repeat that statement, for the sake of emphasis: This one undertaking may consume 10 percent of all the electricity consumed in the entire Nation.

In view of these prospective needs, I am at a loss to understand why the AEC, or any other governmental agency, should be limited to byproduct power, only in the production of electric power from atomic energy.

Mr. President, does the distinguished senior Senator from Washington [Mr. MAGNUSON] understand why the agency which may use 10 percent of all the power consumed in the Nation, and the agency which has control of atomic development, is prohibited by the pending bill from the generation of electricity in commercial quantities, even for its own use?

Mr. MAGNUSON. Mr. President, if the Senator from Tennessee will yield at this point, let me say I do not know that I quite understand. But I think I have a rough idea why. It is the same old story of trying to create an atmosphere for probably the biggest monopoly of all time.

Mr. LEHMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York rise to ask a question?

Mr. LEHMAN. Yes, Mr. President.

Will the Senator from Tennessee yield for a question?

Mr. GORE. I yield to the Senator from New York for a question.

Mr. LEHMAN. The Senator from Tennessee has referred to the Government's being restricted. Is it not a fact that on page 15 of the report we find the statement that the Commission is not permitted to enter the power-producing business without further congressional authorization, either to construct or to operate such commercial facilities?

Mr. GORE. That is true.

Mr. President, in view of these prospective needs, I am at a loss to understand the wisdom of the provision cited by the distinguished junior Senator from New York. Certainly the Atomic Energy Commission itself should be interested in the generation of electric power—at least for its own needs—especially if power generated from nuclear processes turns out to be cheaper than power from processes now employed. I can see no reason why such powerwise agencies as the TVA, Bonneville, and the Federal Power Commission should be excluded. Must these agencies bow to private utility when it comes to atom-power production know-how? Why should they not be included in plans for research and development leading to the production in commercial quantities of electric power from atomic energy? If cheap power can be produced from atomic energy, why should these agencies be required to use outmoded steam plants or hydroelectric projects, and be denied the use of up-to-date atom reactors for future needs?

In the pending bill, I see no answer to these questions.

I fail to see why the Atomic Energy Commission should be denied the privilege of producing atom-powered electricity in commercial quantities, when it has authority to license others for such production. If we hope to gain maximum power benefits from our investment in this new resource, then a positive program of atomic power production by Federal agencies is essential.

Through the past few decades, a reasonable balance between public and private power has been achieved, and public power has served as a check on monopoly control by private power. Public power has served as a valuable yardstick for use by the people in determining the reasonableness of rate structures established by private concerns. Private power, on the other hand, by the very competitive nature of the two systems, has had a salutary effect in building in public power agencies an esprit de corps and an efficiency which I dare say cannot be matched in any other field of Government enterprise.

Should atomic-generated power supplant power generated from conventional sources, the safeguards provided in existing Federal power policy and law should in my opinion, be equally applicable, in order that the public interests be protected. The very magnitude of possible future power production programs indicates that, unless provision is made for Federal development of atomic power, the balance we now have will be thrown heavily in favor of private monopoly.

Mr. President, it is in reference to this point that I should like to state to the eminent senior Senator from Georgia [Mr. GEORGE] that his close friend and committee colleague, the senior Senator from Colorado [Mr. JOHNSON], has offered an amendment. That amendment is pending before the Senate. I hope the amendment will receive a favorable vote.

Mr. President, let us examine our traditional Federal power policy. The Federal Power Act assumes that the Federal Power Commission, in considering applications for a license to construct a hydroelectric generating facility on a navigable stream, will give first consideration to the possibility that the public interest may best be served by the development of that particular site by an agency of the Federal Government.

If the Congress fails to act by authorizing development by a Federal agency, the Federal Power Commission then must give preference to State or local governmental groups who may apply for such a license. In the event a license is granted to a private firm, conditions are specified to insure that the pubilc interest will be protected.

In addition to the safeguards that surround the granting of a license for the development of power potential of falling water, we also have the yardstick formula of Government power, by which the reasonableness of power rates from private utilities can be measured. The safeguards contained in Federal power policy have brought rates down and increased consumption.

These safeguards taken together amount to a dynamic power policy, which has promoted the economic development and social well-being of the American people.

All these safeguards are conspicuously absent from the pending bill. Their absence is noted in the excellent report prepared by Representatives HOLIFIELD and PRICE. I quote from their observations, which appear at page 120 of the committee report, as follows:

These safeguards for the right of the people to get the full value out of their resources, without any toll being taken above what is necessary to assure the funds required for development, have already been formulated in detail by Congress in the Federal Power Act which prescribes how hydroelectric resources may be used. They include:

1. Safeguard for the prior right of Federal development of the resource in any specific case where this will best serve the public interest.

2. Safeguard for the prior right of public bodies and cooperatives, as against a private applicant for a license for any specific development of the resource.

3. Safeguards for the right to public hearing in connection with any application, with specific provision for admission of interested States, State commissions, municipalities, representatives of interested consumers or competitors as parties.

4. Safeguards for the right of Federal or other public recapture of any development by a private licensee at the end of the license period on payment of no more than the licensee's net investment in the project.

5. Safeguards for reasonable rates to consumers by provision requiring licensees as a condition of any license to agree to Federal regulation where States have provided no regulation of electric rates, with further provision that in any rate proceeding the licensee can claim no more than net investment in the development of rate base purposes.

6. Safeguards for the preferred position of public and cooperative electric systems to obtain power supply from Federal development of the resource.

The bill, as reported, is wholly lacking in such safeguards. It would enable the Atomic Energy Commission to turn this greatest energy resource over to private power monopoly under licenses unconditioned except for the requirements of national security and public health and safety. Aside from section 271, providing that nothing in this act shall affect the authority or regulations of Federal, State, and local regulatory agencies, it is barren of any recognition of the public interest in securing electric energy from this new resource at the lowest possible rates. Experience has shown clearly that such regulatory authority is entirely inadequate to protect the public interest in electric power developed from public resources, unless supplemented by specific standards governing licenses and the availability of public or cooperative competition in the distribution of electric energy.

I subscribe fully to the views of Representatives HOLIFIELD and PRICE.

Practically everyone will admit that falling water and navigable streams are natural resources which belong to all the people. There are those, however, who argue that atomic energy does not fall within this category. I submit that it does, because the people of the United States have paid $12 billion for the development of this new resource; it is just as much a property of the people of the Nation as is the falling water in a stream. The people through their Government have discovered and developed this new source of energy; no private corporation can rightfully lay claim to it. The McMahon Act confirmed that principle when it vested in the Government title to fissionable materials and nuclear processes.

Through the Federal Water Power Act, Congress provided for the development of power by private utilities on navigable streams owned by the people. But the Congress was careful to safeguard the interests of the people in that development.

I have no objection to provisions to allow private enterprise to develop electric power from atomic energy. I want the country to have the benefit of this service. But I believe Congress should be just as zealous and just as cautious in guarding the rights and the property of the people in this instance as it was in safeguarding their interests in our streams.

The committee bill has no provision to encourage public or cooperative distribution of nuclear power. It takes no steps to assure that a private utility producing nuclear electric energy will sell that power at reasonable rates.

Section 103 (b) sets up the minimum qualifications for commercial licenses to construct, own, and operate facilities for use in production of special nuclear material or atomic energy, but it does not require the applicant who intends to generate electricity for sale, to restrict his rate structure to his net investment. In other words, everything, including a capitalization of the value of the license granted by the Government can be put in the rate structure. Such is not the case where energy from waterpower is concerned. The Federal Water Power Act requires that a licensee shall claim no more than his actual net investment for ratemaking purposes.

Why this glaring omission in the committee bill?

Why open the door to wholesale profiteering through an inflated rate structure? I say this section of the bill should be amended to bring it into line with established Federal power policy.

Section 103 (c) establishes a limitation on the term of commercial licenses issued by the Commission for ownership and operation of facilities for the use and production of special and nuclear materials or atomic energy. Yet this section does not establish the right of the United States to take over such a facility at the end of the license period on payment of net investment, plus severance damages, if any.

Private hydroelectric power developments licensed under the Federal Power Act are subject to such a provision. Why should the Government lay itself wide open to being gouged when licenses expire sometime in the future?

Why should not this section be amended to bring it into line with established Federal power policy?

Section 182 (b) requires that due notice to the public be given before a license is issued for utilization or production facilities which generate commercial power. But this section is narrowly drawn; it does not protect the rights of interested parties and it disregards the fact that the interests of many persons may be affected by Commission action. All the Commission is required to do under this section is to give notice in writing to the regulatory agency which has jurisdiction over the rates and services of the proposed activity, then publish the notice once a week for 4 consecutive weeks in the Federal Register.

A total of 60 days' notice is all that is required before a license is issued. I can see no reason why notice of applications for licenses should not be sent to municipalities involved, and to public and cooperative systems within transmission distances. I see no reason why, in case of protest, conflicting applications or proposals for special conditions, interested parties should not be accorded opportunity to intervene and be heard, to petition for rehearing and appeal, just as they can under Federal power legislation.

Why should the Commission not admit as interested parties, States, State commissions, municipalities, public and cooperative electric systems, or representatives of interested consumers or security holders, or any competitor of a party to such a proceeding. Certainly such procedure as I have outlined would be fair; it would prevent the people of an area from being presented with a fait accompli.

I believe the act should be amended to provide for broader public notice and more specific procedures in connection with license applications.

Section 182 (c) of the act would give to high-cost power areas preferential consideration in applications for atomic power facilities. However, this section does not provide perferred consideration for public bodies where their applications conflict with those of the private utilities. Such a provision has been a part of the Federal Power Act since 1920. To me, this is a glaring omission. Municipalities, private cooperatives, and other public agencies certainly should have prior consideration to private utility combines in the licensing of nuclear power facilities. These public distribution systems are bound by Federal law to provide electricity at the most reasonable rates possible. But under this bill such responsibility does not attach to a private utility. This is another section which I believe should be made to coincide with established Federal power policy.

Section 183 sets forth the specific terms which must be included in licenses for ownership and operation of facilities for the utilization or production of public nuclear material or atomic energy. Yet this section is silent on a provision for accounting control of licensees where these licensees are not engaged in the transmission or sale of electricity in interstate commerce for resale. The Federal Power Commission has accounting control over hydroelectric power developments and I believe it, or some other agency should have the same control over atomic power developments. The committee bill should be amended to provide such control.

The omissions to which I have referred were called to the attention of the Federal Power Commission during hearings

in the summer of 1953, and the parallels between electric energy from nuclear and high-power sources were demonstrated. In view of the fact that the Federal Government has a proprietary interest in the field of atomic energy and Congress has authority over that field, the Federal Power Commission observed, in hearings on the act—page 1128:

> It becomes pertinent to test any legislative proposals with respect to non-Federal development of atomic energy to see whether the public interest in atomic energy is protected and benefited as adequately as the Congress of an earlier generation sought to do for the Nation's interest in water power.

I think we need an explanation as to why the bill should not contain such safeguards.

On the same page in the hearings, the Federal Power Commission offered the further observations that "the grant of the (license) privilege should depend not solely on the negative consideration that national defense will not be harmed but on the affirmative ground of benefit to the public interest in electric power and other products of the operation of nuclear reactors as well."

Mr. President, the committee bill ignores the advice of the Federal Power Commission, the outstanding power agency of government, in dealing with power problems. Licensing considerations, set up by the bill, are negative. I say we need positive standards. I am not ready to substitute the judgment of a businessman's administration for the expert judgment of the Federal Power Commission.

From time to time on the floor of the Senate, I have heard charges that the committee bill promotes monopoly. An examination of section 105 certainly indicates that the bill does not discourage monopoly. Under section 7-C of the McMahon Act, the Atomic Energy Commission was directed to refuse to issue a license where activities under that license might serve to maintain or foster the growth of monopoly; where they might act in restraint of trade or promote unlawful competition or pose a trade position inimical to the delivery of any free competitive enterprise into the field.

Section 105 of the committee bill relieves the Atomic Energy Commission of the responsibility to be watchful for situations promoting monopoly. The Atomic Energy Commission is invited to close its eyes and pass out with blind abandon licenses to all who can qualify, regardless of the monopoly situation such licenses may tend to promote.

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

Mr. GORE. I yield for a question.

Mr. MONRONEY. Can the Senator find anything in the pending bill to safeguard little business, the great backbone of the American free enterprise system, to assure the right of entry, the right of health, the right of guidance, the right of expert government knowledge and technical advice, to permit the little man in American business even to get his toe in the door of this new giant of energy which will probably be produced when we complete turning the wheel on the peacetime use of the atom?

Mr. GORE. I know of no positive safeguards for the latter phases of the Senator's question. He asked if there were any provisions for entry. I believe the door is left open for all to come in, but, as I pointed out before the distinguished Senator entered the Chamber, only a relatively few corporations have operated as Government contractors in the atomic energy program. Those particular companies have a virtual monopoly on atomic energy know-how. They have a monopoly upon the contacts with others who have know-how. I doubt if it is equality of opportunity to enter the field to hold the door open and say, "All who will may come," when there exist the circumstances which I have just described, which would give certain companies a great advantage, to the disadvantage of all competitors, and when the cost of developing a reactor sufficient to generate electricity in commercial quantities is so great that only a few American corporations could undertake such a venture. So much for the answer to the first part of the able Senator's question. Now I go to the latter part.

I do not find the positive safeguards in the pending bill which are spelled out in the Federal power policy which relates to electric energy generated from other sources. There are certain negative provisions, and I shall point out as I go along how some of them, at best, would be difficult of administraton. In some cases no provision for enforcement has been made at all.

I appreciate the question of the able Senator, and I wish to say further that it is that particular question to which the amendment of the senior Senator from Colorado is directed in part. If the Government forbids an agency of the Government to develop electricity in commercial quantities, either for his own use or as a demonstration, but at the same time issues a license, with the privilege of using this natural resource, to the few companies with the know-how and the financial resources necessary to enter the field, then I say it is exclusive; it really amounts to an exclusion of small business, of municipal systems, and of public systems, such as the REA's from the benefits of this resource, which rightfully belongs to the people.

Only after a monopoly has developed can the Commission take remedial action, and then the Commission must wait until a court has found a licensee guilty of violating the antitrust laws before licenses can be suspended or revoked. The Commission must wait until the horse is out of the barn before it shuts the door.

Section 105 C must have been the product of a nightmare of some frustrated lawyer. It is a devious peace of legal procedure. It would have the Attorney General or the Federal Trade Commission decide whether a proposed license would tend to create or maintain a situation inconsistent with the antitrust law. Should the Attorney General or Federal Trade Commission decide the proposed license would run afoul of the antitrust laws, the applicant could file a petition with the Federal Trade Commission for a hearing. In the event of an adverse finding by the Federal Trade Commission, then the applicant could go on to the courts. I can imagine that our judges will take a very dim view of finding an applicant's position inconsistent with antitrust laws when no violation of antitrust laws has occurred. Frankly, this whole procedure appears to me to be going around Robin Hood's barn to attack a situation which should be approached frontally. Why not just leave the monopoly provisions of the McMahan Act in effect? Why do we need to change them? I ask, Mr. President, wherein is the fault with the antitrust provisions of the McMahon Act? If we leave these in effect, then we make the Atomic Energy Commission affirmatively responsible for denying any license which would tend to promote monopoly. That, I may say to the junior Senator from Oklahoma, is an example of the affirmative protections which I think should be in the act, rather than the negative, and to say the lease, tedious and uncertain and long-drawn-out procedure which I have just described.

The questions involving patents are closely allied to those involving licenses. The use of exclusive patent protection can create conditions leading to monopoly by a licensee. As I have indicated, I am not jubilant over the licensing provisions of the bill. Frankly, the patent provisions, in my opinion, create even greater dangers.

A strong argument has been made to the effect that we should free the future atomic development program completely from the patent restrictions imposed by the McMahon Act.

Under the act of 1946 there was an outright ban on patents on any invention or discovery useful in the production of fissionable material or the utilization of fissionable material in atomic weapons. Patents were allowed in the so-called nonmilitary field, but any such patents were subject to a "public interest declaration," which involved a form of compulsory patent licensing calculated to insure widespread participation. There was practically no use of the patenting provisions in the McMahon Act. Contractors were required to hand over their patents to the Commission because they were operating on public funds. The operation also ruled out for all practical purposes the public-interest provision of the licensing law.

It is argued that private enterprise is willing and able to take over commercial development of the atom, but their willingness to do so is apparently subject to the condition that they be allowed exclusive patent protection for new processes they develop.

So, Mr. President, we are asked first to broaden the field in which patents may be granted, and at the same time to render completely ineffective the compulsory licensing provisions of new processes.

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

Mr. GORE. I yield for a question.

Mr. MONRONEY. I was greatly impressed by what the able Senator from Tennessee said on the subject of the

patent rights that would be changed by the bill. As this atomic energy race for peaceful development is started, would it not be possible for certain large corporations which, because of their association with this program through the years as contractors for the Government, within the next few years to be able to develop certain bottleneck patents on the utilization of atomic energy for peacetime use, whether by generation of electricity or by motive power, and other things, and thus to enjoy almost a complete monopoly through patent rights?

Mr. GORE. In answer to the question, I think we must recognize that it is not a theory with which we are dealing; it is a set of very real facts. Under the conditions which we must take into account, involving the fact that the program has been operated and has been developed up to date almost exclusively by contract with private enterprise, then the answer to the Senator's question must be in the affirmative. I believe it is an inescapable eventuality.

Mr. MONRONEY. That is, that as we start on the utilization, the man with the know-how, the man with the past experience as a Government contractor, must inevitably have a head start of 5 or 10 years over his competitor, who is just entering the field. Is that not a correct assumption?

Mr. GORE. I am not sure as to the time element. Undoubtedly General Electric and Westinghouse, to take two examples, were the only competitors in a certain situation which developed not long ago in the State of Washington. Such companies would have a tremendous advantage over other companies who have not been directly involved in this development. I say that not in criticism of the companies who have been contractors in this program; they have contributed well. I would not at all detract from their contribution. Some of them have been on a dollar-a-year basis. However, in the very operation of the program they have developed within themselves, I think we must presume, almost a monopoly of the know-how, of contacts within the group of scientists who have the know-how, and also they have vast funds with which to prosecute the program.

Under those conditions, I say, the patenting provisions of the pending bill would give to them an undue advantage over other companies, even companies large enough to finance such undertaking, which have not been connected with the program.

Mr. MONRONEY. Great and wonderful as services of these corporations have been to us, the services still were not performed with any understanding on the part of the Government that they would have an exclusive right to the benefits flowing from the positive use of atomic energy.

Mr. GORE. I agree with the Senator completely.

Mr. MONRONEY. But if they have years of advanced knowledge of the production of atomic energy and refinements, it is not too great a step from the use of their knowledge for the Government to the putting of that knowledge to use for peacetime efforts in the generation of electricity and other things. Is not that correct?

Mr. GORE. I believe it is.

Mr. MONRONEY. Then, would it not be possible for those who have these years of experience to acquire, because of this experience, a virtual monopoly on certain basic patents? Is it not true that the man who got to the Patent Office first, filed his application for a patent, and got it through, could then deny it to the thousands of others who, if given the same amount of time and experience in the development of atomic energy, could have come up with the same patent?

Mr. GORE. That could occur. I believe we must recognize that there may be several paths leading to the same end, not only physically, but in the scientific field; but, undoubtedly, the company that has developed the processes and the formulas and the know-how has an advantage over a company which has not.

Mr. MONRONEY. So, by patenting certain elemental, fundamental, and primary processes involving the transition of atomic energy to peacetime use, if the patent were a basic one, then all other users would have to pay a licensing fee or be denied entry into this great new field of peacetime use of atomic energy—an opportunity which we hope the bill that finally passes the Senate will provide.

Mr. GORE. I believe it is fair to say that the bill does contain some compulsory licensing provisions; but I consider them to be almost completely ineffective.

Mr. MONRONEY. I thank the Senator.

Mr. GORE. It is also fair to say that the President recognized this problem. In his message to the Congress on February 17, last, the President pointed out that considerations of fairness would require some mechanism to insure that a limited number of companies, now working with the atom, could not build a patent monopoly which would exclude others from the field. He said that use of such a mechanism would be necessary, until the industrial participation in the field acquired a broader base.

I find myself in agreement with this recommendation of the President, insofar as it goes. The joint committee apparently feels that a base sufficiently broad will be achieved within the next 5 years. This is indicated by the fact that the committee proposed compulsory licenses on new patents for the next 5 years only; but practically all the testimony in the record indicates that experimental reactors, now being constructed or planned for construction, will not even be completed until the end of the 5-year period. Until these experimental reactors are completed, we have no way of knowing what processes will be developed. And if we exclude—I may say to the junior Senator from Massachusetts, for whom I have such high esteem—if we exclude the Government itself, which owns this natural resource, from using it to develop processes, either for its own use or as a demonstration, then these provisions seem to me utterly ineffective.

We have no yardstick. We have no assurance but that these plants will require 5 years to build, and therefore will come into operation only after the 5-year period has come to an end, with great advantage accruing to the companies already having the know-how.

Again I say I am not charging greed or improper conduct on the part of these companies.

As the junior Senator from Oklahoma knows, in the House of Representatives I had very close contact with the operation of this program. The Oak Ridge facilities are in the State I, in part, represent. No hint of attack upon these companies should be read into my remarks. But that does not diminish the need to guard the public interest.

Mr. MONRONEY. In other words, the basic knowledge of atomic energy has cost all the people of the United States, including all the businesses of the country, approximately $12 billion. Is not that correct?

Mr. GORE. That is right.

Mr. MONRONEY. And therefore we, as the trusted representatives of the people, must be sure that the broadest possible diffusion of the benefits of that $12 billion investment will occur in the interest of all the people, instead of having those benefits confined to the private preserve of those who happen to be in an advantageous position as a result of a grandfather clause or anything of that nature.

Mr. GORE. I thank the Senator from Oklahoma for his contribution and for his attention; and let me say that I equally appreciate the attention of the other Senators who are on the floor.

I repeat that this bill is the most important measure to come before Congress this year.

Mr. MONRONEY. Mr. President, will the Senator from Tennessee agree with me on an observation that I have made many times in the past; namely, that this $12 billion investment, which has given us atomic energy, which we are now on the threshhold of using for peacetime purposes, may result in increasing our wealth even in excess of the amount of the entire national debt, which today stands at $275 billion?

Mr. GORE. That may well prove to be true.

Mr. MONRONEY. And that in this investment in research into the unknown, in finding the source of power in the atom, our public debt of $275 billion could well be offset by the value of this development for peacetime purposes—in short, a value sufficient to offset the national debt of the United States, created in World War II, for the purpose of bringing about a satisfactory and victorious termination of that war?

Mr. GORE. Indeed so. Mr. President——

The PRESIDING OFFICER (Mr. BUSH in the chair). The Senator from Tennessee has the floor.

Mr. GORE. Mr. President, I was about to say that, by means of comparing the value of the potentialities of the atom to the amount of the public debt of our country, the junior Senator from Oklahoma has illustrated in admirable

fashion the vast potential of this new source of energy.

Mr. MONRONEY. Mr. President, what the Senator from Tennessee was saying a moment ago interested me tremendously. He was referring to the likelihood that in 5 years the presently planned reactors will be on test runs in connection with the production of electricity. In that respect, would the Senator from Tennessee agree with me that, in terms of developing and perfecting—scientifically, mechanically, and from an engineering standpoint—the atomic-energy reactors which today are on the drawing boards probably will be no more efficient in production, power, and speed than the old-fashioned Jenny airplane of World War I, as compared to the fleet, jet-powered bombers we are producing today, when the course of this development is finally run, and when, in similar vein, we compare the beginning of atomic-energy utilization for the development of electrical energy with what that development will mean in 15, 20, or 30 years, as the know-how in this field is increased by the great genius of American engineers and American management?

Mr. GORE. Mr. President, if this development follows the pattern of other industrial, commercial, and scientific developments, we must assume that that will be the case in this instance.

A little later in my remarks I expect to refer to the fact that the particular companies involved also have well nigh a monopoly of—at least they have the first contract with—the young scientists who are largely in their employ, and from whose minds will come, we hope, the developments of the future.

I think the 5-year period—for reasons I have already indicated, as well as for other reasons to which I shall later refer—is not adequate.

Mr. MONRONEY. In other words, what the Senator from Tennessee is saying, is it not, is that there is no doubt in the mind of any reasonable man that, by means of this act, in opening the door to business opportunity we shall create an industry that probably will be more mighty than any of the great industries to which we have heretofore pointed with pride—the automobile industry, the airplane industry, the plastics industry, and all the other giants we have built up in the great American pattern?

Mr. GORE. Indeed so, Mr. President.

Mr. MONRONEY. But by means of this bill, if we are not careful to provide for the right of entry into this field through the competitive—and I emphasize the word "competitive"—free enterprise system, will we not handicap the successful operation of the processes that have made possible the beneficial development of the great free enterprise system we have?

For instance, all of us are well aware that Henry Ford began his work in a bicycle shop and, as a result of the drive and incentive resulting from free enterprise, developed the great company which bears his name. The Senator from Tennessee is quite familiar, is he not, with many other cases of the development of Americans from rags to riches—Americans who, as a result of free enterprise, and because of a lack of cartelization, had the chance to make such tremendous progress because there was the stimulus of competition which enabled the greatest possible development, on as wide a base as possible, of such gigantic undertakings?

So I believe the Senator from Tennessee by his remarks today has touched on a most fundamental point in connection with the development to which the pending bill relates. If we limit this development only to the giants, and if we deny the fullest possible scope to the American competitors' spirit of free enterprise, we may wind up with a more expansive development, but surely we shall not wind up with the kind of self development that has made the American industrial system the greatest in all history because of the human element that is stimulated by competition as a result of free entry into these fields.

Mr. GORE. Mr. President, the junior Senator from Oklahoma has made an eloquent statement with which I desire to associate myself completely.

I hope my address today will not be taken as an indication that I wish to resist private enterprise development of atomic energy, the entrance of private enterprise into this field. On the contrary, I wish to facilitate it. But I say in all candor that I cannot support the pending bill in its present condition. I do not think we must be so impelled to do something that we are willing to change, even though it may prove to be wrong. This field is so important that I think it requires very careful consideration; and I hope the use of that term will not be distorted out of context as a result of the atmosphere of political jousting during the last few hours. I have never made a speech in which I more deeply felt the cause for which I was speaking, than this speech.

Mr. President, the pending bill has tremendous implications. I should like to have the bill put into such shape that I could support it. I believe it is desirable to formulate a policy by which we can facilitate the entrance of private enterprise, with its genius, with its remarkable dynamic methods, into this field. But we must do so with proper safeguards, not only safeguards for public institutions, not only safeguards for small business, but also safeguards against abuse and privilege which might result, particularly because of the circumstances to which I have alluded, unless proper safeguards are thrown around the bill.

No Senator can say with certainty that processes which will completely revolutionize the field of electric power will not be forthcoming, not within 5 years, but within 6 years. Meanwhile, the industrial participation base will necessarily be narrow, by the terms of the bill. It will be limited to the few corporations involved in constructing and in testing the experimental reactors now authorized.

Mr. President, who can guarantee that a discovery which will revolutionize power production will not be made on September 2, 1959? Should such an eventuality occur, the patent application for such a discovery would be free of the compulsory licensing provisions of the bill, if that discovery should occur the day after or the month after.

Mind you, Mr. President, the plants will require from now until then to be completed. Such a patent applicant would be able to patent his idea or his discovery and to retain exclusive control over its use during the life of the patent. However, should such a discovery be made, and patent applied for, 2 days earlier, the patent applicants for that discovery would be subject to compulsory licensing.

Of course, Mr. President, I recognize there is the problem of determining when to start and when to end. Whenever an arbitrary date is fixed, inequities will be involved. But I submit that in the light of all the circumstances surrounding and involving this program, a 5-year compulsory licensing period is wholly insufficient.

I fear that there would be a very strong temptation to conceal a discovery made before the expiration of the 5-year period. Of course, the bill attempts to prevent such concealment; it requires that new discoveries must be reported to the Commission, or that a patent application must be filed upon them, within 90 days after discovery. Curiously enough, however, no penalty is provided for failure to report to the Commission or to file a patent application. Surely this situation is an open invitation to violation. The law in this respect is clearly unenforceable.

Congress would be wise, I believe, to strike out the September 1, 1959, date and wait a few years and watch developments to determine when compulsory licensing should end. Certainly the industrial base will not be broad enough at the end of 5 years.

Still another aspect of attempts to provide for patents will lead to certain confusion. Under the law, discoveries made by persons working for the Government or working on projects financed by the Government, are Government property—a part of the public domain. All the development accomplished so far is a product of Government financing. Most of the development which will occur in the next 5 years will likewise be a product of Government financing. It can be argued that a discovery conceived during a period in which the discoverer is subsidized by the Government will still, even under the pending bill, be property of the Government. But it must be remembered that patents are based upon discoveries and discoveries result from ideas. Who is to say at what specific time an idea was conceived? As Admiral Strauss stated during the hearings before the committee, it is often difficult for the discoverer himself to fix accurately the time at which an idea was formulated in his mind.

Here is a situation which I can foresee—and mark you well, it will occur: If the pending bill becomes law, wealthy corporations will begin raiding the best brains in Government atomic research—bright young men who have been the backbone of our nuclear research pro-

gram will be enticed away from Government employment by fancy salaries and liberal research facilities.

Such enticements need not necessarily be in the nature of a reprehensible means of raiding; it need merely be the setting up of a new enterprise, in which the salary schedule will be considerably above the level of governmental salaries. This would in itself, the human element being what it is, operate as an enticement for competent, talented young scientists to leave not only Government employment, but also private contractors with the Government. Corporations now operating under research contracts financed by the Government will form subsidiaries into which they will place researchers lured away from Government service or transferred from the corporate entity under contract to the Government. On September 2, 1959, I predict that a rash of patent applications will be filed. Perhaps not on September 2, 1959, because that might, after all, be a little too obvious. I will move the date up 3 months to December 2, 1959. I predict that the volume during that period would be great. Some scientists who have been working for many years on atomic research may suddenly blossom out with all sorts of ideas, things they just couldn't think of when they were working for the Government, or when compulsory licensing provisions were in effect.

Certain corporations, having worked closely with the program, may suddenly find very valuable formulas which had not finally been formulated before the patenting privileges became effective. This is not to charge improper motives; this is to assign to human beings and to American business the legitimate desire to profit from their knowledge, their efforts, and their investments.

Who, Mr. President, is to say when or where they got the ideas? Who can prove anything about a man's thought processes?

The 5-year compulsory licensing aspect of the bill is an open invitation to evasion of the intent of the Congress. It is completely unenforceable; at least, it is very ineffective.

Another objection to the bill is that its language requiring compulsory licensing, either by design or accident, makes the process almost impossible. Perhaps the easiest way to establish compulsory licensing would be to retain the compulsory-licensing provisions of the McMahon Act. This act provides that when any patent is declared by the AEC to be affected with the public interest, the Commission and every person licensed by the Commission automatically is licensed to use the invention or the discovery covered by the patent. Under section 152 of the pending bill, however, any person who desires to use a patented invention or discovery must apply to the Commission for a patent license. That license will be granted only if the Commission finds that the invention or discovery is of primary importance to a project assigned by the Commission to the license applicant. The license applicant must prove that use of the invention or discovery is of primary importance to his business. Just what primary importance means is open to wide interpretation.

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

Mr. GORE. I yield.

Mr. MONRONEY. For the information of the Senate, and particularly for the benefit of the junior Senator from Oklahoma, the licensing provisions with respect to patent rights would reward the inventor, the holder of the patent, with certain monetary gain, would it not?

Mr. GORE. A reasonable royalty fixed by the Commission.

Mr. MONRONEY. In other words, this would not deny to free enterprise or to inventive genius the right to patents, but it would merely hold it within reasonable limits, to prevent the ownership of a patent being made an exclusive matter for the holder of the patent. In other words, financial gain would not be denied even under a patent licensed to an inventor, but there would be removed from the patent holder's possession a control with which he could place a roadblock against all other competitors, which would prevent them from using, even upon their willingness to pay a fee, the invention which he has discovered.

Mr. GORE. That is correct. There would be an insurance of widespread use of the discovery of a patented atomic process for wholesale use by the people, in order to lift the level of living of the people and our economic way of life.

Mr. MONRONEY. If the patent were licensed, the opportunity to misuse it would be removed, as would be the danger of monopoly in connection with some of the more important phases of this development.

Mr. GORE. I think that monopoly is one thing against which we must guard with great care. No one can foresee the vast potentiality of this program. That makes it even more imperative that we prevent a few from fastening themselves upon the use of this source of energy so as to become bottlenecks.

The pending bill attempts to permit the Commission to declare a discovery affected with the public interest, but before it can do so, it must give the patent owner a hearing. Presumably the owner of the patent could present arguments why the patent should be withheld from the public interest and if overruled, could appeal to the courts. Such a procedure could conceivably consume most of the 5-year period in which compulsory licensing is required.

The facts of the matter are that the compulsory licensing procedure set out in the committee bill are so cumbersome as to be practically ineffective.

One serious omission in the field of patents is a provision of existing law which withholds patent rights on any invention or discovery to the extent that such invention or discovery is used in research and development activities in the atomic energy program. This provision, which was contained in section 11–B of the McMahon Act, has been deleted from the pending bill. Failure to reenact this provision would seriously damage the progress of research. Certainly, those who wish to use new discoveries for further research should be allowed to do so. I am advised that the Atomic Energy Commission recommended this provision be retained. I believe it should be reinstated in the law.

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

Mr. GORE. I yield.

Mr. KENNEDY. I am glad the Senator has mentioned that omission. Is it not a fact that Admiral Strauss, in testifying before the Joint Committee on Atomic Energy, expressed regret that that provision had been omitted, and, in order to encourage educational institutions and others to go forward with research, requested that the provision which was contained in the McMahon Act be reenacted?

Mr. GORE. I am advised that the Atomic Energy Commission did recognize that this provision of the McMahon Act should be continued in the pending bill. I believe that it should be in the bill. It is not. No satisfactory explanation has been given as to why it is not in the bill.

Mr. KENNEDY. Is it not true that the bill introduced by the Senator from Iowa [Mr. HICKENLOOPER] on April 14, S. 3322, originally contained such a section, but that curiously it has been omitted from the bill now before the Senate? Such a provision would encourage the use by educational institutions of patents for noncommercial purposes. I think this serious omission from the bill should be remedied before the Senate approves the bill, if possible.

Mr. GORE. I was not aware of the fact that the bill originally introduced by the Senator from Iowa contained such a provision. I thank the Senator from Massachusetts for the information. I agree with his latter statement that before the Senate passes the bill, such a provision should be incorporated therein.

Mr. KENNEDY. I thank the Senator. I am glad he brought up the matter, because Admiral Strauss said that while there would be some occasions when the patents could be used, nevertheless, the omission of the language which was in the McMahon Act was a serious omission, one which the Senate should correct. I am delighted that the Senator, in connection with the remarks about other phases of the patent situation, will offer an amendment to cure the omission.

Mr. GORE. I thank the Senator from Massachusetts. I wish to take this occasion to say, for the RECORD, that I know of no young man in America who in 2 years' time has demeaned himself with more honor and credit than has the junior Senator from Massachusetts in the 2 years he has been a Member of this body. Having served with him in the House, before we came to the Senate at the same time, I take particular pride in the wonderful success and the marvelous record of service which the Senator from Massachusetts has established.

Mr. KENNEDY. I hope the Senator from Tennessee will not apply a patent to those remarks, so that they can be used freely on and off the floor of the Senate.

Mr. GORE. I here and now give to the junior Senator from Massachusetts a private patent on those remarks.

Another serious drawback which I find to the committee bill is the set of provisions for payment for atomic ash or plutonium produced by private groups in the production of electrical energy. The committee bill provides that the AEC shall make available to licensees nuclear materials which will serve as fuel for power reactors. These materials are to be furnished at reasonable prices. Just what is reasonable is not stated and the committee bill sets no standard for guidance of the Commission. Once the fuel is burned or used, the Commission is then obligated to buy back the atomic residue at a guaranteed fair price. Under the bill, the Government owns any and all nuclear material, and the residue from reactors falls under that classification of Government property. If the Government pays less than the cost of production in a given plant for this nuclear residue, that would amount, it could be argued, to confiscation. Therefore, the AEC must pay at least the cost of production of the most expensive plant. This price would be the same for all producers. This means that the producer with the highest cost and the least efficient plant will set the price for all producers. Indeed, I am advised that under the pending bill the Atomic Energy Commission could have but one price, and therefore that price might be that of the producer with the highest price.

Suppose that for some reason in the future the Government's needs for atomic materials for weapons could be reduced drastically. Suppose that new discoveries of materials or greatly improved processes of production could yield a surplus of material, reducing the value of nuclear residues to virtually nothing—still the Government would have to pay the cost of the least efficient producer for all the nuclear residue in the hands of private producers during the 40 years they may be licensed to do business. This feature of the bill looks to me like a built-in subsidy.

We may have the spectacle of the Government paying more for the nuclear residue that it must buy back, than it charges plants for the nuclear fuels they use to operate their reactors. Surely, cancellation provisions should be written into the law.

I can not in good conscience cast my vote for the committee bill in its present form. To my mind it provides opportunities for exploitation which dwarf anything presented to the Congress during my tenure of public service. All that is required is for a company to bring up a roll of blueprints, a cheerful smile, a slogan of free enterprise willing to take over, and the contents of the public storehouse are handed over without question with wheelbarrows furnished to cart it away.

Mr. President, I have attempted in my address today to approach the subject I have been discussing without reference to the Atomic Energy Commission—TVA issue, on which the Senate voted last evening. I have not discussed that issue today, and I shall not now do so. I only mention it to point out that this example of the misuse of the power of the Atomic Energy Commission for a purpose unrelated to its program, over the opposition of a majority of its membership, does not encourage the resolution of those questions I raise in favor of the provisions of the pending bill. I trust that as we consider the various amendments now at the desk we will give—and that I will have an opportunity to give—what small contribution we can individually and collectively bring to bear upon the solution of the vast, vital problems involved.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUTLER in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PENNSYLVANIA INDUSTRIAL AND CONSTRUCTION EXPOSITION

During the delivery of Mr. GORE's speech,

Mr. MARTIN. Mr. President, will the Senator from Tennessee yield to me for about 5 minutes, without losing his right to the floor, so that I may make a statement for the RECORD relative to the Pennsylvania Industrial and Construction Exposition?

Mr. GORE. Mr. President, I am glad to yield to the distinguished senior Senator from Pennsylvania for that purpose, provided I do not lose my right to the floor, and provided also that his remarks will appear following the conclusion of my speech.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Without objection, it is so ordered.

Mr. MARTIN. Mr. President, I take this opportunity to call attention to a significant event which is about to take place in my home State, the Commonwealth of Pennsylvania.

It is an event which has a most important bearing on the industrial progress and economic strength of Pennsylvania and the whole Nation.

It is highly important to the management of our thousands of manufacturing plants as well as the millions of workers who earn their livelihood on the State's assembly lines and in the construction industry.

I refer to the Pennsylvania Industrial and Construction Exposition, which will be held in the Capital City of Harrisburg during the week beginning September 20, 1954.

The exposition will occupy the State Farm Show building, and may I point out to those not familiar with it, that this is the largest exposition building in America, with 5 acres of display space and 35 acres of free parking area.

Certainly it is not news to the Nation, or indeed, to the world that Pennsylvania is a great hive of industry, within whose borders are produced almost every commodity made anywhere else in the United States.

But the Keystone State has never been one to blow its own horn. If we have erred, it has been on the side of excessive modesty.

Now Pennsylvania is putting its industrial achievements on parade. It is placing on display the rich variety of commodities, machines, and products manufactured in the Commonwealth.

It is my hope that many officials of the Federal Government and Members of Congress will journey to Harrisburg next September to view and enjoy this demonstration of Pennsylvania's outstanding part in America's industrial progress.

The exposition is under the sponsorship of the Keystone Building Contractors Association, in cooperation with the State Department of Commerce. It has the endorsement and active support of the Pennsylvania Manufacturers Association, the State Chamber of Commerce, the Pennsylvania Newspaper Publishers Association and other trade bodies.

It will feature an almost endless variety of products. Exhibitors will come from the fields of iron and steel foundries, primary metal industries, gas and electric utilities, special industrial machinery, trucking and motor vehicles, railroad equipment, electrical apparatus and appliances, surgical and medical instruments and supplies, rubber products, fine jeweled watches and clockwork-operated devices, fabricated plastic products, lumber and building materials, construction equipment, chemicals, petroleum products, dairy and bakery goods, candy and related products, beverage industries, wooden and cardboard containers, clothing and fabrics, footwear, furniture and home furnishings, newspapers, magazines and books, concrete products, and heavy construction, and much besides.

In conjunction with the exposition, four statewide conventions will be held simultaneously in Harrisburg. Meeting there will be the Keystone Building Contractors Association, Pennsylvania Society of Architects, Pennsylvania Retailers' Association, and the Pennsylvania Osteopathic Association. In addition, there will be a conference of officials of the Pennsylvania Society of Professional Engineers.

It is estimated, Mr. President, that upward of 300,000 persons from every part of Pennsylvania and all sections of the Nation will come to see and to shop at this unique showcase of Pennsylvania on display.

As I mentioned earlier, it will be good for Pennsylvania and the Nation. It will be good for our industry. But it will be even better for wage earners and the consuming public.

I hope that many Members of Congress will be able to arrange to come and see our exposition. I assure you it will be extremely worth while.

Mr. President, the advisory committee for the exposition is a cross section of

the Commonwealth's leading industrialists, public officials, newspaper publishers, educators, and trade association executives. It is headed by the Honorable Andrew J. Sordoni, Secretary of the Pennsylvania Department of Commerce.

I shall not read the names of the advisory committee members but ask unanimous consent to have the list printed in the RECORD at this point in my remarks.

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

ADVISORY COMMITTEE, PENNSYLVANIA INDUSTRIAL AND CONSTRUCTION EXPOSITION, HARRISBURG, PA., SEPTEMBER 20–25, 1954

Hon. Andrew J. Sordoni, chairman; Walter Annenberg, publisher, the Philadelphia Inquirer; C. J. Backstrand, president, Armstrong Cork Co.; E. D. Becker, publisher, Pittsburgh Sun-Telegraph; M. W. Clement, Pennsylvania Railroad; Theodore A. Distler, president, Franklin and Marshall College; Dr. Milton S. Eisenhower, president, the Pennsylvania State University; Joseph C. Feagley, president, Pennsylvania State Chamber of Commerce; Joseph A. Fisher, president, Reading Railroad Co.; Edward G. Fox, president, the Philadelphia and Reading Coal & Iron Co.; Wilfred D. Gillen, president, the Bell Telephone Co. of Pennsylvania; Albert M. Greenfield, president, Albert M. Greenfield & Co.; C. G. Johnston, regional sales manager, Ford Motor Co.; Pressly H. McCance, president, Duquesne Light Co.; L. T. McCurdy, vice president, Container Corporation of America; Frank E. Masland, Jr., president, C. H. Masland & Sons, Inc.; Frank G. Morrison, president, the Pittsburgh Press; Brig. Gen. John J. O'Brien, president, United States Steel Homes, Inc.; Chas. E. Oakes, president, Pennsylvania Power & Light Co.; P. H. Powers, president, West Penn Power Co.; John A. Robertshaw, president, Robertshaw-Fulton Controls Co.; W. C. Robinson, president, National Electric Products Corp.; W. F. Rockwell, Jr., president, Rockwell Manufacturing Co.; Edwin F. Russell, publisher, Patriot-Evening News; A. W. Schmidt, vice president, T. Mellon & Sons; John H. Seeton, secretary, Pennsylvania Manufacturers' Association; H. W. Spong, president, Dauphin Deposit Trust Co.; Ferdinand K. Thun, president, Berkshire Knitting Mills; O. Titus, president, Pennsylvania Electric Co.; I. W. Wilson, president, Aluminum Company of America; Norman W. Wilson, chairman of the board, Hammermill Paper Co.; W. H. Worrilow, president, Lebanon Steel Foundry; J. H. Young, president, H. H. Robertson Co.; H. Ward Zimmer, president, Sylvania Electric Products, Inc.; George M. Schmeltzer, executive director, Pennsylvania Industrial and Construction Exposition.

Mr. MARTIN. Mr. President, I thank the distinguished Senator from Tennessee for his courtesy in yielding to me.

TRADE UNIONISM WITH VISION

Mr. LEHMAN. Mr. President, one of the oldest and most responsible labor unions in the country, which has its international headquarters in New York City, is the United Hatters, Cap, and Millinery Workers International Union, affiliated with the American Federation of Labor.

The international president of that union is an old and close friend of mine, Mr. Alex Rose, a veteran of labor movement, and an active figure in the political life of New York State.

Mr. Rose is one of that group of labor leaders who have earned the title of labor statesmen. Alex Rose is a true labor statesman. And his union is one of those which has concerned itself, not only with the welfare of the workers, but with the welfare of the industry in which the workers are employed, and, above all, with the welfare of the Nation.

I have known Alex Rose for many years, in his capacities both as a labor leader and as a political leader. In both capacities, he has proved himself to be a man of vision, of insight, and of deep understanding. He is a dedicated man. He is a man who comprehends the heavy responsibilities of both union and public leadership.

Last Sunday morning there was announced a most intriguing action on the part of the union of which Alex Rose is the president and of which Mr. Marx Lewis, the general secretary.

This union undertook to make a loan of a quarter of a millon dollars to a prominent and responsible manufacturer of millinery who found himself facing bankruptcy as a result of overexpansion at a moment when business, itself, had turned downward and sales had fallen off.

This quarter of a million dollars was obtained not from the union treasury—for that was pretty well empty—but mostly from a solicitation of small loans from the members of that union.

The purpose of that loan was to enable the manufacturer, the Kartiganer Hat Corp., to meet its obligations—or some of them—and to continue in business. and thus to continue to furnish employment in three cities where a closing down of those plants would have meant disaster, not only to the workers, but to the communities in question.

One of those communities is in New York; the name of that community is Beacon, where the Kartiganer Co., employs 350 workers.

The plant at Beacon is more than 130 years old. The workers there are the sons and daughters, and grandsons and granddaughters, of hatmakers. It was to preserve their jobs that Alex Rose's union, which is relatively a small union, having about 35,000 members, decided on this almost unprecedented undertaking.

For a union of this size, which has just come through a strike which is said to have cost the union almost $2 million to turn around, after a bitter conflict with one hat corporation, to help save the management of another hat corporation is labor statesmanship of the highest order. It shows a real dedication to private enterprise. It shows the kind of concept of labor-management relations which is becoming a standard hallmark of organized labor in the United States.

This is responsible trade unionism. This is trade unionism with vision.

Mr. President, I ask unanimous consent that a comprehensive report of this undertaking on the part of the United Hatters, Cap and Millinery Workers Union, published in the New York Times, of Sunday, July 18, where the report was given front page prominence, be printed in the RECORD at this point in my remarks.

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

HAT UNION VOTES $250,000 LOAN TO SAVE BIG EMPLOYER IN CRISIS

(By A. H. Raskin)

One of the country's largest millinery manufacturers completed arrangement yesterday for a union loan of $250,000 to keep his hat plants operating and to preserve the jobs of his 1,050 unionized employees.

The loan plan was announced by Alex Rose, president of the United Hatters, Cap and Millinery Workers International Union, A. F. of L. The money will be made available to the Kartiganer Hat Corp., which produces $6 million worth of women's hats each year at factories in West Upton and Milford, Mass., and Beacon, N. Y.

A sharp drop in hat sales last spring, coupled with heavy investments in new productive facilities, had left the company in acute financial difficulties. Without the union's help it would have been obliged to shut down two of its plants and discharge 700 of its workers. The Beacon and West Upton plants are more than a century old and many of the present workers are the great-grandchildren of hatmakers who worked in these same factories.

Under the plan worked out with Charles H. Kartiganer, president of the company, the union will advance $50,000 from its international treasury. The remaining $200,000 will be supplied by the workers themselves as an investment in the security of their jobs. Each worker will lend $200 of his personal funds. Those who do not have that much cash will obtain loans from local banks under an arrangement made by the union locals in the plant towns. These loans will be repaid out of future wages.

The union's decision to bail out the Kartiganer Co. was made even though the union itself is in straitened financial circumstances. It recently ended a strike of 10½ months against the Hat Corp. of America in Norwalk, Conn., in the course of which the union spent almost $2 million. The union has a total membership of only 35,000 and it came out of the strike $1 million in debt.

The central issues in the Norwalk strike was the union's desire to keep the company from moving its hatmaking operations to lower wage areas in the South and West. The company obtained a settlement that left it free to decide where it would do its manufacturing, but it sent the union a letter promising to maintain the bulk of its production in Norwalk.

In announcing the loan arrangement with the Kartiganer Co., Mr. Rose emphasized the considerations that prompted the union's action.

"While the whole idea of a union investing in a company may seem very unusual the fast changes that take place in industry often require new methods," the union president said. "Sometimes a union must fight on the picket line and spend its money for strike benefits. Sometimes it can best protect the interests of its members by providing financial assistance to the company on which they depend for livelihood.

"In this case we have been impelled by a threefold purpose—to guarantee the jobs of our members, to preserve labor standards in our industry, and to prevent communities from turning into ghost towns. The shutting down of these factories would have left the workers with no other jobs to go to. There are no other hat companies in which they could have been employed. It was a case of helping an employer in order to help ourselves."

The union set up two requirements as conditions for its loan. The first was that there be no cuts in wages or established working conditions. Mr. Kartiganer assured Mr. Rose that he did not hold wages or union standards accountable for his difficulties, and promised that there would be no reductions.

The second condition was that a union accountant be posted in the company offices to keep watch on the safety of the union investment and prevent a destructive competition for unionized manufacturers in New York and other unionized millinery centers. The union has long been a major element in promoting stability in the hat industry.

The plant at Beacon opened in 1822 and the one at West Upton 11 years later. The Milford factory, "baby" of the lot, is 59 years old. Part of the Kartiganer company's present trouble stemmed from its decision to buy the West Upton factory from the Merrimac Hat Corp. 2 years ago. Mr. Kartiganer put $500,000 into the plant. When business took a nosedive early this year, he found himself unable to pay his bills.

His creditors appointed a committee, which informed Mr. Kartiganer that he would have to concentrate all of his production in a single plant and lay off two-thirds of his employees. The union then took the initiative in calling a new conference of the creditors, at which the idea of a union loan was broached.

The union took the view that the company, which sells to many of the country's largest chain and department stores, had plenty of prospective business if it could obtain fresh working capital.

The creditors' committee, after a week's negotiations, gave its endorsement to a formula for the use of the $250,000 union loan to settle the company's business debts, but the entire plan is still contingent on ratification by the full group of creditors at a meeting this week. Terms of the proposed settlement and the amount of outstanding debts were kept secret pending the ratification meeting.

Last Tuesday the union's general executive board voted formal authorization for the loan from the union treasury. On Thursday night members of the union local representing the 700 workers at West Upton and Milford, which are only 6 miles apart, met and voted overwhelmingly in favor of the project. A similar meeting was held Friday night for the 350 workers at Beacon, with the same enthusiastic response.

The plans developed by the union and the company call for closing of the Milford plant and absorption of its entire work force into the adjacent West Upton factory, thus preserving all the jobs in both Massachusetts communities. The Beacon plant will continue in full operation.

"This is a very happy example of labor-management cooperation to keep a company in business and protect the jobs of people who have hatmaking in their blood," Mr. Kartiganer said.

The Kartiganer company started making hats in New York 33 years ago. A few years later it transferred its production to the plants in Milford and Beacon. It has had occasional union difficulties but its basic relationship with the union has been harmonious. Its last strike was a brief one in 1947. The company's sales, purchasing, and executive offices are at 1 West 39th Street in this city. Its wages range from $1.25 to $3 an hour.

Union loans to manufacturers have been rare. In the depression of the thirties when the men's clothing factory of Hart, Schaffner & Marx in Chicago was near liquidation, members of the Amalgamated Clothing Workers, CIO, instituted a voluntary pay cut to be considered as a loan to the company. It was repaid in full.

There have been a few other instances of monetary aid to employers by the Amalgamated and by its sister union in the women's clothing industry, the International Ladies' Garment Workers Union, A. F. of L.

THE CEASE FIRE IN INDOCHINA

Mr. LEHMAN. Mr. President, insofar as the cease-fire agreement in Indochina represents an arrangement which ends, for the present, the blood-letting in that area and holds out some hope for the stabilization of relations between the powers most immediately concerned, it must be accepted and acceded to as being probably the best agreement that could be reached under the existing circumstances.

Mr. Mendes-France appears, indeed, to have negotiated the best conditions that could be negotiated, and must be commended for having fulfilled his promise to the French people and, inferentially, to the peace-loving peoples of the world. His skill, persistence and dedication must enlist our praise.

The cease-fire agreement is, of course, far from satisfactory from our point of view. Indeed, how can we be happy about any arrangement which extends the scope and authority of the Communist power? Yet we must face the hard fact that neither the American people nor the French, British, or the Asian peoples in surrounding countries are ready or willing to engage in the full-scale military action which would be the only alternative to a settlement along the lines which have been arrived at.

In view of this circumstance we must be content with the agreement, though we are not happy about it.

This has indeed been a setback for the non-Communist world and for the cause of freedom. We have undoubtedly suffered here a serious defeat. In this setback and this defeat our administration has played a role which does not reflect too brilliantly upon either our diplomacy or our appreciation of the factors which were involved. It is possible by hindsight to chart a much more consistent course of action which our Government might have followed and which might have had a more satisfactory result.

I do not believe, however, that we should spend too much time or effort in assessing blame for past errors. Our problem now is to insure, to the extent that we can, that this setback will not lead to disaster. The cease-fire agreement can give us time to strengthen the forces of freedom and to increase the powers of resistance to the Communist pressure in this area, or can merely be a stopgap leading to a new series of disasters.

Bold, imaginative, and constructive diplomacy is called for, along with practical measures to mobilize and strengthen the forces of resistance in this and other areas. Time can be on our side if we use it wisely and well.

END OF HOSTILITIES IN INDOCHINA

Mr. POTTER. Mr. President, I wish at this time to make a short statement on a subject which I intend to discuss at a later date, but my present remarks will be a prelude to that statement to be made in the future. We will hear a great deal of talk about appeasement in connection with the end of hostilities in Indochina. I am perplexed by this kind of talk. I should like to ask my colleagues, particularly those who have talked about appeasement, if they would have voted to send American boys to fight in Indochina. Would they have voted to send American military planes and American pilots to fight in this far-away war? No one is more conscious of the growing encroachment of communism throughout the world than I, but I should like to remind my colleagues that the word "appeasement" in connection with the present state of world affairs gives an erroneous picture. I, for one, am not ready to send American young men into Indochina in a fighting war, and I believe that many of my colleagues who have seized upon this opportunity to speak of appeasement would not vote for armed intervention by the American military at the present time. There are features in the agreement which are not desirable, but we must accept them. That is not appeasement.

VISIT OF JAPANESE DIET COMMISSION OF THE HOUSE OF REPRESENTATIVES TO THE SENATE

Mr. LEHMAN obtained the floor.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the Senator from New York may yield, without losing the floor, in order that I may introduce to the Senate six representatives of the Japanese Diet Commission.

Mr. LEHMAN. I am glad to yield for that purpose.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the Senator from New York may be permitted to yield to me for a few minutes, without his losing the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. FERGUSON. Mr. President, present on the floor are six members of the Japanese Diet Commission of the House of Representatives, who are traveling through the United States on their way to South America. Their names are:

Representative Tokuya Furuhata, Liberal, chairman.

Representative Ichiro Shoji, Liberal.

Representative Kyue Kikkawa, Progressive.

Representative Seigo Kusumi, Progressive.

Representative Yoichiro Kambayashi, Social Democrat.

Representative Kanju Kato, Social Democrat.

Secretary Yoriyoshi Kawaguchi.

On behalf of all Members of the Senate, I desire to welcome the members of the Japanese Diet Commission to the Senate.

[Applause, Senators rising.]

Mr. SMITH of New Jersey. Mr. President, I should like to add a word of welcome to that which already has been

extended by my distinguished colleague, the Senator from Michigan.

As a member of the Committee on Foreign Relations, and having visited Japan a number of times, the last occasion being recently, and having been accorded the high privilege of being introduced to the Japanese Diet, I wish to add my word of greeting to these honorable gentlemen.

The PRESIDING OFFICER. The Chair takes pleasure in welcoming to the floor of the Senate the distinguished representatives from Japan, and hopes that they will enjoy their visit with us.

REVISION OF THE ATOMIC ENERGY ACT OF 1946

The Senate resumed the consideration of the bill (S. 3690) to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

Mr. LEHMAN. Mr. President, the most precious and essential things in life are often taken completely for granted. Thus we take for granted our dearest friends, our parents, our basic institutions, our freedom. We take them for granted because we know that they are always there and can always be depended upon.

We do not consider them to be of any special miraculous quality. We do not spend much time congratulating ourselves on having them, or wondering how they became what they are.

Yet, Mr. President, it is a very wise thing to reflect, from time to time, on how very fortunate we are to have these relationships and these institutions, and to recall how they happened to develop and come into being.

All this is by way of introduction to a familiar element in our lives—in our home lives and in our economic life—an element we are inclined very much to take for granted. I refer to electrical energy and power.

Truly to understand the issues before the Senate, and to comprehend the significance of the provisions of the pending bill dealing with atomic energy, we must begin by reflecting on the significance and background of stored power and energy—its significance and meaning for our country and our civilization.

If we will do this, we may be able better to comprehend the anomalous nature—the self-defeating nature—of some of those provisions of the pending bill dealing with the development and control of atomic energy for power-producing purposes.

It is a fact, first of all, that our Nation's economic outlook for the coming quarter century and far into the future is directly related to the increasing availability of adequate supplies of energy, and to the cost at which that energy can be produced.

For thousands of years, man's standard of living has been directly related to his ability to harness energy in addition to that of his own muscles.

The control of fire, the domestication of animals, the invention of the wheel, the first crude harnessing of falling water to provide mechanical power, all these were steps in which man put energy to work to supplement his own.

With the invention of the steam engine in the eighteenth century, the upward trend in man's use of energy was greatly accelerated. But standards of living did not move upward rapidly. Owners of factories owned the steam engines. They had much greater bargaining power than the unorganized workers. So the benefits of the steam engine were highly restricted.

An entirely new epoch in man's use of imprisoned energy began with the invention of the dynamo. Edison's first central-electric station started the electrical age. Today we are approaching the complete electrification of the home, the farm, the store, the mine, and the factory.

The building of the first electric powerplant to supply electricity for lighting homes and shops and streets in an area opened the way to democratic control of the new energy which man was harnessing to do this work.

In the period before electricity, the new steam power which was revolutionizing industry, belonged entirely to the owner of the mill or mine or factory.

But the new electric powerplants provided electricity for many different people. Electric powerplants used the streets for their pole lines and wires.

In short, the electric power business started as a public service industry, which could be operated by private owners only on obtaining a permit or franchise from the local government. This meant that the local government retained the right to attach conditions to the franchise to protect the public interest, to regulate the power company in its rates and other aspects of its activities and to undertake electric service on a public basis in those cases in which the people of the community preferred it that way.

The law of the land protects the people in all these rights, so far as the electric power business is concerned.

This is fortunate because of the tremendous increase in the country's dependence on electricity for its convenience, its comfort, and the productivity of its labor. Experience with the Federal power policy which has been in effect during the last 40 years has shown people what great things can be accomplished when the Federal Government, rural electric cooperatives, and municipal powerplants work together to provide electricity at a low cost to consumers of electric power.

Many of us, in our lifetime, have seen an almost miraculous increase in the use of electricity in the home. When we entered World War I in 1917, electricity was used almost exclusively for lighting and the average home was using only about 268 kilowatt-hours in a whole year. Fifteen years later in 1932, homes were still using only about 600 kilowatt-hours a year. But there were already cities where public ownership had brought the consumers much lower electric rates and homes in those cities were using five times the average for the United States.

Beginning in 1933, when the Tennessee Valley Authority began to show the way, residential use of electricity, for washing machines, irons, refrigerators, radios, and so forth, began to increase rapidly, until today it averages about 2,200 kilowatt-hours per home. In some areas it averages 6,000 kilowatt-hours per year and up. This has meant a tremendous stimulus to the electrical appliance industries and all industries furnishing them with materials.

But the country's average residential use of electricity still lags far behind what homes are using in cities like Tacoma and Seattle, Wash., with their publicly owned electric systems, or in the cities supplied by municipal plants purchasing electricity from the TVA. As a result, the full stimulus which home use of electricity can give to employment is still to be realized.

Experts estimate that in the future, homes will be using an average of at least 10,000 kilowatt-hours of electricity a year. The all-electric homes in Seattle are already approaching that use. A parallel increase is expected to carry farm use to an average of over 6,000 kilowatt-hours a year. Mr. President, again I wish to refer to the figure I have given for the year 1917, namely, only 268 kilowatt-hours a year.

To spread such universal use of electrictly into the homes of the country will require assurance of low-cost power, because there is the most definite, the most convincing relationship between the cost of power and the consumption of power. For instance, we know that in my State of New York, rates are more than twice as high as those on the Pacific coast, where cheap power is supplied from Bonneville, Grand Coulee, and other developments. Although the rate in New York State is twice as high, the consumption of power in New York State is far less than one-half as great as that on the Pacific coast.

Mr. President——

The PRESIDING OFFICER (Mr. UPTON in the chair). The Senator from New York has the floor.

Mr. LEHMAN. Mr. President, let me say that the same situation exists in the great area of New England, with which the distinguished Presiding Officer is so familiar, and in other high-rate areas of the Nation. In every case there is a direct connection—an obvious and completely convincing connection—between high rates of power and low consumption of power.

Quite as important as the increasing use of electricity in the home has been the tremendous increase in the use of electric power in our industries. This trend has been closely associated with the increasing productivity of industrial workers. It has contributed to the higher wage standards we now enjoy.

The end of the 19th century saw only about 4 percent of the primary power used in factories derived from electricity. Ten years later, the proportion had increased to 23 percent; and by the close of World War I, it exceeded 50 percent. By the end of the financial boom of the

1920's, the figure had reached 75 percent; and today it is estimated that about 95 percent of all the power used in the country's factories is electric.

Writing in 1948, Mr. Eugene Ayres, an engineering expert for the Gulf Research and Development Co., of Pittsburgh, said:

> In 40 years installed industrial power for each worker has risen from 2.9 horsepower (31 percent electrical) to 7.2 horsepower (93 percent electrical), and the trend continues. The aluminum and magnesium industries may double their installed capacity of about 2 million kilowatts in the next decade.
>
> Almost every new or expanded industrial operation means greater demand for electrical power. Ore beneficiation (because of depletion of high-grade iron ore) will require a million kilowatts. Increased beneficiation of inferior coal will require several more millions. Full mechanization of present mines could easily treble the mining industry's installed capacity, and the huge coal mines of the future are expected to require far more electric power per ton of coal.

Mr. Ayres further pointed out that a 20,000 barrel-per-day shale-oil plant would require as much power as 50,000 homes. He prophesied—and this was only in 1948—that the catalogue of future power uses in industry included "welding, infrared heating, continuous annealing, electric-arc furnaces, resistance furnaces, radio-frequency heating, air-conditioning, oil burners, and automatic stokers." Of course, Mr. President, his prophecy has been far more than realized.

Mr. Ayres referred to the estimate of Mr. A. C. Monteith, of the Westinghouse Electric Co., that by 1977 the country's generating capacity might be 250 million kilowatts. This compares with 50 million kilowatts in the electrical industry at the time the estimate was made, and between 80 and 90 million kilowatts today. He suggested that to meet these future requirements, about 50 million kilowatts of additional hydroelectric capacity might be developed, and about 200 million kilowatts of steam.

All this points to the absolute dependence of our country on a sound power program which will assure the availability of these additions to our present electric powerplant capacity, including the development of power from nuclear materials and from the 50 million additional kilowatts of hydroelectric power available in our rivers and waterfalls.

Nor should it be forgotten that an expanding economy with full employment and high living standards requires that this additional power be low-cost power. That is absolutely essential, Mr. President.

Dr. Grebe, of Monsanto Chemical Co., has expressed the fear that increasing power costs, due to mounting pressure on coal mines to support steam-station capacity, will stop the upward trend of our expanding economy.

This concern is also expressed by the President's Materials Policy Commission, which made its own estimates of the country's expanding need for power during the next quarter century. They closely check those of the Westinghouse officials I have already quoted.

The Materials Policy Commission estimates that the demand for electricity in the United States will increase two and one-half times between 1950 and 1975, to support an expected doubling of the Nation's output of goods and services. This appears to be a conservative estimate in terms of the Commission's own statement than in the 25 years from 1925 to 1950, total national output of goods and services doubled, while consumption of electricity increased three and one-half times.

The ability of the country to supply the power required to carry this expansion of production will mean a great deal to wage earners and farmers, for, with an expected increase of one-third in population, this could mean that our standard of living may be something like half again as high in 1975 as it is today.

The Materials Policy Commission estimated the 1975 requirements of the country, on this basis, at 1,400 billion kilowatt-hours of electricity, as compared with 463 billion produced in 1952. The major question, it says, is whether supply will, in fact, be expanded rapidly enough.

Here is where the importance of Federal power policy and what we do with the people's nuclear resources is greatest. The Materials Policy Commission has reported that the essential needs of our citizens can be met from steam and hydro plants.

But the Commission, in its report, raised a serious question as to whether electric power from these services could be kept on a low-rate basis, in view of the anticipated growth of demand. High-cost power will tend to repress the growth of consumption, it was said.

But if we proceed to continue to develop atomic power processes and to maintain Government yardsticks which will assure abundant nuclear energy at the lowest possible cost, that may very well solve our energy problem.

Mr. President, that is what some of my associates and I are fighting for, in opposing this bill. We wish to make certain that there is a yardstick, that there is inherent in Government the power which, while not stopping development by private utility companies, will nonetheless permit the Government, if it finds it to be in the interest of the people of the United States, who have supplied $12 billion for the development of nuclear power, to come in and cooperate, in partnership, if you will, Mr. President, with private industry.

I wish to emphasize as strongly as I possibly can, and I have said this before Mr. President, that there is not the slightest opposition on the part of my colleagues or myself to private enterprise. We know it is beneficial to the country. All of us believe in private enterprise. But we do not want to have the Government surrender all its rights in this great project, which, and again I wish to emphasize this point, was undertaken with funds provided by the tax revenues of the American people, in the amount of $12 billion. That right and that duty to protect the interests of the people of the United States must never, in my opinion, be surrendered by the Government. Yet that is prohibited in the bill which now is before us.

Mr. President, as I was saying, if we proceed to continue to develop atomic-power processes and to maintain Government yardsticks which will assure abundant nuclear energy at the lowest possible cost, that may very well solve our energy problem. But if atomic power is handed over to private monopoly, notorious for its philosophy of scarcity and high rates, atomic power may contribute nothing to the critical energy problem.

I want to emphasize, Mr. President, that I am not talking about something which has no direct interest or bearing on the life of New York State. All indications are that atomic power, when it is developed, will probably be made commercially available in the New York area before it is available anywhere else.

Mr. Eugene Zuckert, until recently a member of the Atomic Energy Commission, was interrogated on this precise point at one of the hearings conducted by the Joint Committee on Atomic Energy, under the chairmanship of Representative STERLING COLE, of my own State of New York. Mr. Zuckert testified that the first nuclear reactors for power-producing purposes would very likely be erected in New York State, near the great centers of population in my State. I doubt whether nuclear power will be salable, for some years to come, for power purposes, in cities of small and medium size. But New York would be one of the first to have it, and it may have it very soon.

Hence it is vitally important that the bill, as drafted and reported by the Senate committee, should not close the door on fuller and deeper cooperation. It should be kept open for future debate and argument.

America had little electricity, compared to the present time, in the period prior to the time when the Federal Government assumed an active role in electric-energy production and transmission.

The Materials Policy Commission calculated, on the basis of census figures, that the industrial use of electric energy per man-hour of labor increased from about 2⅗ kilowatt-hours in 1929 to 4⅗ in 1939 and nearly 5¾ kilowatt-hours in 1947. By 1950 the figure had increase to more than 6¼ kilowatt-hours per man-hour of labor in industry.

Taking into account the reduction in the average working week in the 20-year period, this means that the average factory worker was supported by about 13,000 kilowatt-hours of electrical energy in 1950, as compared with some 6,000 in 1929.

If we also take account of the increasing electrification of factory operations during the period, it appears that the total mechanical energy per industrial worker increased by about 75 percent between 1929 and 1950.

The fact that the 20 years saw an almost equal increase in the productivity

of the average wage earner in industry suggests the significance of a sound power program in the national economic outlook.

The great ability of this country to sustain both a defense effort and a high average standard of living has been directly related to the expansion in both the production and the use of power during the period in which the Federal Government has played an active part in assuring an abundance of low-cost electrical energy through great river-basin programs.

In 1950 when the country's consumption of electricity reached 334 billion kilowatt-hours, 200 billion were used to operate machines, electrolytic pots, electric furnaces, and so forth, in turning out the vast variety of products of our industries.

This would not have been possible if electricity had not been greatly reduced in cost, to make the advent of the light metals and the electro-chemical industries feasible.

The notion that public power is cheap because the public systems avoid taxes, or have some other special advantage, is not accurate.

The records show that real costs of producing electricity have been reduced during the period of Government yardstick operations. A look at the manpower required to produce kilowatts of energy reflect this fact.

In the 10 years before the creation of the Tennessee Valley Authority, the amount of electricity produced by private companies per man-hour increased only about 25 percent. But in the following 10 years it increased more than six times as fast, or by nearly 150 percent.

In other words, principally due to the stimulus or our Federal power policy associated with TVA, the Bonneville Power Administration, and the rural electrification program, the production of workers in the electrical utility industry itself has increased six times the prior rate.

This means lower costs—increased productivity savings which have been shared by labor, consumers, and investors. The labor cost of producing a kilowatt-hour of electricity and supplying to farms, homes, and industries, has been pulled down 38 percent.

The whole picture reflected by any objective study of our Federal power operations is one of greater efficiency, greater power supplies, lower rates, and increasing profits in the private segment, replacing high rates and scarcity. The overall result has been a stimulus to the expansion of the use of electricity, increasing employment, higher purchasing power of wages, and better living.

Looking at the economic prospects for the next 25 years, the Materials Policy Commission said:

> The central problem of electric energy is how to increase the Nation's supply 2½ times during the next 25 years without running into considerably higher costs.
>
> * * * * *
>
> Shortages of electricity and rising real costs would impede economic growth: they would throttle national effort in the event of war.

The Commission was undoubtedly thinking of the industrial requirements of our country—of the tremendous amounts of power that will be needed to meet the requirements of the essential, modern electro-process industries, such as aluminum, magnesium, titanium, alloys, and chemical synthetics. Their requirements alone are expected to go from 37.5 billion kilowatt-hours in 1950 to over 200 billion kilowatt-hours in 1975. In the overall, industrial requirements are expected to jump from 200 billion kilowatt-hours in 1950 to 647 billion kilowatt hours in 1975.

And the Commission knew that to meet the needs of this modern age and an expanding economy, a large part of this electric power must be produced at a cost of not more than four-tenths of a cent per kilowatt-hour lest the light metals and electrochemical products be made excessively expensive and their development and use impeded.

In this connection, an excellent illustration of need was given the Committee on Public Works by Mr. Elwood Swisher, president of the United Gas, Coke and Chemical Workers of America, testifying on behalf of the Congress of Industrial Organizations, for public development and distribution of Niagara power.

Mr. Swisher called attention to a statement by Secretary Talbot, of the Air Force, in which Talbot said:

> I believe we should take steps immediately to increase the supply of titanium to fill the need fully, both for the military and for industry. Every assistance should be given to all potential producers of this metal.

Mr. Swisher continued:

> Secretary Talbot reported to the Congress that the United States is extremely weak in the production of titanium metal and the failure to expand production in the Niagara area is due primarily to the failure to develop the power potential of Niagara, even though New York State provides an ideal location for the production of this vital material.
>
> The significant power fact relating to titanium production is that this metal requires 20 kilowatt-hours of electricity for each pound of titanium extracted. Because of this fact I have looked into the possible relationship between low-cost Niagara power in the expansion of the vital titanium industry so necessary according to Secretary Talbot. Interestingly enough, before 1946 the quantity of titanium produced in the United States was measured in pounds: Beginning in 1946–47 production was measured in hundredweight; in 1947–48 measurement was in tons. In 1949–50 by tens of tons and in 1950–51 some hundreds of tons were being produced.
>
> Every year or so since 1946, production of this wonder metal has jumped 10 times over and the President's Materials Policy Commission, reporting in 1952, estimated that by 1975 production might reach somewhere between 500,000 and 2 million tons a year.
>
> Production level in that range would mean increased power requirement for this metal alone ranging from 20 billion to 80 billion kilowatt-hours of low-cost electric energy.

I wish to make clear that I am not arguing the Niagara question at this moment. I shall argue that at a proper time. We need low-cost electric energy in New York and the Northeast from whatever source, just as the Nation needs it to assure economic growth and the future expansion of the vital electro-process industries.

The capacity of Niagara is not sufficient to meet the whole national need. We need Niagara power and atomic power both.

We need atomic power at the same time. We need both, and even then we will be hard put to take care of the ever-growing needs, and to reduce the cost of power to a point where it will stimulate and develop new industries and increase existing industries far more rapidly than in the recent past.

Because of the interest of New York State in a power development at Niagara, New York State has done considerable research in the economic value of low-cost power.

Back in 1933 and 1934, the New York State Power Authority and the Federal Power Commission made a survey of the Great Lakes-St. Lawrence seaway and power project, which was submitted to the President and became Senate Document No. 116, 73d Congress, 2d session.

That report predicted the need for tremendous quantities of power because of the increased use of electricity for heating in industry, and of the electric arc, electric resistance, and electric inductance furnaces for melting, refining, and welding metals, for graphitizing carbon, making calcium and annealing metals.

In the metals field, the report pointed to growing industrial use of nickel, silicon, tungsten, uranium, and vanadium. Titanium, which I have discussed, is also now in this class.

The New York report of 1933–34 I have just cited predicted a tremendous growth of demand for low-cost electricity which has, in fact, developed and which we find, in reviewing the Niagara situation, is continuing at accelerated rates. We are advised that despite their tremendous growth in electrical output, the Tennessee Valley and Bonneville area do not have power for all the industries seeking a location in that area with power supply at costs which are feasible.

I would like to place in the RECORD at this point in my remarks table V from this study which is a table showing the price-power cost relationship of some electrochemical products, illustrating how important the cost factor is in the industries of high electricity use.

Power costing 2 mills per kilowatt-hour amounted to 11 percent of price of aluminum, the 22 cents a pound. But at 1 cent per kilowatt-hour, the power cost would jump to 55 percent of the price.

This table, covering a number of electrochemical materials, gives a direct insight into the importance of the power-cost element, and therefore into the importance of our aggressive efforts to bring

the cost of electricity from atomic generating plants to the lowest possible levels.

I also request permission to place in the RECORD table 1 from the Great Lakes-St. Lawrence study, listing some of the products of electric furnace and electrolytic cell, indicative of the importance of some of the electroprocess products in our everyday life.

The PRESIDING OFFICER. Is there objection?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE V.—*Price-power cost relations for electrochemical products*

Product	Price per unit	Power (kilowatt-hour per unit)	Power cost at 0.1 cent per kilowatt-hour	Power cost at 0.2 cent			Power cost at 0.3 cent per kilowatt-hour	Percent of price	Power cost at 0.5 cent per kilowatt-hour	Percent of price	Power cost at 1 cent per kilowatt-hour	Percent of price
				Percent of price	Per kilowatt-hour	Percent of price						
Sodium	19 cents per pound	7.2	$0.007	4.0	$0.014	7.6	$0.022	11.4	$0.036	20.0	$0.072	38.0
Aluminum	22 cents per pound	12.0	.012	5.5	.024	11.0	.036	16.0	.06	27.0	.12	55.0
Magnesium	30 cents per pound	13.0	.013	4.3	.026	8.6	.039	13.0	.065	22.0	.13	43.0
Copper	$160 per ton	222.0	.22	.14	.44	.3	.66	.41	1.10	.7	2.20	1.38
Cadmium	64 cents per pound	.8	.0008	.125	.0016	.25	.0024	.37	50.004	.625	.008	1.25
Zinc	$90 per ton	3,000.0	3.00	3.3	6.00	6.6	9.00	10.0	15.00	16.6	30.00	33.0
Chlorine	2 cents per pound	1.5	.0015	7.5	.003	15.0	.0045	22.5	.0075	37.5	.015	75.0
Carbide	$100 per ton	3,000.0	3.00	3.00	6.00	6.0	9.00	9.0	15.00	15.0	30.00	30.0
Silicon carbon	do	7,500	7.50	7.5	15.00	15.0	22.50	22.5	37.50	37.5	75.00	75.0
Graphite	7 cents per pound	1.8	.0018	2.6	.0036	5.1	.0054	8.0	.009	12.7	.018	25.7
Fused alumina	$90 per ton	3,500	3.50	4.0	7.00	7.8	10.50	11.7	17.50	20.0	35.00	39.0
H_3PO_4	9 cents per pound	.8	.0008	.9	.0016	1.8	.0024	2.7	.004	4.4	.008	9.0
Ferrosilicon	$35 per ton	5,000	5.00	14.3	10.00	28.6	15.00	43.0	25.00	71.4	50.00	143.0
Ferrochromium	$200 per ton	4,000	4.00	2.0	8.00	4.0	12.00	6.0	20.00	10.0	40.00	20.0
Electric steel	$60 per ton	500	.50	.8	1.00	1.66	1.50	2.5	2.50	4.16	5.00	8.3
White lead	$150 per ton	450	.45	.3	.90	.6	1.35	.9	2.25	1.5	4.50	3.0

Source: Survey of the Great Lakes-St. Lawrence seaway and power project. (p. 499).

TABLE I.—*Products of electric furnace and electrolytic cell*

Product	Raw material	Application of product
Nickel, refined	Crude nickel	Alloys, plating industry, dairy equipment, utensils.
Nitric acid	Air	Explosives, fertilizers.
Oxygen	Water, sodium hydroxide	Oxywelding, Oxycutting.
Ozone	Air	Sterilization of water, sanitation.
Palladium	Nickel refining slimes	Industrial alloys.
Perborates	Borax	Bleaching agents for textiles.
Phosphoric acid	Phosphate rock, coke, sand	Acid phosphates, cleaners, food products.
Phosphorus	do	Matches, phosphorus compounds, phosphor bronze, smoke screens.
Platinum	Copper refining slimes	Electrical uses.
Do	Nickel refining slimes	Catalysts, jewelry, industrial alloys.
Potassium chlorate	Potassium chloride	Primers, matches, dyeing.
Quartz, fused	Quartz rock	Silica tubes, heat-resisting materials, optical uses, lenses.
Rhodium	Nickel refining slimes	Industrial alloys.
Silicon	Sand and coke	Silicon steel, hydrogen for balloons, resistance units, silicides, silicon tetrachloride.
Silicon carbide	Sand, sawdust, coke	Abrasives, and refractories.
Silver	Copper refining slimes	Jewelry, coinage, industrial alloys.
Sodium bichromate	Chromium salts	Dyeing, tanning.
Sodium metal	Caustic (Castner)	Peroxides, cyanides, bleaching, mining.
Do	Salt	Alloys, tetraethyl lead, organic synthesis.
Sodium perchlorate	Sodium salts, $NaClO_3$	Fireworks.
Tin, refined	Impure tin, tin dross	Tinplate industry, bronzes.
White lead	Lead	Paint pigment.
Zinc, pure	Zinc ore	Brass, galvanizing.
Zinc metal, pure	do	Brass industry.

Source: Survey of the Great Lakes-St. Lawrence seaway and power project (p. 496).

Mr. LEHMAN. Mr. President, the relative importance of electricity costs to various industries is indicated by their use of power. The Federal Power Commission issued a study of industrial electric power use, 1939–46 some years ago which gives us some idea of how various industry groups might be affected, costwise, as a result of the wisdom—or lack of wisdom—with which this Congress adopts a program for the release of atomic energy for peacetime uses.

I offer a table from that study, showing 1944 industrial consumption by industries, for the RECORD at this point.

Chemicals are the biggest users of electricity—and that includes chemicals used by all of us. That industry used 29 billion kilowatt-hours. Next biggest user was steel and iron industry, using 23 billion kilowatt-hours. Next came the nonferrous meals using 21 billion kilowatt-hours.

I was myself surprised to learn that paper required the fourth largest amount—11 billion kilowatt-hours of energy in 1944. The food and textile industries each required nearly 9 billion kilowatt-hours.

The PRESIDING OFFICER. Is there objection?

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

TABLE F.—*Electric energy requirements (using only the 1944 column of figures)*

[Kilowatt-hours in thousands (1944)]

MANUFACTURING	
Chemicals	29,163,354
Iron and steel	23,289,908
Nonferrous metals	20,755,278
Paper	11,037,527
Food	8,724,387
Textiles	8,815,882
Petroleum and coal	6,243,480
Transportation equipment	8,908,688
Stone, clay, and glass	5,099,529
Machinery	5,861,275
Automobiles	4,661,755
Electrical machinery	3,658,196
Rubber	2,494,054
Lumber	1,461,514
Printing	1,100,836
Furniture	867,388
Miscellaneous	917,445
Apparel	538,970
Leather	555,606
Tobacco	163,896
Total	144,318,968

TABLE F.—*Electric energy requirements (using only the 1944 column of figures)*—Continued

EXTRACTING	
Coal mining	5,237,694
Metal mining	3,818,974
Nonmetallic mining	1,348,327
Petroleum and natural gas	945,126
Total	11,350,121
GOVERNMENT	
Shipbuilding	1,155,031
Arsenal and ordnance	1,099,960
Miscellaneous manufacturing	826,578
Total	3,081,569
United States	158,750,658

Source: Industrial Electric Power, 1939–46 (p. VII).

Mr. LEHMAN. Mr. President, a more current table of uses of electrical energy by industry group appeared in the Electrical World's 1954 statistical edition. It has a somewhat different division of industries, but is an excellent index of the importance of low power costs to various industrial groups. I ask unanimous consent that it appear in the RECORD at this point.

This table shows our primary metal industries using 5.45 billion kilowatt-hours in 1954, chemical and allied products using 30 billion kilowatt-hours, paper and allied products 20.7 billion kilowatt-hours, and food and textiles about 13 billion kilowatt-hours each.

The PRESIDING OFFICER. Is there objection?

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

Industrial use of electric energy (1952)

[Energy in million kilowatt-hours]

Food and kindred products	13,198
Tobacco manufacturers	295
Textile mill products	13,277
Apparel and related products	1,759
Lumber and products (except furniture)	4,829
Furniture and fixtures	1,225
Paper and allied products	20,670
Printing and publishing industries	2,773
Chemical and allied products	30,272
Petroleum and coal products	9,109
Rubber products	3,828
Leather and leather goods	740
Stone, clay, and glass products	10,980
Primary metal industries	54,493
Fabricated metal products	5,640
Machinery (except electrical)	8,399
Electrical machinery	5,622
Transportation equipment	10,144
Instruments and related products	1,018
Miscellaneous manufactures	2,715
All manufacturing industries	200,986

Source: Electrical World, Jan. 25, 1954, pp. 186–187.

Mr. LEHMAN. Mr. President, finally, and this relates back to the price-power cost relationships, I should like to put in a table taken from the President's Materials Policy Commission report showing the electricity required to produce a ton of certain materials.

A ton of titanium metal requires 40,000 kilowatt-hours; aluminum, 18,000; 95 silicon metal, 17,500; electrolytic magnesium, 16,000, to mention a few at the top.

The PRESIDING OFFICER. Is there objection?

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

TABLE V.—*Power requirements for electro-process materials*

[Approximate kilowatt-hours required per ton of product]

Titanium metal [1]	40,000
Aluminum metal	18,000
95 percent silicon metal	17,500
Electrolytic magnesium	16,000
35 percent hydrogen peroxide (100 percent basic)	16,000
Electrolytic manganese	10,200
Silicon carbide	8,600
70 percent ferrotungsten	7,600
Sodium chlorate	5,200
Rayon	5,200
Phosphoric acid (via electric furnace)	3,900
Electrolytic zinc	3,400
Chlorine	3,000

[1] Kilowatt-hours per pound of titanium from the President's Materials Policy Commission staff report on titanium.

Source: Adapted from chart of process power requirements, Chemical Engineering, March 1951, p. 115. President's Materials Policy Commission and Resources for Freedom (vol. 3, p. 34).

Mr. LEHMAN. Mr. President, the Materials Policy Commission's overall estimate was that we must increase our generating capacity from the 83 million kilowatts available in 1950, to at least 300 million kilowatts capacity by 1975. That means an increase of about 200 million kilowatts capacity in the 20 years ahead, or more than twice as much as we have installed and are operating up to this point in the history of electric energy. The increase is four times as much as was made in generating capacity between 1932 and 1952. We added 48 million kilowatts in that period of relatively rapid growth, including 15 million kilowatts installed by Government agencies. We must realize that in the next 20 years we must increase that, not by doubling or trebling it, but by quadrupling it, in order to keep pace with the great requirements for power, and with the absolute necessity for cheap power.

The Materials Policy Commission did not know, when it reported in 1952, that generation of electricity with nuclear materials was as close as appears today, or that it might be economically feasible during the 1950 to 1975 period it was studying. Its report said that requirements could be met from the conventional sources if private utilities and Government quit arguing and pitched in to get the job done—both of them doing all they could.

And even such an all-out effort left the critical problem of cost to be met. The hydro sites would tend to be less favorable and more costly to develop. Increased coal output would come from more costly mine operations.

The emergence of nuclear reactors as a possible source of energy within this period offers a possible answer to this critical problem of assuring abundant power at costs to meet the Nation's requirements. Whether or not we make the most of the possibilities depends to a very considerable extent on what we do about the atomic energy bill which is before us.

What is the record of the private power industries? I have reviewed it to a very considerable extent in my preceding remarks outlining how slowly power use developed before the Federal program.

In my judgment, the electric-power industry has resorted to the most reprehensible sort of public relations, monopoly practices, and financial practices all through its history. And we have not curbed them, in spite of the exposures of the thirties and the Holding Company Act of 1935. They continue to spend enormous sums for lobbying, for brainwashing the people with their propaganda and for defending scarcities when they ought to devote their energies to construction to meet the Nation's power needs at costs which will maintain economic progress.

But a part of their timidity about installing generator capacity is based on their reluctance to provide capacity ahead of demand. They want assured markets; contracts signed on the dotted line before installing new capacity.

There is a second protective practice which results in slowing the pace of development. That is the suppression of new inventions and new techniques to protect investment in existing plants.

Inevitably, if the Congress of the United States prevents the Atomic Energy Commission and other governmental agencies from developing electric-power generators—if we apply the policy that the administration advocates—to force the Government completely out of the power business—the development of low-cost and abundant power supply from atom-fueled generators will be held back. There will be a tendency, once the competition of Government yardstick operations has been removed, to slow up development, to waste time, and even hold back the introduction of known processes and techniques which might hasten the obsolescence of existing plants. There will be an inevitable tendency to absorb an undue portion of any savings realized from new processes as profits, rather than to insure low costs for the Nation's economic growth.

We can anticipate that it will take many years to get atomic power in abundance at rates that will stimulate the economy—as TVA and Bonneville have stimulated the economies of their areas—under exclusive private ownership than with a mixed private and Government development.

To assure this Nation the necessary supplies of power it needs in these critical times, we need new hydro and atomic generating capacity. We need to press forward with the development of great thermal power generating stations, located close to coal and lignite sources that are economical, and also of all hydroelectric sites and river basins in our country, and finally, of great power grids that will assure the availability of low-cost wholesale power supply to every community in the Nation.

In a study issued in October 1952, the Bureau of Reclamation envisioned such a mammoth power system to meet the needs of the entire West. A giant 500,000-volt transmission grid would tie together the hydroelectric developments of the Columbia River Basin in the Pacific Northwest, the Central Valley of California, the Colorado Basin, the Missouri Basin, and the Arkansas-White Basin with huge steam-electric stations, using the Rocky Mountain coal deposits in Utah, Wyoming, Colorado, and New Mexico; the tremendous lignite deposits in North Dakota, Montana, and South Dakota; and the large coal deposits in Iowa, Missouri, and Oklahoma. There will also be ties down to large steam stations using either natural gas or lignite in Texas.

Looking ahead to 1975, this study sees the regional power demand of the West being met by the production of 174 billion kilowatt-hours of hydroelectric energy furnished by the rivers and 281 billion kilowatt-hours of energy from steam stations burning annually the equivalent of 115 million tons of bituminous coal.

Such a program, with atomic energy providing an increasing proportion of the fuel-generated power as the full development of all water-power resources is approached, would assure all areas

equal opportunity to obtain ample supplies of low-cost power for farm, home, and commercial use and for industrial development. Integration on such a scale can be provided only by the Federal Government.

Looking at the country as a whole, the Materials Policy Commission report indicates that the 1,400 billion kilowatt-hours of electrical energy required to provide for expansion to 1975 is likely to include about 1,100 billion kilowatt-hours of fuel-generated power, in addition to some 300 billion kilowatt-hours produced in hydroelectric plants. This compares with 288 million kilowatt-hours generated in steam stations and 101 million generated in hydroelectric stations in 1950.

As in the West, full utilization of the remaining conventional power resources, and adequate service of abundant power to all areas will require the development of other great regional grids on a scale transcending anything in existence today.

We need to treat commercial development of atomic-fueled generators as a part of this great, total energy problem.

There is a place for the private utilities in meeting the total needs. There is a place for States and municipalities, and for the REA cooperatives. And there is a necessary role to be filled by the Federal Government. A very key role, as our past experience has demonstrated. That role is as administrator of great interstate, regional developments and as administrator of nuclear power.

Former President Herbert Hoover, when he outlined a power policy for the Nation at Case Institute of Technology early in 1953, said the objective should be "to get the Federal Government out of the business of generating and distributing electricity as quickly as possible."

Reviewing what has been done since, including the content of this atomic energy bill as it relates to power development and Mr. Hoover's appointment to the chairmanship of a Commission which is reviewing our water and power policies, it is completely clear that Mr. Hoover's objective is the administration's objective.

It has become undeniably clear that the power companies are in the saddle in Washington today. A brief summary of some of the blows which have been aimed at the Federal power program will suggest how rapidly the economic outlook, based on ample supplies of low-cost power, is being changed.

SUMMARY TABLE OF EARLY ATTACKS ON FEDERAL POWER POLICY

CONGRESS

First. Announced appropriations policy restricting Interior Department, as chief Federal power agency, to those functions and activities which private companies cannot or will not undertake.

Second. Endorsed Hoover Dam policy of sale of Federal power at generating station, thus granting a preference to private monopoly.

Third. Cut out appropriations for transmission lines necessary to deliver Federal power to public and cooperative systems.

Fourth. Reduced appropriations for completion of needed Federal power projects and eliminated new starts.

Fifth. Dictated abrogation of contract with southwestern rural electric cooperatives, thereby threatening to force them to sell facilities, in which they have invested millions, to private companies.

Sixth. House Public Works Committee chairman railroaded through committee and secured House passage of bill to give away Niagara Falls to private-power companies.

Same chairman proposes bill to stop expansion of the TVA.

EXECUTIVE BRANCH

First. President called TVA an example of "creeping socialism," thus adopting slogan of electric companies' advertising program, which is spending millions to overthrow Federal program.

Second. Interior Secretary withdrew Department opposition to Federal Power Commission grant of license to Idaho Power Co. to substitute inferior private development for Great Hells Canyon Columbia Basin project. Later stated he favored private development.

Third. Interior Secretary dictated negotiation by Bonneville Administration of a long-term contract with private-power companies. This contract would seriously curtail rights of public and cooperative electric systems and reduce region-building influence of Federal power program.

Fourth. Interior Secretary, with President Eisenhower's blessing, issued general power policy statement abdicating Federal responsibility for power supply in favor of local (read private) power interests.

Fifth. Interior Secretary issued two regional power marketing orders forcing rural electric cooperatives to contract within 90 days for all power supply they will want in future from existing Missouri Basin projects on pain of having it sold under long-term contracts to private utilities. This means they must pay demand charges on power they do not need and see the energy they cannot use go to private companies at dump rates.

Sixth. Interior Secretary is considering contract with Georgia Power Co. under which all power from Federal projects will be sold to the company, with public and cooperative systems dependent on the company for their share.

FEDERAL POWER COMMISSION

First. Licensed the Pacific Gas & Electric Co. to displace the Bureau of Reclamation in developing the Kings River, Calif., power which was made feasible by large Federal investment.

Second. Licensed Virginia Electric Power Co. to develop key power project in the congressionally approved program for the Roanoke River, Va. This project was also made feasible by large Federal investment in a storage project.

Third. Licensed New York Power Authority to develop St. Lawrence power project without requiring it to observe preference provision of Federal power policy.

Fourth. Has before it applications of the Idaho Power Co. and Montana Power Co. for license or permits in conflict with two major Federal projects in the Columbia Basin program.

ATOMIC ENERGY COMMISSION

Fifth. Proposes, with administration support amendment to the Atomic Energy Act to turn over development of power from the people's $12 billion atomic energy resource to private power companies and to expressly prohibit AEC from building plants for purpose of producing commercial electric power.

This atomic energy bill before us is part and parcel of a policy of giving private utilities a complete monopoly. The present policy is aimed at the following goals: (a) to turn the atom and our best waterpower resources over to private development; (b) to undermine public and cooperative electric systems through curtailing the power supply needed for their expansion; (c) to restrict the sale of Federal power for large regional industrial development; and (d) to revise the entire basis of sale of Federal power in such a way as to increase the cost to public and cooperative systems.

More than 20 years ago a Canadian consulting engineer made a study of what could be expected in the way of expansion of industry and employment as a result of the development of the great waterpower resources of the St. Lawrence River. He used, among other things, previous regional studies by divisions of the National Electric Light Association in this country.

This study showed that development of 825,000 kilowatts in the project on the New York side of the St. Lawrence offered the probability of new industry representing over half a billion dollars of investment and providing some 80,000 new industrial jobs. This meant that, in terms of the cost levels and use of electricity in the 1930's, each 100,000 kilowatts of new hydroelectric power would open the way to nearly $70 million of industrial development providing employment for some 10,000 wage earners.

Since then this country has had the experience of the Tennessee Valley Authority, associated as it was with the period of great power-using electro-process industries. This gives us a direct check on the relation of jobs to Federal power development.

The TVA power system increased its capacity from 800,000 kilowatts in 1933 to 3 million kilowatts in 1950. In that period we find a corresponding increase of 160,000 jobs in industry, or from 222,000 in 1929 to 382,000 in 1950. Furthermore, we find that this increase in industrial jobs enabled the region to support an almost identical increase in employment in stores, services, transportation, construction, and so forth. These secondary jobs rose from 342,000 in 1929 to 507,000 in 1950, or by 165,000.

In the same interval, total manufacturing income in the Tennessee Valley region rose from $266 million to $1,137 million, or by $871 million. This was the result of a great Federal river-basin program with hydroelectric power at low rates as a key factor.

The President has referred to this as an example of creeping socialism. But

as far as I can learn, the people of the Tennessee Valley do not think of it that way at all. Governors, bankers, businessmen, farmers, and wage earners know that it has been the greatest stimulus to private business enterprise and employment that has ever come to the valley.

In round figures this experience suggests that each additional 100,000 kilowatts of low-cost power offers the possibility of about 15,000 new jobs, about half of them in new industries, and half the result of the stimulus to the trades and services. With the development of great power-using industries like aluminum and chemical fertilizer, the ratio of industrial jobs to kilowatts is somewhat lower than estimated in connection with the St. Lawrence projects.

Finally, we have the parallel experience with the Columbia River Basin program in the Pacific Northwest, starting with the Bonneville power project, followed by Grand Coulee, and other projects. A statistical analysis of the Columbia basin development can be found in the testimony of William A. Dittmer, power manager, Bonneville Power Administration, in the hearings on the Hells Canyon project before the Federal Power Commission.

Pointing out that 594,000 kilowatts of prime power would be forever lost if the Idaho Power Co. were permitted to build its three proposed lesser projects in place of the single Federal high-dam Hells Canyon project, he cited experience from the sale of power from the earlier projects as showing that about one-third would be used for diversified manufacturing, one-third in electro-process industries, and one-third in residential, farm, and commercial establishments.

Such a usage, he said, would support an estimated 35,000 jobs in manufacturing, with annual earning power of $140 million in salaries and wages. Service industries would add at least another 35,000 workers, with $100 million in annual salaries, wages, and other income. An annual average of about $700 million in goods would be produced, while sales of power would stimulate sales of residential, agricultural, and commercial electric appliances and equipment to a total of about one billion dollars. He added that the Federal Government would obtain at least $45 million annually in additional taxes.

These figures should be studied seriously by all of us before we vote on the pending Atomic Energy bill, which proposes to give away the atom to private monopoly.

The figures I have cited show that low-cost power is translated into jobs, and that restricted high-cost power development will mean restricted employment, restricted development, and a restricted national economy.

The ability of democracy to create a good life for its people is the basic test we confront today. We need abundant energy to keep ahead in the arms race, and, for the security of our own Nation and of the free world. But more than that, we need to demonstrate to the world that under democracy there is optimum use of resources for the people. We must not permit the atom to become the exclusive property of monopolists, to be scarce when it can be abundant, and costly when its benefits might be cheap.

We need to release the benefits of the atom to all the people, and to export its peacetime benefits to friendly peoples around the world.

Madam President, I wish to point out again, as I have so frequently done during this brief debate, that none of us who are opposing the bill in its present form have any desire to stifle the legitimate efforts of private industry. We believe in private industry. We want to see it developed; we want to see it profitable; and, above all things, we want it in partnership with the Government; but we want a real partnership with the Government. We do not want a monopoly in private industry, and a complete surrender on the part of the Government, a definite prohibition on the part of the Government to engage in the effort and help produce a market for energy produced from nuclear fission for the benefit of all the people of our country, regardless of what happens, and we want a yardstick. I cannot emphasize too strongly that we do not wish to indict private industry in any way. We want private industry in partnership with the Government.

Madam President, I am glad to have had the opportunity of debating the subject. I listened to the debate last night and today. It is my belief that the Johnson amendment, which is now the pending amendment before the Senate, has been sufficiently debated, as indeed I hope that all other amendments will be likewise debated before they are acted on.

I therefore recommend, suggest, and ask that the Johnson amendment be called up as promptly as possible and voted upon.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

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

Aiken	Hennings	Maybank
Anderson	Hickenlooper	Monroney
Bennett	Hill	Murray
Bridges	Humphrey	Pastore
Bush	Jackson	Payne
Case	Johnson, Colo.	Purtell
Daniel	Johnson, Tex.	Reynolds
Dirksen	Johnston, S. C.	Saltonstall
Dworshak	Kennedy	Schoeppel
Ferguson	Knowland	Smith, Maine
George	Langer	Smith, N. J.
Gillette	Lehman	Thye
Gore	Lennon	Watkins
Green	Mansfield	Wiley
Hayden	Martin	

The PRESIDING OFFICER. A quorum is not present.

Mr. KNOWLAND. Madam President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BARRETT, Mr. BEALL, Mr. BRICKER, Mr. BURKE, Mr. BUTLER, Mr. BYRD, Mr. CARLSON, Mr. CHAVEZ, Mr. CLEMENTS, Mr. COOPER, Mr. CORDON, Mr. CRIPPA, Mr. DOUGLAS, Mr. DUFF, Mr. EASTLAND, Mr. ERVIN, Mr. FLANDERS, Mr. FREAR, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. HENDRICKSON, Mr. HILL, Mr. IVES, Mr. JENNER, Mr. KERR, Mr. KILGORE, Mr. LONG, Mr. MAGNUSON, Mr. MCCARRAN, Mr. MILLIKIN, Mr. MORSE, Mr. MUNDT, Mr. NEELY, Mr. POTTER, Mr. ROBERTSON, Mr. RUSSELL, Mr. SMATHERS, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. UPTON, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

During the delivery of Mr. LEHMAN'S speech,

Mr. KEFAUVER. Madam President, if it is agreeable to the Senator from New York I would like to ask unanimous consent that he may yield to me for 20 minutes, without losing the floor, and with the understanding that my remarks shall follow his address.

Mr. HICKENLOOPER. Madam President, reserving the right to object, I discussed this matter with the Senator from Tennessee just a moment ago. I want to make it clear that I understand the Senator from Tennessee has another committee meeting a little later this afternoon, and that it would be very embarrassing if he could not keep that engagement. Under those particular circumstances, I certainly am glad to interpose no objection; but I would be constrained to object, if it were merely a question of otherwise "farming out the floor", as we say, for 10 or 15 minutes, in the midst of a speech. But, under the circumstances I am happy to be able not to make any objection, and to give consent to the request, if it meets with the approval of the Senator from New York.

Mr. LEHMAN. Madam President, I understand I have the assurance, of course, and the statement of the Senator, that he asked me to yield, because he has an important committee engagement which he must keep; and, under those conditions, and with the understanding that I do not lose my place on the floor, but that I will be permitted to resume my remarks at the conclusion of the remarks of the Senator from Tennessee, I shall be glad to yield to him.

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. KEFAUVER. Madam President, I appreciate greatly the courtesy and kindness of the distinguished Senator from Iowa [Mr. HICKENLOOPER], and also of my esteemed colleague from New York [Mr. LEHMAN], for giving me this opportunity to make a few remarks this afternoon in connection with general reasons for opposing the Dixon-Yates contract, and pointing out some weaknesses of this entire bill.

I desire to summarize some of the principal faults and omissions in the bill we are now considering.

First, it opens wide the door for the peacetime use of patents in the atomic energy field and abroad, by a few large corporations who have been contractors for the past 8 years on atomic projects, and who will be in a favored position to contract.

It has always been the policy of the Congress to safeguard the interest of small business, both Houses of Congress having created small-business committees; and yet the position of small business in this bill is not taken care of sufficiently. It seems to me that, in the use of such an important new element, so important to our economy, further safeguards should be provided to small business.

Second, it ignores and evades the clear mandate contained in section 7b of the McMahon Act, that a report be made by the AEC to the President and the Congress, describing the social, economic, and international impact of the industrial use of atomic energy, upon our Nation, such report to be furnished prior to a drastic change in legislation.

Third, all language prohibiting administrative action, which would tend to form a monopoly pattern, or a restraint-of-trade area, has been eliminated from the pending Cole-Hickenlooper bill, although carried in the McMahon law.

Fourth, through the power of administrative determination of who shall receive licenses, and how many licenses shall be issued, the pattern for a selected and limited reactor-construction program can be controlled.

Fifth, the scope of the military has been widened for the manufacture of weapons and the manufacture of utilization facilities, reactors for powerplants, and so forth.

This was one of the points which was discussed very thoroughly when the original McMahon bill was passed; that is, that it should be under civilian control, that the military part should be closely supervised by civilians; and that this bill, without any real showing or justification, enlarges the participation of the military in the whole atomic-energy field.

Sixth. Research by AEC in its own facilities has been discouraged, and production of power for its own use, or resale on a commercial basis, is expressly forbidden.

Seventh. The provisions which retain Government ownership of suitable nuclear material seem to protect the accountability and fee-title of the bomb material, but they introduce many new problems:

(A) The Government must furnish for use in connection with privately owned reactors, on a quantity-need basis, and, at a reasonable charge, special nuclear material. It must provide for the private company the material when it becomes impregnated with plutonium. They must buy the proper plutonium. They, in effect, become the sole purchaser in a guaranteed market. Subsidy by the Government of private industry becomes inevitable.

Eighth. The bill retains accessibility to the uranium deposits of public lands. The meaning of this is uncertain, because the Government still retains some purchasing rights and some transportation control.

New language in the bill seems to try to give special prestige and additional power to the Chairman of the Atomic Energy Commission. It tends to weaken the independence and access to pertinent atomic information by other members of the Atomic Energy Commission.

Ninth. Much language is used to indicate declassification of information and criteria by which international arrangements or international cooperation agreements can be accomplished.

So many conditions, safeguards, and prohibitions are contained in various sections of the bill that it is doubtful whether more declassified information will be disseminated, or whether the international exchange of information or materials will be enlarged.

Madam President, the proponents of this bill have argued for its passage, because it will restore the free enterprise system to the power industry. The basis of free enterprise is competition, and the absence of competition in the Dixon-Yates contract, and the absence of competition in further activities that will take place under the Cole-Hickenlooper bill is another objection, to which I want specifically to address these remarks. It therefore behooves us to examine this bill in the light of the safeguards it has to offer against the threat of monopoly, and for the protection of competition. The answer is that there are none. Not a single anti-trust feature that will genuinely protect competition is to be found in this bill.

Much has been said about the Dixon-Yates proposal. I should like again, briefly, to refer to that deal which the administration tried to slip over in the dark. Now that the Ferguson amendment has been approved by this body, a thousand Dixon-Yates deals have been made possible, now that this one has been approved. When the people of the Nation know that by the adoption of the Ferguson amendment the Atomic Energy Commission might find it possible to use it, not only at some place in Arkansas, but at Anniston, Ala., at Cleveland, Ohio, down in South Carolina, and in Georgia, as well as in the Pacific Northwest, and anywhere else in the United States, to throttle good public power developments, they are going to be truly alarmed at this perversion of the use of the Atomic Energy Commission. They are going to be more concerned about this than they were about the notorious Teapot Dome deal, and justly so, because, not only is this an effort to do a favor for certain utilities; it constitutes a road which will lead to chaos and the coddling of administrative agencies of Government.

Madam President, we must not forget that the Dixon-Yates "deal" represents a suppression of competition, a glorification of monopoly, and the very antithesis of the free-enterprise system.

Let me illustrate what the Dixon-Yates "deal" really means in terms of how it destroys free competition. In the first place, Madam President, the Government undertook to deal with the Dixon-Yates group before that group ever saw the specifications the Government had for the steam plant. That is not giving any other possible bidder a chance. The General Accounting Office has been very critical, and today still is critical, of the fact that in this case there has been no competitive bidding whatsoever, on the basis of the terms of the contract.

Mr. James, the secretary of the Dixon-Yates group, testified before the Antitrust and Antimonopoly Subcommittee of the Judiciary Committee that he certainly would like to see a copy of the specifications for the steam plant. In that connection, I now read from the testimony taken before the Antitrust and Antimonopoly Subcommittee of the Judiciary Committee:

Mr. JAMES. The second thing I would like to ask is a copy of the so-called specifications referred to here, which were issued by the AEC, because, frankly, I have not seen them.

Senator KEFAUVER. They are in the CONGRESSIONAL RECORD.

Mr. JAMES. My client never saw them until he read about it in the paper.

Mr. DAVIS. Apparently they were available.

Senator KEFAUVER. Do you represent Dixon and Yates?

Mr. JAMES. That is right.

Senator KEFAUVER. They have never seen the specifications?

Mr. JAMES. They were never given specifications.

Mr. DAVIS. On what basis did they submit a bid?

Mr. JAMES. They were asked to submit a proposal, and they got up their own proposal, but we never have had any specifications.

Mr. BURCH. The Atomic Energy proposed specifications to Dixon and Yates, and Dixon and Yates did not meet the Atomic Energy specifications; is that the way it worked?

Mr. JAMES. We never saw the Atomic Energy specifications.

Mr. BURCH. I would like to have a copy.

Senator KEFAUVER. Are you sure about that, sir?

Mr. JAMES. I am certain.

Senator KEFAUVER. Do you mean your engineer did not see it?

Mr. JAMES. Our engineers never saw that. We read about them in the paper in connection with the hearings, but I personally have never seen them.

That testimony is to be found on pages 110 and 111 of the transcript of hearings before the Antitrust and Antimonopoly Subcommittee of the Judiciary Committee.

Madam President, that is conclusive evidence that the Atomic Energy Commission, at the direction of some high authority, proceeded in defiance of every principle of competition and fair dealing. Even if such iniquitous contract were to be entered into, all the rules for competition the Government has set up in connection with Government procedures and practices over all the years were defied as a result of preventing anyone else from seeing the specifications, and thus preventing any others from bidding.

If anyone denies that an effort was made to prevent any other worthwhile group to inject competition into that situation, he simply has not read the offer of a very reliable organization to compete for the building of the steam plant. The competitor was never really considered, as a matter of fact.

I should like to point out again that a group of competent engineers—well known, expert engineers who had joined together, and who had had wide experience—requested permission to compete with the Dixon-Yates group. They asked the Atomic Energy Commission, over and over again. In fact, that group is still making that request, today. The

proposal of that group would save the Government at least $100 million; and at the end of the contract period, the plant would belong to the Government, rather than to the private utility. That proposal would not involve the Atomic Energy Commission in perversion of its authority, use of its authority for the purpose of enabling it as a power broker to interfere with the activities of another independent branch of the Government.

Furthermore, the Dixon-Yates deal would interfere with construction of the steam plant at the place where it is needed. Construction at that site would not put the TVA to the great expense required by construction of the plant across the river. Furthermore, under the von Tresckow plan, the plant would be built on a site that has been approved by everyone with engineering experience, and thus it would be possible to avoid having the plant constructed on a site which would be subject to floods, a site where conditions are not good and which is far removed from the place where the power is needed. Under the von Tresckow plan, the plant would be built on a site from which, when the plant was in operation, ash from the burning of coal would not be blown over the city of Memphis.

Madam President, why was not that proposal considered? No one objected to the proposal; no one pointed to any flaws in it. The underlings of the Atomic Energy Commission seemed to be elated with the proposal, but they never could get approval from the higher-ups.

The only possible conclusion is that the administration was determined that it would enter into a contract with Dixon-Yates, no matter how bad the arrangement was, no matter how much would be the additional cost to the Government, no matter how much of an unlawful perversion of the purposes or authority of the Atomic Energy Commission the contract would result in, no matter how much destruction it would do to the TVA. That is the only conclusion one can draw from the fact that the administration absolutely refused to consider the proposal by Walter von Tresckow and his associates.

Madam President, strange things are happening in the competitive world in connection with this matter. The Von Tresckow group had very competent engineers, who drew up the cost figures. Those engineers were from the firm of Gibbs & Hill, of New York, of which Mr. Sloan is president. There is no doubt that the Von Tresckow group had a working arrangement with those engineers.

To show the extent to which the monopolies in their greed will go in trying to prevent competition, in trying to prevent anyone from interfering with their plans, let me point out that there can be no question that Mr. Sloan was high pressured into withdrawing his firm as the engineers for the Von Tresckow group. The letter from Mr. Sloan to Mr. von Tresckow has been read time and time again during the debate. Madam President, I ask unanimous consent to have the letter printed at this point in the RECORD.

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

DEAR MR. VON TRESCKOW: In our original discussions we had no knowledge of the fact that any private utilities were interested in the construction and operation of a generating station in the Tennessee Valley area for the Atomic Energy Commission.

It now develops that unauthorized use of our name has been made in connection with a proposal to the Atomic Energy Commission counter to one submitted by Middle South Utilities and the southern companies.

On April 28 we pointed out to you that Gibbs & Hill, Inc., could not afford to have its name linked with any endeavor contrary to the interests of any privately owned public utilities in this country.

The use of our name has come to the attention of Mr. Dixon, president of Middle South Utilities, and through him to Mr. England, president of Atlantic City Electric, one of our clients; and to a number of electrical equipment and boiler manufacturers. One of the subsidiaries of Middle South Utilities is the New Orleans Public Service Co., with whom we have been endeavoring to negotiate an agreement for the design and/or construction supervision of their new station.

In view of the foregoing it would seem necessary to have statements issued in such newspapers as Gibbs & Hill's name has been mentioned in connection with this project, to this effect: That we will not participate in any activity detrimental to the privately owned public-utility industry in this country.

Any personal names or company names used above are confidential and have been mentioned for the sole purpose of adequately presenting Gibbs & Hill's position.

Yours very truly,

DAVID B. SLOAN,
President, Gibbs & Hill, Inc.

Mr. KEFAUVER. The letter points out that when Mr. Sloan learned that some of the private power interests might be troubled because of the service of Gibbs and Hill as engineers for Mr. von Tresckow and his group, Mr. Sloan decided he had to back out. His letter is also in the record of the hearings of the Antitrust and Antimonopoly Subcommittee of the Committee on the Judiciary.

I do not think the people of the United States, who are dedicated to competition, who believe that the free enterprise system means free, competitive enterprise where everyone should at least be given consideration, will think very favorably of this unadulterated effort to try to do a favor to just one company.

There is another angle of this matter upon which I wish to touch very briefly before I close. I refer to the fact that this "deal" with the Dixon-Yates group will result in having the Government of the United States itself be a party to a violation of one of the most important laws the Congress has passed in the past 25 years. I refer to the Public Utility Holding Company Act of 1935. All of us remember that, prior to the enactment of that measure, the private electric companies, through the device of holding companies, were preventing competition, were raising power rates, and were getting a stranglehold upon the people of the United States. Therefore, in order to break up the grip had by the Insulls and the big private utility holding companies, the Public Utility Holding Company Act of 1935 was enacted. It has had a very wholesome influence.

Under that act, before any private-utility company can enter into a holding-company deal, for the purpose of taking in new territory or enlarging its operations, it must register with the Commission and must furnish full information about what it plans to do, and must let the Commission pass on the question of whether the company would be in violation of the wholesome provisions of that act.

There can be no question that the Dixon-Yates group is a holding company, composed of two other companies, the Southern Co. and the Middle South Utilities Co., which, in turn, themselves are both holding companies. So in this case we have a holding company on top of two holding companies. Clearly the Public Utility Holding Company Act of 1935 is applicable. Yet the Government of the United States itself would enable this large holding company to perpetrate this outrageous "deal" on the people of the United States and on the TVA, and the Government would not stop to consider whether the company would be in violation of the provisions of that act.

This is a case in which the Government is attempting to negate and kill a law which the Government itself established.

Madam President, has anyone ever claimed that the Dixon-Yates group ever filed notification of what it intended to do, or that the Dixon-Yates group has ever obtained any certification or permission under the Public Utility Holding Company Act?

No. Instead, by going into this deal, the Dixon-Yates group is doing exactly what that act prohibits holding companies from doing; namely, enlarging its operations, spreading out, taking in new territory, and grabbing more control of the utility business and the power business in the Nation.

Madam President, strange things happen these days; but I know of nothing stranger than this case, in which the Government of the United States willfully, purposely, recklessly, and with abandon, clearly violated the provisions of a law which has been on the statute books for the past 19 years—and this is going to be only the beginning.

If this "deal" goes through, if it is finally approved by the Congress and by the President, if it is negotiated, we might as well wipe off the statute books the Public Utility Holding Company Act, because in that case a precedent will be established, so that this holding company, which is a superholding company, by joining with the Atomic Energy Commission will be able to go anywhere in the United States, and to enlarge its influence, and to take in new territory; and apparently the Public Utility Holding Company Act will not have application or will not be applied, because apparently the administration does not want it to be applied to this case.

Thoughtful people should carefully consider this matter. I do not think the Congress is ready to nullify the TVA Act. I do not think Congress wishes to put Government agencies into business in which it never wished them to go in the

first place; and I do not believe the Congress is ready to annul the Public Utility Holding Company Act of 1935.

Yet can there be any question in anyone's mind that the Dixon-Yates contract and the Ferguson amendment do just that? Not by direction, not by outright act of Congress, but by perversion, by using agencies of the Government for purposes for which they were never founded. If Congress wants to repeal the Public Utility Holding Act, it should be done as a result of hearings, consideration, and debate. If Congress wishes to change the character of the TVA, modify the TVA Act, or repeal the TVA Act, it should be done directly. If Congress desires to put the Atomic Energy Commission into the power business, where it never wanted to go, that, too, should be done directly. But in the name of fairness, in the name of legislative and regulatory procedure, in the name of giving the people an opportunity to know what is going on and of expressing themselves about the question, these things should be done by direct act of Congress, and not by subterfuge.

I suppose there would be some excuse for not complying with the Public Utility Holding Act if a war emergency were involved. I am informed that some exception was sought to be made for the Electric Energy, Inc., group at the atomic energy works in Kentucky for not complying with the Public Utility Holding Company Act on the ground that it was for war power.

I think later some attempt was made to comply with the act, but there is nothing of that sort in connection with this matter.

I do not believe Electric Energy, Inc., could have got by the Public Utility Holding Company Act. But, of course, that was a wartime operation, and it was power supplied directly to the atomic energy works at Paducah. But that situation is clearly absent in this instance. Not 1 kilowatt of that power is going to any defense plant as such. Not 1 kilowatt of power is going to the atomic energy works at Paducah.

Mr. President, I resent the way the whole matter has been handled publicity-wise. The Bureau of the Budget and others who have talked about it have said that in the interest of national defense, in the interest of getting power to the atomic energy works at the Paducah, this, that, and the other was going to be done. That is a subterfuge. It is deceitful; it is untrue; because it is now admitted that the only purpose of the project is to put electricity into the TVA system to be used entirely by commercial consumers, and has no relation to the national defense whatsoever.

I wish to make one final plea before the bill is finally approved, that we consider just what we are doing to other independent agencies of the Government; that we consider what we are doing to competition; that we consider how we are reversing all sound policies of Government in the field of preference and of the independence of independent agencies of Government; and that we are, with one stroke, striking down one of the greatest agencies for the development of resources of a section that the world has ever known. I refer to the Tennessee Valley Authority. What is sought to be done is an atrocious act. It is not right. Those who are taking part in it will live to regret it, just as did those who were connected with the Teapot Dome affairs of some years ago.

I express my appreciation to the distinguished Senator from New York.

Mr. LEHMAN. It is understood that the remarks of the Senator from Tennessee will follow the conclusion of my complete remarks.

CLOUD SEEDING

During the delivery of Mr. LEHMAN'S speech,

Mr. ANDERSON. Madam President, I wonder if the distinguished Senator from New York would ask unanimous consent that I might speak for a few minutes, without his losing the floor, with reference to a matter of great interest to me. The distinguished Senator from South Dakota [Mr. CASE] is on the floor, and I desire to discuss the matter while he is present. I ask unanimous consent that my remarks may follow the speech being made by the Senator from New York.

Mr. LEHMAN. Madam President, I ask unanimous consent that the Senator from New Mexico may be permitted to speak briefly, without my losing the floor, and his remarks to follow the conclusion of my address.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. ANDERSON. Madam President, some years ago the junior Senator from South Dakota and I became extremely interested in rainmaking legislation. At the time the bill finally came back to Congress for consideration, I was out in New Mexico, and not permitted to return to Washington for a few weeks, because of illness. It was a matter of great joy to me that the junior Senator from South Dakota took the hearings that had been held and various bills which had been presented, including a very fine bill of his own, and consolidated them into a bill which the Senate and House passed, and which became law.

The first operations under that law have started as of July 1 of this year, and a study and evaluation of rainmaking is about to be made.

Because of the interest in the subject of rainmaking and the possibility of a large Federal program in connection with it, I thought I might incorporate into the RECORD a number of items which deal with the endeavors we were making, and to show, particularly in my State, the opposition of livestock groups, and then the change in their attitude in the past few years.

Madam President, I have received from the Chamber of Commerce of Raton, N. Mex., a letter enclosing a statement from the Colfax County Water Plan Board which the chamber of commerce is sending to livestock associations, farm bureaus, chambers of commerce and other organizations concerned with the possible effects of cloud seeding. I ask unanimous consent that that letter and a copy of the statement of the Chamber of Commerce Water Plan Board be incorporated in the RECORD at this point.

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

CHAMBER OF COMMERCE,
Raton, N. Mex., July 15, 1954.

Hon. CLINTON P. ANDERSON,
United States Senate,
Washington, D. C.

DEAR SENATOR ANDERSON: A copy of the enclosed statement from the Colfax County Water Plan Board is being sent to livestock associations, farm bureaus, chambers of commerce, and other organizations which may be concerned with possible effects of cloud seeding.

We are asking that the question be carefully studied, all known and suspected phases of it, and the reaction be furnished to us. One of two conditions is certain: either there are no effects at all from seeding, in which case it should be confined to a laboratory, or there are effects.

If there are no effects, public policy probably should protect the gullible. If seeding does in fact produce moisture from clouds passing over, areas such as New Mexico need protection from those who would milk them of moisture before they reach us.

We know you have been interested in this matter and may have information which will be helpful to us in future meeting, the next of which has been tentatively scheduled for July 28, 1954.

Very sincerely,

E. E. HARRISON.

STATEMENT OF COLFAX COUNTY WATER PLAN BOARD IN REGARD TO CLOUD SEEDING

There are at this time many claims made as to the results and benefits from cloud seeding programs, but one very important factor is not mentioned in the claims. This factor is, What is the result of the depletion of moisture contents of a cloud that has been seeded and artificial precipitation produced therefrom, which leaves the seeded area on its natural course but without the moisture content that would normally have produced precipitation on points along the path of the storm?

To us it would seem that people living in an area farther away from the sea than the area that has been seeded are in somewhat the same fix as the farmer living along an irrigation ditch and getting along quite well until farmers living above him on the same ditch removed his water before it could get to him.

As we understand it, there has been for the past 5 years an active cloud seeding program in the States of California, Oregon and Washington. During the same 5 years there has been a greatly reduced snowfall in the mountains of Arizona, Utah, Idaho, Colorado and New Mexico, and an almost total absence of wet northers during the winter months in the States of Kansas, Oklahoma and Texas.

The question in our minds is then: Have the cloud seeders depleted the moisture contents of the normal storm clouds that in the winter months originate in the Gulf of Alaska and then usually travel in a southeasterly direction and have heretofore deposited a lot of snow in our mountains and a lot of moisture in the Plains States in the form of wet northers?

In looking over the weather records we find that our summer precipitation, which we believe originates in the Gulf of Mexico, has remained fairly normal, but the absence of winter moisture leaves our land so dry at the beginning of summer storms that our soils cannot produce normal pasture or crops, and without the snow in the moun-

tains we have little or no water to use for irrigation.

It is quite clear to us that the cloud seeders do not increase the total amount of precipitation available in the United States as a whole, as the programs are now carried out. We do believe the distribution of this precipitation is affected by the cloud seeders, and States like New Mexico are being tremendously hurt by the program as now carried on.

We know the results of the present cloud seeding program are not confined to the areas where the seeding is done, and yet there is no effective regulation of such programs. We therefore urge that cloud seeding be prohibited by Federal law until such time as fair and effective regulation can be worked out.

COLFAX COUNTY WATER PLAN BOARD,
By NEAL HANSON, *President*.
By E. E. HARRISON, *Secretary*.

Mr. ANDERSON. Madam President, the comments of the Colfax County Water Plan Board on the subject of cloud seeding are extremely interesting to me and I think very important at this time. The Colfax County people very properly raised this question:

What is the result of the depletion of moisture contents of a cloud that has been seeded and artificial precipitation produced therefrom?

Their statement then suggests that these clouds leave the seeded area and fail to deposit the moisture content which would normally have been deposited in rain over the area.

This raises the whole question that I have been steadily raising for several years and for which I have been rather severely criticized by some of the livestock organizations to whom my proposals had not been properly presented. As a matter of fact, on January 24, 1951, the Santa Fe New Mexican spread a headline across its front page reading: "CLINT ANDERSON Blasts Greed in Cloud-seeding Rain Efforts, Pushes Own Measure for Federal Control."

The first few paragraphs of that news story point out the problem and I ask unanimous consent that they be included in the RECORD at this point.

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

Senator CLINTON P. ANDERSON said today that "haphazard" rainmaking efforts are threatening the economy of the Southwest. ANDERSON, who came to Santa Fe today, is the author of a bill before the United States Congress that would require Federal supervision over attempts to modify the weather.

He spoke out against uncontrolled and unobserved rainmaking as the State suffered in the most severe drouth of recent history and as efforts went forward in at least two sections of the State to attempt local rainmaking. "Overseeding of clouds with silver iodine," ANDERSON said, "can be extremely dangerous."

"I think," he went on, "that no greater disservice could be done to our State than to have a few greedy individuals strive so hard to get a little extra moisture for themselves that they upset the normal pattern of rainfall on the headwaters of our streams and destroy the irrigated section."

SUGGESTIONS

The Senator suggested that property owners, operators of farms and ranches, and citizens in general should watch carefully the operations of rainmakers to ascertain if they are affecting the climate of the Southwest adversely.

ANDERSON stated that he was not seeking to stop the development of the science of rainmaking, but that he believed the New Mexico School of Mines and the economic development commission of New Mexico were moving in the right direction, and that the citizenry of the State would do well to try to cooperate with their efforts, rather than to set individual patchwork.

Mr. CASE. Madam President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CASE. I may say that I am glad to have the distinguished Senator from New Mexico place this matter in the RECORD and to get these questions before Congress and the public. The question which was posed in the last insertion, namely, whether or not cloud seeding depletes moisture in clouds, so that it adversely affects the rainfall of a cloud at another point, is one of the questions which ought to receive a definitive answer, if it is possible to get it.

Thus far, as the Senator may recall, the testimony before the Joint Senate Committees on Interior and Insular Affairs, Interstate and Foreign Commerce, and Agriculture and Forestry, a few years ago, indicated that the amount of moisture that is taken from any cloud during a rain is so infinitesimal, such a small part of the total amount which the cloud carries, that it would not have an adverse effect. But we all recognize that that is an opinion. No one knows yet. The point repeatedly stressed in the hearings was that we know some of these things are done in laboratories. We know that there have been some spectacular developments following cloud seeding, but we do not know as much as we should know.

The whole purpose of the legislation enacted by Congress, and which now has begun to function, as of July 1, 1954, following the obtaining of the first appropriation, is to find out what people are doing in this field, under what conditions, and with what results.

The purpose, in short, is to ascertain whether it pays, whether with the variations we have under natural conditions, it is possible to meet certain prescriptions and to expect certain results of sufficient accuracy as to warrant the expenses of companies, associations, ranchers, and farmers, and, in some cases, public bodies, are making in this field.

Anything which can add to our knowledge of the subject is a contribution, I believe, to one of the great problems of our generation. The country today is feeling the effects of a shortage of water, not merely in agricultural regions, but in industrial regions.

I certainly have appreciated and admired the intense and intelligent interest which the Senator from New Mexico has given to the whole field of cloud modification.

Mr. ANDERSON. I thank the Senator from South Dakota. I am happy to see the very able senior Senator from Oregon [Mr. CORDON] on the floor, because he was extremely helpful in getting this work underway, in having it approved, and making it possible for the study to be made.

I think the important point is that there must be a controlled experiment, which will be able to tell us what the results are. I think the legislation which the Committee on Interior and Insular Affairs studied and which the distinguished Senator from South Dakota finally presented, will eventually be a great blessing to this country, where drought seems to be becoming the universal pattern, and not the exception.

Mr. CASE. Without the able assistance of the senior Senator from Oregon, who is chairman of the Subcommittee on Interior Department Appropriations, the National Advisory Committee on Weather Control might not be functioning today.

Mr. ANDERSON. I am happy to have that testimonial to the interest of the Senator from Oregon, because we all know of the great help he has given in this activity.

Madam President, it would probably be best to insert in the RECORD at this point the entire statement which I made January 24, and I, therefore, ask permission that the statement as then released to the press should be put into the RECORD.

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

STATEMENT BY SENATOR CLINTON P. ANDERSON ON WEATHER CONTROL, JANUARY 24, 1951

Suggestions that property owners, operators of farms and ranches, and citizens in general should watch carefully the operations of rainmakers to ascertain if they are affecting the climate of the Southwest adversely, were made today by Senator CLINTON P. ANDERSON, who has presented to the Congress of the United States a bill for control of attempts to modify the weather.

Senator ANDERSON stated that he was not trying to stop the development of the science of rainmaking, but that he believes that the New Mexico School of Mines, through Dr. Workman and the Economic Development Commission of New Mexico were pointing efforts into the right direction, and that the citizenry of the State would do well to try to cooperate with these efforts, rather than to set up their own programs of controlling weather.

"I do not know if the present drought in the Rio Grande Valley is connected in any way with rainmaking operations," he said. "I point to the fact that while some ranchers in certain sections of the country may be jubilant, the small farmers in the middle Rio Grande Valley are being forced to dig wells or to abandon their farms because of lack of rainfall. It suggests to me the possibility that you can't rob Peter to pay Paul in making weather.

"If the matter stopped there, it might not be so serious. We would destroy the economy of the middle Rio Grande Valley in order to build up the ranch economy of the eastern plains. Someone might say that is a perfectly fair trade. But the ultimate outcome could be that the farmers in the Rio Grande Valley, to protect themselves, would have to have their airships flying over the plains of eastern New Mexico trying to steal a few clouds from the ranchers there. The result could easily be that all the clouds would be so heavily overseeded that there would be no rainfall in New Mexico and throughout the Southwest.

"That statement is provable. I think that the research work of the General Electric Corp. has absolutely established the fact that

overseeding can be extremely dangerous, and that it can result in the production of an absolute drought. If that be true, then the operation of unlicensed and unobserved rainmakers who turn loose their batteries of silver iodide generators can present a most dangerous situation for our entire State.

"My visits to the General Electric laboratories have persuaded me that there is a periodicity to weather when there are regular seedings of silver iodide in New Mexico. That periodicity is not felt in our State, but shows itself from Omaha to Albany. That suggests to me the possibility that controlled seedings scientifically made in Mexico or off the coast of lower California could produce rain all over Arizona and New Mexico. But that cannot be tested and scientifically proved or disapproved if there is interference from a dozen private operators, each pouring into the clouds his own private blend of silver iodide in his own haphazard amounts.

"What I have tried to do in a Federal bill is to make sure that we know what is going on, and that we have an adequate opportunity to study the weather pattern that follows attempts at rainmaking. We must be certain that we do not destroy one entire river basin in an effort to spread a little water over plains where people are worried about grazing for their cattle. But, by cooperation, we can serve both.

"Rainmaking offers the real possibility that we can alter the climate of this entire arid Southwest, and that we can fill up our reservoirs, raise the groundwater tables and make possible a completely sound economy for all of us. I think no greater disservice could be done to our State than to have a few greedy individuals strive so hard to get a litle extra moisture for themselves that they upset the normal pattern of rainfall and the headwaters of our streams, and destroy whole irrigated sections.

"The Rio Grande Valley is the oldest continuously irrigated section of farmland in the United States. I hate to see it turn into a dust bowl and blow away. I know that I will be accused of trying to protect my own farm, but I can't protect a lot of other people's farms similarly situated without protecting my own. I personally have seen the charts prepared by the rainmakers who worked in the headwaters of the Rio Grande in Colorado and northern New Mexico. They have charts which they proudly exhibit to show that they reduced the rainfall in the headwaters of our stream and produced rainfall in the area where they were paid to produce it. I think that pretty well establishes the fact that they believe they have done the very thing that has caused us disaster in this Middle Rio Grande Valley.

"It affects not only the people of Santa Cruz, Espanola and Santa Fe; it affects the people of Albuquerque; it affects the people of Socorro, and it greatly jeopardizes the entire success of the Elephant Butter project, one of the most successful in the entire United States. They are short of water in their reservoir, just as well as everyone else in New Mexico is short of water. It could be that the rainmakers operating in Colorado have so upset the normal pattern of weather conditions that we are now facing the worst drought in the history of our State.

"I think something ought to be done about it. I have tried to do something about it by cooperating with the proper State agency of this State in the introduction of a bill which follows the lines of scientific research and particularly follows the work which Dr. Workman and the School of Mines have so splendidly headed this far. I think that every citizen of our State should be interested in that scientific development. If we do not take care, we can easily experience the worst drought that New Mexico has ever known with irreparable damage, not only to our agriculture, but to our industry and to the defense establishments which have been located within our State at terrific expense to the Federal Government. I think New Mexico better watch its step."

Mr. ANDERSON. Notice, Madam President, that the very thing to which I then referred is now worrying the people of New Mexico. I received some support for my ideas in 1951, and one of the most interesting editorials was carried in the Albuquerque Tribune the next day. I ask unanimous consent that the editorial from the Albuquerque Tribune, dated January 25, be included in the RECORD at this point.

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

ARTIFICIAL RAIN

Senator CLINTON P. ANDERSON yesterday called for a halt in "individual patchwork" rainmaking.

The Senator said he had seen charts prepared by rainmakers who said they had reduced rainfall on the headwaters of the Rio Grande and had produced rainfall in other areas where they were paid to produce it.

He asserted that present rainmaking activities may be "robbing Peter to pay Paul" by interfering with normal rainfall patterns and expressed the fear that such activities might destroy whole irrigated sections.

While opposing "patchwork" rainmaking, Senator ANDERSON endorsed projects of the School of Mines and the Economic Development Commission for conducting scientific research into artificial rainmaking.

Recently Senator ANDERSON expressed the view that rainmaking activity should be controlled by Federal law.

We think there is merit in Senator ANDERSON's views. The study of artificial rainmaking is still in its infancy. We believe there is strong possibility that rain brought down artificially in one area may be rain that would have fallen naturally in another area. The question of whether or not an individual should be allowed to tap rainclouds indiscriminately is of broad public interest. Certainly he cannot tap stream water without an established legal right to do so.

Mr. ANDERSON. Madam President, the very next day, January 26, the Associated Press carried a story about a meeting of the southeastern New Mexico ranchers which was held at Roswell and stated that they had decided to climb on the rainmaking bandwagon and that the entire eastern half of the State would be covered by cloud seeding operations that summer. Here are a few paragraphs from the Associated Press story of that date, and I ask unanimous consent to have them included in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

ROSWELL, January 26.—The only storm in New Mexico today was over the question of whether clouds should be spiced with ice. It raged under sunny skies and in mild temperatures as ranchers from 13 eastern counties gathered to form a permanent rainmaking organization.

United States Senator CLINTON P. ANDERSON, Democrat, of New Mexico, started the whole thing by attacking activities of such groups 2 days ago. He kept the dispute hot last night by charging that a commercial rainmaking firm had sent a man into the State to organize ranchers and farmers "to lobby against legislation for Federal regulation" of rainmakers.

The Senator is sponsoring a bill aimed at bringing about such control.

NO FEARS

ANDERSON said that if commercial rainmakers are not responsible for the drought, they should not fear Federal control.

"But if everybody starts seeding clouds, we are sure to have a drought. If Federal controls are not imposed, nobody will be getting any rain."

Mr. ANDERSON. Madam President, I do not wish to burden the CONGRESSIONAL RECORD with page upon page of evidence as to my early interest in this matter. I am glad that under a present Federal law we are trying to study the rainmaking process but I think it ought to be pointed out that we have now an additional complication. I am referring to the tests of atomic and hydrogen weapons which are held either in Nevada or in the far Pacific. Stockmen are curious as to whether these tests by sending gigantic clouds of charged particles into the skies have disturbed the normal rainfall pattern not only of one State but of a whole nation and a whole hemisphere.

The only answer that can be made will be the result of a controlled experiment for which I have been contending for nearly 4 years. Let me see if I can state it again. I believe that temperatures are rising throughout the continental limits of the United States. I am sure the records of the Smithsonian Institution bear that out. The rise is gradual but it is nonetheless threatening. It means less and less water in our rivers. It means less reserve capacity in our great natural and artificial reservoirs. It means a shortage of water for the production of food.

There may be and I believe there is a way to supplement the natural fall of rain. I believe that rainmaking is possible, and that it may be controlled. It would seem desirable to have a completely controlled experiment under which, for example, rain clouds in the Gulf of Alaska, the Gulf of Mexico and probably in the Pacific would be so seeded as to promise additional supplies of moisture over the continental area of the United States. These clouds should be carefully watched and might be overseeded with silver iodide to make them lift up over a mountain range and carry their excessive moisture to the areas of subnormal rainfall or natural drought.

Then if there were not other silver-iodide generators or dry-ice operators tampering with the weather, it might be possible to have a carefully controlled experiment in trying to drop moisture from these heavily charged clouds by some type of seeding. The Government of the United States is the only agency that can supervise that work on a nationwide basis even though private concerns might be given contracts for specific parts of it.

If and when a decision has been reached on the possibility of rainmaking in normal times, there should then be tests during periods of atomic activity when the effect of fallout could be studied and when the general conditions

resulting from the lifting of great mushroom clouds from the scene of an explosion to an elevation of 50,000 feet from which they might then float 2 or 3 times around the earth should be carefully evaluated. Naturally such a controlled experiment could not and should not be attempted except under the general direction of the Atomic Energy Commission and with its full cooperation, advice, and evaluation.

I believe that we will not solve our drought problems in the Southwest and particularly, the southeastern portion of Colorado, all of eastern New Mexico, and the central portion of Texas where there is drought today without mastering the science of rainmaking nor will we do it without understanding what, if any, relationship there is to atomic explosions and periodic drought in those areas where fallout is most severe. Surely it is time we got underway with some such study.

INCREASE IN TECHNICAL-ASSISTANCE PROGRAM FOR LATIN AMERICA

During the delivery of Mr. LEHMAN's speech,

Mr. SMATHERS. Mr. President, I ask unanimous consent that the Senator from New York may yield to me briefly, without his losing the floor.

Mr. LEHMAN. I am glad to yield, with the understanding that I do not lose my right to the floor, and I ask unanimous consent that I may do so.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMATHERS. Mr. President, I offer an amendment to the foreign-aid authorization bill, which I ask to have printed and lie on the table.

The amendment which I propose to offer to the bill, when it comes to the floor and becomes the current business of the Senate, is designed to increase the appropriations for technical-cooperation assistance to countries of Latin America by $10 million.

I desire at this time to read into the RECORD a letter concerning this matter which I received from Assistant Secretary of State Henry F. Holland, under date of July 20, 1954. The letter reads as follows:

JULY 20, 1954.

The Honorable GEORGE A. SMATHERS,
United States Senate.

DEAR SENATOR SMATHERS: In reply to your oral request for my views regarding a possible increase of $10 million in the technical-assistance program for Latin America, I am confident that such an increase would be extremely effective in carrying forward our policies in strengthening this hemisphere against the inroads of international communism as rapidly as these funds can be translated into specific programs. If such an increase for the Latin American area were to result in a reduction in funds available for other areas of the world, this would raise serious questions about the attainment of foreign-relations objectives in those areas.

While governmental assistance in the Latin American area is very important, I am sure you will agree that, in efforts to strengthen the economies of our neighbors in this hemisphere, private enterprise is even more important. In my opinion, sound economic development and increased trade are required with fullest reliance on private initiative and capital. Careful planning and expansion are needed in such basic fields as transportation, power, and the exchange and training of students and technicians. This is especially important at this time and any opportunity to increase our cooperative efforts in these fields would be extremely important and definitely in our national interest.

Due to the urgency of this matter, this letter has not been cleared with the Bureau of the Budget to which a copy is being sent.

Sincerely,

HENRY F. HOLLAND,
Assistant Secretary.

The original amendment which I previously introduced was designed to reduce by $10 million the development assistance authorization for other countries around the world in order to increase by the same amount the technical assistance for Latin America, but in view of the statement made by the Assistant Secretary of State, to the effect that reducing funds in such areas would raise serious questions about the attainment of foreign relations in these areas, I have modified my amendment, so that now it provides for an increase of $10 million in authorizations for technical cooperation assistance for Latin America without affecting authorizations in any other areas.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table.

REVISION OF THE ATOMIC ENERGY ACT OF 1946

The Senate resumed the consideration of the bill (S. 3690) to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON] for himself and the Senator from Iowa [Mr. GILLETTE].

Mr. JOHNSON of Colorado. Madam President, I ask for the yeas and nays on my amendment.

Mr. KNOWLAND. Madam President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON] for himself and the Senator from Iowa [Mr. GILLETTE].

Mr. PASTORE. Madam President, I offer an amendment to the pending amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the amendment offered by Mr. JOHNSON of Colorado, for himself and Mr. GILLETTE, on page 2, line 4, immediately before the period, it is proposed to insert a comma and the following: "except that in the sale of such power for use in high-cost power areas not being served by public bodies or cooperatives, the Secretary of the Interior shall give the same degree of preference to any other purchaser who serves such areas."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. PASTORE] to the amendment of the Senator from Colorado [Mr. JOHNSON] for himself and the Senator from Iowa [Mr. GILLETTE].

Mr. PASTORE. Madam President, I submit to the Members of the Senate that my amendment takes nothing away from the efficacy of the amendment proposed by the distinguished Senator from Colorado. As a predicate to the explanation of my amendment let me say that a serious question has arisen as to whether or not the Atomic Energy Commission has the authority to build an electric generating plant to service its own installation. Once it has done that, what is to become of the surplus power for which it has no use?

The Senator from Colorado has suggested in his amendment that once this electric generating establishment has been constructed the excess or surplus power which the facility does not need or cannot use will be distributed according to the Flood Control Act of 1944, which sets up the policy and the preference enunciated by the Congress of the United States, namely, that the power developed must first be made available either to a public body or to a cooperative.

There are many areas in the country where there are excessively high electric power rates; and the whole meaning, the whole purpose, and the whole design of the bill is to achieve the goal that one day we can, by the process of atomic energy, reduce the cost of production of electric power. I have always taken the position, and I reiterate that position, that that day will not be tomorrow. That day is far off; and for that reason I have wholeheartedly supported the bill. I believe that in the interest of the public private industry should be allowed to participate in this program.

The purpose of my amendment is not to take away from the public bodies or from the cooperatives the preference with respect to the excess power, but merely to say that in the areas where there is high-cost electric power and there are no public bodies or cooperatives, those areas shall be given the same preference as we are giving to the public bodies and to the cooperatives. I think it is a fair amendment. I think it carries out the intent of the proposed legislation.

If we allow the Atomic Energy Commission to generate power at all for its own facilities, and if; in that same law, we authorize the Atomic Energy Commission to distribute that power through the Secretary of the Interior once it has established those facilities, then we ought to distribute that power according to the preferences specified in the Flood Control Act. But in addition, in those areas where we do not have these bodies which can be the beneficiaries of this preference, the localities themselves should receive the benefit nevertheless.

I hope the Senator from Colorado will consider this a perfecting amendment. I hope he will consider that it takes nothing away from the original idea he had in mind, and I hope he will accept it in modification of his own amendment.

Mr. JOHNSON of Colorado. Madam President, the proposed amendment to my amendment takes nothing away from my proposed amendment. In fact, as I see it, it does not change anything. I have discussed the amendment of the Senator from Rhode Island, with my colleague from Iowa [Mr. GILLETTE], who is sponsoring this amendment with me, and he is agreeable to accepting the amendment offered by the distinguished Senator from Rhode Island as a perfecting amendment. Under the rule I have a right to accept a perfecting amendment. I accept it, and modify my amendment accordingly.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON] for himself and the Senator from Iowa [Mr. GILLETTE], as modified. On this question the yeas and nays have been ordered.

Mr. HICKENLOOPER. Madam President, I shall take only a minute or two of the time of the Senate on the amendment offered by the Senator from Colorado [Mr. JOHNSON] for himself and my colleague from Iowa [Mr. GILLETTE].

The amendment would put the Atomic Energy Commission into the production of commercial power. In my judgment, it is as foreign to the functions of the Atomic Energy Commission as though the Department of Agriculture were to start the commercial manufacture of fertilizer.

It is my view that if the Congress wishes to consider the question of the Government going into the commercial production of power through atomic energy, it should approach that question from that standpoint in a separate measure, and consider the question of establishing a production agency.

I do not care to argue the merits or the demerits of the Government producing commercial power. That, to me, is beside the point and collateral to the issue. Suffice it to say that the administration does not want to put the Atomic Energy Commission into the commercial power field. The Atomic Energy Commission does not want to be put into the commercial power field. The Joint Committee on Atomic Energy does not want the Atomic Energy Commission to be put into the commercial power field. I think this amendment does violence to the principle of the act. Therefore I earnestly hope the amendment will be defeated.

Mr. HOLLAND. Madam President, will the distinguished Senator from Iowa yield for a question?

Mr. HICKENLOOPER. Indeed, yes.

Mr. HOLLAND. Looking at the first sentence in subsection (a) of section 45, as proposed by the amendment of the distinguished Senator from Colorado, the Senator from Florida is of the opinion that this amendment does not confine itself to the manufacture by the Atomic Energy Commission of power primarily for its own facilities, with authority to dispose of any excess in accordance with the proposal included in the amendment; but instead would permit the Atomic Energy Commission to go into the production of power for commercial sale and distribution in any part of the Nation and in any number of units, either through facilities owned by itself or through the facilities of other Federal agencies. The Senator from Florida is concerned about what appears to him to be the meaning of that provision. Is the Senator from Iowa able to shed any light upon the meaning of that sentence?

Mr. HICKENLOOPER. Madam President, I shall try to shed some light on this sentence. We have had this amendment studied very carefully. The wording of the amendment is clear and unequivocal. It does not limit the production of power to utilization in the facilities of the Commission. The amendment says clearly, readng the first sentence:

> The Commission is empowered to produce or provide for the production of electric power and other useful forms of energy derived from nuclear fission in its own facilities or in the facilities of other Federal agencies.

Mr. HOLLAND. If the Senator will yield right there, the Senator has read the sentence to which my inquiry is addressed. The Senator from Florida is unable to see any provision which would appear to confine that sentence to the manufacture by the Atomic Energy Commission of power primarily for its own use.

Mr. HICKENLOOPER. The Senator is correct. I point out to the Senator the next sentence, which reads as follows:

> In the case of energy other than electric power produced by the Commission, such energy may be used by the Commission, or transferred to other Government agencies, or sold to other users at reasonable and nondiscriminatory prices.

The staff of the joint committee has studied the amendment from various angles. We are finally convinced that there can be no question that this amendment would put the Atomic Energy Commission into the business of a production agency for the commercial production of electric power; and I submit that is not the concept of the duties of the commission. It will place it in the category of an operation. I hope the amendment will be defeated.

Mr. HOLLAND. Mr. President, will the distinguished Senator from Iowa yield for one more question?

Mr. HICKENLOOPER. I yield.

Mr. HOLLAND. Is it, then, the opinion and understanding of the Senator from Iowa that the only limitation upon the number of such facilities or the amount of such power production, if it becomes practical, will be the amount of the appropriations which the Atomic Energy Commission can receive from Congress for the purpose of manufacturing power for distribution, sale, and general use?

Mr. HICKENLOOPER. The Senator is correct. As I view it, I believe that is the proper analysis of the amendment.

Mr. HOLLAND. Mr. President, if the distinguished Senator from Colorado [Mr. JOHNSON] will yield I should very much like to address the same questions to him, because the Senator from Florida feels that, if it is proposed here to set up in the Atomic Energy Commission a TVA on a much more grandiose basis, not limited in territory, not limited in number of plants, and not limited in any way except by the appropriations which may be received from Congress, the Senator from Florida would find it very difficult to support this amendment, much as he esteems the Senator from Colorado and much as he would like to go along with him on any matter that he supports.

If the Senator from Colorado will yield further I should like to address this question to him. Is it the purpose and intention of the distinguished Senator, by this amendment, to allow the Atomic Energy Commission, subject only to appropriations received of Congress, to construct facilities for the manufacture of power, if such becomes practical, through the use of atomic materials and nuclear fission, without limitation upon the number of such facilities, without limitation upon the areas of the United States which will be served by them, and without limitation at all except as to what appropriations may be secured from Congress?

Mr. JOHNSON of Colorado. My answer to the distinguished Senator from Florida is to ask him if he can think of any better limitation to place on building this program or on developing this program than to cut off the money. Congress has full authority. These plants can only be built by approval of Congress in the way of appropriations. I know that has been the greatest limit in my life. There are many things that I would like to have had, but I did not have the money with which to get them. The same situation will apply in connection with this program.

I should like to say to the Senator that I regret very much that he does not have faith in future Congresses to think that they would control the situation. I regret that the Senator from Florida appears to have faith only in private industry, and that only private industry should be trusted with the development and sale and use of power developed from atomic energy. I regret that he does not seem to have faith in the Atomic Energy Commission itself, not to let this program get out of hand. I want to say to the Senator, as I said last night several times, that the Atomic Energy Commission is the greatest single user of electric energy that we have in the United States.

It seems to me that if the Commission had a potential club behind the door, such as this amendment provides, it would save hundreds of millions of dollars to the Atomic Energy Commission in bargaining for the electric energy it would need. Perhaps it will not build even one plant, but if it has the power to build the plant then, when it buys electric energy from private firms that produce the energy, it will be able to bargain with them, because they will be able to say to the private firm, "All right; if you will charge two or three times what this energy is worth, we will make it ourselves."

Without such a provision in the bill, I submit to my friend from Florida, the Atomic Energy Commission would be at the mercy of private power-producing companies to pay whatever price they demanded.

The Atomic Energy Commission must have electric energy. It is a must with them. We have heard day after day the charge being made that we are giving to private power companies a complete monopoly. I do not like to have Congress do anything like that, because I think it is wrong for Congress to provide to private interests a monopoly on a product that is as necessary to the people and as of great advantage to the people as power.

I think we would be doing a very bad thing if we passed that kind of monopoly bill. This provision changes the whole aspect of the bill, and it does not give private industry a monopoly. It does leave a provision in the bill that the Atomic Energy Commission and Congress can do something about what otherwise would be a monopoly. It will not be a monopoly if the amendment is passed. In other words, the amendment is a club behind the door. Although I do not want to pass judgment on any other Senator, so far as I am concerned, I do not find it possible in my conscience to vote for a bill which would give private industry a monopoly of power. I could not do it.

Mr. HOLLAND. Mr. President, I appreciate the statement of the distinguished Senator from Colorado, but I hasten to assure him that, in the first instance, I have confidence in not only the present Atomic Energy Commission, but in other atomic energy commissions that will follow. I would be perfectly willing to have a provision written into the bill for a pilot plant to be set up to demonstrate what could be done in this field through more economical manufacture of power. However, I regret that the Senator from Colorado is going at the matter in a shotgun way, so as to have, potentially, dozens of plants set up all over the country, if that appears to be practical.

In the second instance, I do have confidence and faith in later Congresses, just as I do in this one. However, I have seen this Congress, in which I have a great deal of faith, held up for a week by reason of the insistence that we go ahead to do something that is generally permitted by present law, that is, to authorize the building of another huge steam plant for the production of public power down in the TVA area.

I do not want to see future Congresses, if I can prevent it, subjected to continuing experiences of that kind. So it seems to the Senator from Florida that the sound thing to do would be to either abandon the proposal entirely as embodied in the amendment or to reword it—and the Senator from Florida hopes it can be reworded—so as to allow a pilot or experimental plant to be built by the Atomic Energy Commission.

Mr. HICKENLOOPER. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. Let me finish one additional statement first. I am in complete accord with the approach suggested by the distinguished Senator from Rhode Island [Mr. PASTORE]. I would be agreeable to have the act provide that the pilot plant should be set up in an area where power is scarce and where the cost of power is high, so that if it proves to be beneficial, it will be located where it will be most beneficial.

I am wholly unable to gain my own consent to subject future Congresses to the hazards of drives for the construction of additional public powerplants from one end of this Nation to the other, such as, it seems to me, is clearly embodied in the proposal of the distinguished Senator from Colorado, as now drafted. Therefore, I shall have to oppose the amendment.

Mr. HICKENLOOPER. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. HICKENLOOPER. I wish to say to the Senator from Florida that the Commission can now build a pilot plant, and it is building a pilot plant, or experimental plant.

Mr. HOLLAND. With authority to sell the product?

Mr. HICKENLOOPER. With authority to sell the product if it is an incidental byproduct in connection with experimentation. That is contained in section 44.

Mr. HOLLAND. I will say to the distinguished Senator from Iowa that I would be willing to go a step beyond that and to have the Commission empowered to set up one plant for the purpose of determining how it could serve the public and to have it set up in an area of sparse supply. I would be willing to go that step further. I cannot by any manner of means, however, support an amendment such as is offered by the Senator from Colorado.

Mr. LEHMAN. Mr. President, I wish to point out that the amendment offered by the distinguished Senator from Colorado [Mr. JOHNSON], which is very similar to the one proposed by the junior Senator from Minnesota [Mr. HUMPHREY] and to another one by the junior Senator from New York—and we are very glad to be associated with the Senator from Colorado—in no way is mandatory on the Commission. It does not direct the Commission to build any plants. It does not even encourage the Commission to build any plants. All this amendment does is to remove a prohibition which exists now in the bill before us, which is a prohibition that would prevent the Commission from entering the power-producing business without further congressional authorization to construct or operate such commercial facilities. Even then it would permit the sale of commercial power without any safeguards whatever.

I have pointed out time and time again during the last few days on the floor of the Senate—and I am happy to note that many of my associates have done so also—that we do not oppose in the slightest degree private industry. We want private industry in this picture. We need private industry. We realize that the question of producing power at the low rates is so vast that it is one that requires the fullest cooperation between Government and private industry. Therefore we are encouraging private industry to come in and build some of those plants under licenses. However, what we object to is the prohibition that is now contained in the bill which would completely close the door to the Government from doing anything in the way of supplying power made out of its own resources, power for the benefit of all the people of the United States.

I do not think that we dare forget the fact that this whole atomic-energy project and the hydrogen-bomb project were made possible through the support and sacrifice of the people of the United States, who comprise nearly 160 million people.

They are the people who put up the $12 billion. That sum represents a resource which we dare not take away from the people. Yet, under this bill we are proposing to take it away from the people. We give them no control over it at all. We are simply saying, "Mr. Private Industry, come in and we will give you a monopoly. We will stay out; we are forced to stay out because of congressional action, no matter how much our cooperation with you will benefit the people."

I think it is an evil thing and is contrary to the interests of the people.

I very much hope that the amendment proposed by the distinguished Senator from Colorado will prevail.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON] for himself and the Senator from Iowa [Mr. GILLETTE], as modified.

On this question the yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mrs. BOWRING], the Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], the Senator from Wisconsin [Mr. McCARTHY], and the Senator from Idaho [Mr. WELKER], are necessarily absent.

The Senator from Nevada [Mr. MALONE] and the Senator from Delaware [Mr. WILLIAMS] are absent on official business.

On this vote the Senator from Wisconsin [Mr. McCARTHY] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Wisconsin [Mr. McCARTHY] would vote "nay" and the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

If present and voting, the Senator from Nevada [Mr. MALONE] and the Senator from Delaware [Mr. WILLIAMS] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Arkansas [Mr. McCLELLAN] are absent on official business.

I announce further that on this vote the Senator from Tennessee [Mr.

KEFAUVER] is paired with the Senator from Wisconsin [Mr. MCCARTHY]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 45, nays 41, as follows:

YEAS—45

Anderson	Hayden	Mansfield
Byrd	Hennings	Maybank
Case	Hill	McCarran
Chavez	Humphrey	Monroney
Clements	Jackson	Morse
Cooper	Johnson, Colo.	Mundt
Daniel	Johnson, Tex.	Murray
Douglas	Johnston, S. C.	Neely
Dworshak	Kerr	Pastore
Eastland	Kilgore	Robertson
Fulbright	Langer	Russell
George	Lehman	Sparkman
Gillette	Lennon	Stennis
Gore	Long	Symington
Green	Magnuson	Young

NAYS—41

Aiken	Ervin	Payne
Barrett	Ferguson	Potter
Beall	Flanders	Purtell
Bennett	Frear	Reynolds
Bricker	Goldwater	Saltonstall
Bridges	Hendrickson	Schoeppel
Burke	Hickenlooper	Smathers
Bush	Holland	Smith, Maine
Butler	Ives	Smith, N. J.
Carlson	Jenner	Thye
Cordon	Kennedy	Upton
Crippa	Knowland	Watkins
Dirksen	Martin	Wiley
Duff	Millikin	

NOT VOTING—10

Bowring	Kuchel	Welker
Capehart	Malone	Williams
Ellender	McCarthy	
Kefauver	McClellan	

So the amendment offered by Mr. JOHNSON of Colorado, for himself and Mr. GILLETTE, was agreed to.

The PRESIDING OFFICER (Mr. POTTER in the chair). The bill is open to further amendment.

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate reconsider the vote by which it agreed to the amendment offered by myself and the Senator from Iowa [Mr. GILLETTE].

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion of the Senator from Colorado, and I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON] to lay on the table the motion of the Senator from Colorado [Mr. JOHNSON]. On this question the yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from California [Mr. KUCHEL], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Idaho [Mr. WELKER], and the Senator from Kansas [Mr. CARLSON] are necessarily absent.

The Senator from Delaware [Mr. WILLIAMS] is absent on official business.

If present and voting, the Senator from Delaware [Mr. WILLIAMS] would vote "nay."

On this vote, the Senator from Wisconsin [Mr. MCCARTHY] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] would vote "nay," and the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

I announce further that on this vote the Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Wisconsin [Mr. MCCARTHY]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 46, nays 42, as follows:

YEAS—46

Anderson	Green	Mansfield
Burke	Hayden	Maybank
Byrd	Hennings	McCarran
Case	Hill	Monroney
Chavez	Humphrey	Morse
Clements	Jackson	Mundt
Cooper	Johnson, Colo.	Murray
Daniel	Johnson, Tex.	Neely
Douglas	Johnston, S. C.	Pastore
Dworshak	Kerr	Robertson
Eastland	Kilgore	Russell
Frear	Langer	Sparkman
Fulbright	Lehman	Stennis
George	Lennon	Symington
Gillette	Long	
Gore	Magnuson	

NAYS—42

Aiken	Ervin	Payne
Barrett	Ferguson	Potter
Beall	Flanders	Purtell
Bennett	Goldwater	Reynolds
Bowring	Hendrickson	Saltonstall
Bricker	Hickenlooper	Schoeppel
Bridges	Holland	Smathers
Bush	Ives	Smith, Maine
Butler	Jenner	Smith, N. J.
Capehart	Kennedy	Thye
Cordon	Knowland	Upton
Crippa	Malone	Watkins
Dirksen	Martin	Wiley
Duff	Millikin	Young

NOT VOTING—8

Carlson	Kuchel	Welker
Ellender	McCarthy	Williams
Kefauver	McClellan	

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GILLETTE. Mr. President, I call up my amendment, designated "7-17-54-A," and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 23, line 8, it is proposed to insert a comma after the word "publicly" and add the word "cooperatively."

On page 23, line 9, it is proposed to strike the sentence beginning with the word "If" and add a new sentence as follows: "The Commission shall at all times, in disposing of such energy, give preference and priority to public bodies and cooperatives."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. GILLETTE] for himself and other Senators.

Mr. GILLETTE. Mr. President, I shall make a very brief statement with reference to the amendment. I assure the Senate I shall not take more than 15 minutes, and probably not that long. The amendment has been offered by me for myself and Mr. MAGNUSON, Mr. MORSE, Mr. MANSFIELD, Mr. MURRAY, Mr. HUMPHREY, Mr. LANGER, Mr. YOUNG, Mr. KEFAUVER, Mr. HENNINGS, Mr. LEHMAN, Mr. HILL, and Mr. JOHNSON of Colorado. It is a very simple amendment we are proposing.

On page 23 of the pending bill, in line 8, between the words "publicly" and "or", the amendment proposes to insert the word "cooperatively."

Then the amendment proposes to strike out the last sentence of section 44 on page 23, beginning in line 9, and substitute therefor the following language:

The Commission shall at all times, in disposing of such energy, give preference and priority to public bodies and cooperatives.

Mr. President, I wish to make two observations at the outset, in speaking on the amendment proposed by 12 other Members of the Senate from both sides of the aisle, and myself.

The first is simply that S. 3690 is essentially a power bill. Whether electricity is generated from fossil fuels, from falling water, or from energy derived from nuclear fission, it is still electricity. Therefore, it is quite unnecessary for anyone to lose his powers of thought under the impact of this vast and incalculable force that our scientists and technologists have succeeded in harnessing. One of the end products of this force is everyday electric energy, the energy that lights our homes, aids our farmers in their work, and turns the wheels of industries.

In recognizing this fact, the Senate can make an objective evaluation of the present bill to determine whether it fully protects the public interest in the new policy it lays down for the development and future use of thermonuclear energy.

My second observation is this: Through the Federal Government, the people of the United States have paid enormous sums in taxes for the program which, in a relatively short time, has developed the atom as a terrible engine of destruction and, even more important, has advanced us toward realization of constructive peacetime use of atomic energy.

It therefore cannot be denied that what we are now debating involves a public resource. We cannot evade our responsibility to subject to searching analysis a bill which proposes to establish a policy for the civilian use of this resource developed entirely by public funds.

Our purpose in proposing this amendment is to rectify one of the most alarming features of the bill. This bill must not, by any construction or implication, constitute a giveaway of dimensions far beyond our ability to compute in this early hour of the atomic age. In section 44 it fails to provide an extremely important protective clause which must appear in all legislation involving the disposition of federally generated power. This bill lacks language establishing preference and priority for public bodies and cooperatives in the purchase of energy from the production of special nuclear material.

Without the language proposed in our amendment, the publicly owned electric utilities, such as municipalities, the rural electric cooperatives and public utility

districts, as well as agencies of State governments, will be deprived of the legal protection they vitally need to obtain access on a priority basis to federally generated power.

The public body preference clause has been the backbone of 50 years of Federal power policy. It has been part of the Reclamation Act since 1906. It was embodied in the Federal Water Power Act of 1920, and in its successor, the present Federal Power Act. It is written into the Bonneville Project Act and the Flood Control Act of 1944.

Let no one be confused by the scope and complexity of the measure now before us. Let no one assume we are not talking about electric power when we talk about peacetime use of atomic energy. Electricity will be a byproduct, a highly important byproduct, of atomic energy production.

This production is made possible only because public funds furnished by our Nation's taxpayers paid for the necessary research and development. We are talking in this bill about electric power, electric power derived from a public resource. It follows that public bodies and cooperatives, many of which will depend in the future on generation of power from this resource, have a vital interest in securing the same fair treatment in this new field of energy that they have for half a century been assured in the field of hydroelectric power.

It is the informed belief of technicians in the field of nuclear physics that the potentialities of thermonuclear fission for generation of electric power will in all probability dwarf that of all the falling water in this Nation. As our economy continues to expand, so will our dependence on atomic electricity increase.

The public bodies and cooperatives, which are electric utilities with responsibilities to their customers, will be called on to obtain more and more of the power to meet their growing loads from energy from nuclear material.

If they are forced to depend on private power companies, to furnish them low-cost power, they will be at a crippling disadvantage. The private power companies which this bill designates as the prime beneficiaries of the atomic bonanza are not going to sell power at rates comparable with Federal rates to REA cooperatives or municipalities.

Should private companies or groups of companies obtain a monopoly over both the generation and transmission of power from atomic energy, as they would if this bill is not amended, existing public bodies and cooperatives could very well be squeezed to death. It is axiomatic that when one desires to eliminate competition, he first gains control of the source of supply of the product.

Section 44 of this bill should be amended. Our amendment provides that on line 8 of page 23, the word "cooperatively" be added to the phrase "publicly and privately owned utilities or users." This is to make certain that electric cooperatives shall receive the same treatment as it is intended to afford to private utilities and publicly owned municipal utilities and other public bodies.

The amendment also strikes the last sentence of section 44 and substitutes the preference clause. As now written the bill assumes that either State or Federal regulatory bodies will act effectively to keep the price of power reasonable. This assumption, in the first place, ignores the fact that the Federal Power Commission has no jurisdiction over the rate base of a privately owned utility except that it requires that base to be computed on net investment in the utility system. The assumption further ignores that in practice the various State public-utility commissions do not have jurisdiction either.

The sentence stricken by our amendment now reads: "If the energy produced is electric energy, the price shall be subject to regulation by the appropriate agency, State or Federal, having jurisdiction." If this sentence is meant to apply to the resale of energy by a privately owned utility which had purchased it, it represents unneeded language, for such regulation would apply without so specifying in this act.

We would substitute for that language the following: "The Commission shall at all times, in disposing of such energy, give preference and priority to public bodies and cooperatives."

To safeguard the position of the rural electric cooperatives, the status of which is in several respects different from that of municipally owned electric utilities or other public bodies, it is necessary that they be specifically mentioned in this section of the act.

If we include the preference clause, in the language proposed by our amendment or by one of the other amendments that have been proposed, we will maintain the best control over power rates that has yet been devised.

The only real control over power rates to the ultimate consumer that has ever been effectively wielded in our history is the lever of competition.

And from what has this competition come? It has come from the low-cost Federal power rate-yardstick of the Tennessee Valley Authority, the Bonneville Power Administration, and the publicly owned electric utilities which conduct their operations on a nonprofit basis and pass on savings in the form of lower rates to their customers or cooperative members.

Scarcely anyone in this country seriously contends that private electric utilities, created under permissive State charter and operated under State and Federal regulation, are free competitive enterprises. By their very nature they are monopolies—natural monopolies. That is why they must be regulated by governments in the public interest. That is also why they must be stimulated by law, and by competition created under law, to act responsibly. The competition of public power has had a most salutary effect on the private power industry itself and has been of enormous benefit to the country as a whole. This competition must continue to flourish.

The American people know that in the past there have been many instances of overcharge by private power companies. They know that lowering the rates has increased the unit consumption of electricity for a multitude of uses. They know that the financial position of the power industry has been greatly enhanced rather than harmed. As a result the aggregate rate structure has shown a downward trend, a trend which did not begin, and probably could never have begun, until public power under the leadership of Federal, comprehensive, multipurpose river development began to move forward in the late 1930's.

It is this yardstick of competition that is lacking in the present bill. The electric power that will be produced from atomic energy, like any other public resource, must be safeguarded by Federal law to protect the public interest, to prevent monopoly, and to provide equity for public groups which, to survive and perform their vital public service, must have preference and priority.

Can anyone conceive of a small rural electric cooperative, or even a combination of them, which could finance a nuclear generating plant of the size that may be required to generate power at a cost per installed kilowatt low enough to compete with hydro or steam? Such a plant could run from several hundred thousand to a million kilowatts and call for a capital investment of hundreds of millions of dollars. It will be Federal generation, and Federal generation only, to which the public bodies and cooperatives must turn under such circumstances.

Mr. President, when hearings on the original draft of this bill were held, spokesmen for the cooperatives and municipalities testified vigorously on the necessity of writing the preference clause into any legislation dealing with nuclear power for peacetime use. Yet, when the legislation was redrafted in its present form, their requests to appear to testify went unheeded. In this bill the representatives of the rural electric cooperatives and the municipalities see not only unlimited vistas of profits for the private utilities but a threat of eventual elimination of public-power competition by elimination of the preference clause.

Mr. President, my position is not one of opposing full participation, under proper safeguards, by private power companies in the benefits of this new resource. The country needs their full participation. There is room in the atomic age for all to share on an equitable basis. No one and no group, however, must be permitted to occupy the whole space.

As we cross the threshold into the new and unknown age of atomic energy, our first steps toward application of this new force to civilian peacetime use are of utmost importance. We must make certain from the very beginning that the safeguards we have for half a century placed around our natural waterpower resources shall be extended to cover this new resource that has been developed at such enormous cost to the Nation's taxpayers. Atomic energy is a public resource. Electric power derived from it must be governed by law in the same way that electric power from any other public resource is governed. That is what our amendment seeks to do.

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

The PRESIDING OFFICER (Mr. POTTER in the chair). Does the Senator from Iowa yield to the Senator from Oregon?

Mr. GILLETTE. I yield.

Mr. CORDON. In the amendment just adopted, the Johnson amendment, there is a provision that the power which is generated by the Atomic Energy Commission and not used in its own operations shall—quoting from page 2 of the Johnson amendment—"be delivered to the Secretary of the Interior, who shall transmit and dispose of such power in accord with the provisions of section 5 of the Flood Control Act of 1944."

My memory is that section 5 of the Flood Control Act of 1944 carries the preference provision which the Senator's amendment seeks to put into the bill. In other words, it would seem to me that we would have it in twice, if the Senator's amendment should prevail. I shall check that to be certain about it, but I believe that is correct.

Mr. GILLETTE. There is no intention to duplicate.

Mr. PASTORE. Mr. President, will the Senator yield on that point?

Mr. GILLETTE. I yield.

Mr. PASTORE. The section we added to the bill, section 45, has to do with the production of electric power. That means the establishment of a generating plant in atomic facilities in order to generate electric power. What we are talking about in section 44, which is an entirely different field, is the byproduct of electricity from the nuclear research program.

Mr. GILLETTE. The sale of power.

Mr. PASTORE. That is different. This is incidental power which comes from the development and manufacture of special material. What we added in section 45 has to do with the surplus electricity which will come from the installed generating plant to manufacture electricity. It is an entirely different field.

Mr. GILLETTE. That is true.

Mr. HICKENLOOPER rose.

Mr. GILLETTE. Does my esteemed colleague wish to comment?

Mr. HICKENLOOPER. I was about to say that the preference clause contained in the Johnson amendment, just adopted, is an entirely different thing. I agree with the Senator from Rhode Island. The two fields are entirely different. The proposal of my colleague from Iowa goes to the incidental power. The amendment we adopted a few moments ago puts the Atomic Energy Commission into the commercial production business, and a little different operation applies. I assume, without checking further, that this amendment probably would be necessary.

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

Mr. GILLETTE. I yield.

Mr. HUMPHREY. First of all, let me say that it is a joy to be a cosponsor with the Senator from Iowa of this amendment. In order that the legislative record may be clear, it is my understanding, as one of the cosponsors, that the amendment now being offered applies to the byproduct or incidental power. It is needed, along with what is provided in section 45, the amendment offered by the Senator from Colorado [Mr. JOHNSON].

What we are now seeking to do by offering this amendment is to incorporate in the Atomic Energy Act the same provision as is now in the Federal Power Act, known as the preference clause. So we have the preference clause applied both in terms of the creation of electrical energy as a special enterprise of the Atomic Energy Commission, as provided in section 45, the recently adopted amendment, and the preference clause applied to the incidental or byproduct power as the result of other activities of the Atomic Energy Commission, and it is proposed to distribute that power under the terms of the preference clause. This amendment is needed, and I think undoubtedly it will be adopted, as the other amendment was adopted. It will be clarifying.

Mr. GILLETTE. The Senator from Minneota is wholly correct.

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

Mr. GILLETTE. I yield to the Sena- from Rhode Island.

Mr. PASTORE. I should like to have the floor for the purpose of offering an amendment to the amendment offered by the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I send to the desk an amendment to the amendment offered by the Senator from Iowa [Mr. GILLETTE].

The PRESIDING OFFICER. The secretary will state the amendment.

The LEGISLATIVE CLERK. On page 23, line 7, after the word "cooperatives", it is proposed to insert—

> In the sale of power for use in high-cost power areas not being served by public bodies or cooperatives, the Commission shall give the same degree of preference to any other purchaser who serves such areas.

Mr. PASTORE. I may say that this amendment carries out the same idea and the same philosophy that was accepted in connection with section 45, in the amendment of the distinguished Senator from Colorado. It takes nothing away from the preference; it merely adds, in regions which do not have public bodies and cooperatives, the same preference to other groups with reference to the byproduct of electricity. I hope on the same ground and for the same reason the distinguished Senator from Iowa [Mr. GILLETTE] will accept this amendment to his amendment.

Mr. GILLETTE. Although I am not opposed to accepting the amendment, I am not in a position to accept it in behalf of my cosponsors. However, to be consistent with the action taken by the Senate, I believe the amendment is a very proper one and, so far as I am concerned, I have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island to the amendment offered by the Senator from Iowa [Mr. GILLETTE] for himself and other Senators.

Mr. HICKENLOOPER. Mr. President, I understood that the Senator from Iowa had modified his amendment, which he has a right to do.

Mr. SMATHERS. No; he has not modified it.

Mr. GILLETTE. I said I could not accept the amendment on behalf of my cosponsors. However, I have no objection to it. Therefore, there will have to be a vote on it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. PASTORE] to the amendment offered by the Senator from Iowa [Mr. GILLETTE], for himself and other Senators.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

Mr. HICKENLOOPER. Mr. President, in view of the action on the Johnson amendment, which added the preference clause, I see no particular reason for any contest or discussion about this particular preference clause. I am willing to take it along with the other amendment, although I may point out to that byproduct power will be so inconsequential that this particular reference to it will never amount to anything. In my judgment byproduct power is only a bare incident in the experimentation production, but apparently the idea is to be placed in the bill, and I see no reason for not accepting it.

I would say to my colleague from Iowa that, so far as I am concerned, I will take the responsibility of accepting this particular amendment, as amended by the amendment of the Senator from Rhode Island [Mr. PASTORE]. I also wish to ask my colleague from Iowa about the other amendment, to insert the word "cooperatively." Is that being offered at this time?

Mr. GILLETTE. That is a part of the same amendment.

Mr. HICKENLOOPER. I did not so understand. I was going to say that the word "cooperatively" adds nothing to the amendment, because cooperatives are already in the bill. The bill already contains a reference to cooperatives. It is not essential to put that word in at all.

Mr. GILLETTE. This will make it doubly clear. I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. GILLETTE], for himself and other Senators, as amended.

The amendment, as amended, was agreed to.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk, and ask that it be made the pending question.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 86, line 18, after the comma, it is proposed to insert the following: "to municipalities, private utilities, public bodies, and cooperatives within transmission distance authorized

to engage in the distribution of electric energy to the public."

On page 86, line 21, insert new sentences after the period, as follows:

In case of protests or conflicting applications or requests for the establishment of special conditions in prospective licenses, the Commission shall, prior to issuance of any license, hold public hearings on such application or applications in general accordance with the procedures established in connection with consideration of applications for licenses under the Federal Power Act and interested parties shall have the same rights of intervention in such proceedings, application for rehearing, and appeal from decisions of the Commission as are provided in that act and in the Administrative Procedure Act. In any proceeding before it, the Commission, in accordance with such rules and regulations as it may prescribe, may admit as a party any interested State, State commission, municipality, public or cooperative electric system, or any competitor of a party to such proceeding, or any other person whose participation may be in the public interest.

The PRESIDING OFFICER. Does the Senator from Minnesota desire to have his amendments considered en bloc?

Mr. HUMPHREY. Yes; it is all one amendment, actually.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. HUMPHREY. Mr. President, in view of my understanding with the Senator from Missouri [Mr. HENNINGS], I shall not direct my attention to this amendment until later in the day. I merely wish to make one comment so that the RECORD may be perfectly clear. We have heard a great deal about a filibuster. The charge has been made again and again that we are engaged in a filibuster. I should like to have my colleagues and the American people know, and to have our friends in the fourth estate and in the radio and television professions know, that within the last 18 to 24 hours we have voted on three amendment, two of which have been adopted.

If that is a filibuster, then it is indeed a new variety of filibuster. I may say also that two of the amendments that have been adopted have great significance, and both of them go to the heart of the criticism of the bill. I suggest that if we proceed as we have been proceeding we will be through with the bill in short order. We are making considerable progress.

I regret that the majority leader insisted on keeping us all night long, for quorum calls and speeches, to take the time of the Senate until we could gather in daylight to conduct the business of the Nation.

If we proceed as the Senate ought to proceed and act, as mature men should act, and debate the issues as they ought to be debated, and consider amendments as they ought to be considered, we will not have the cloak of uncertainty and the cloud of confusion hanging over our heads in this great parliamentary institution.

I shall return to a discussion of the amendment in a few minutes, to explain why the amendment is as vital to the bill as the preceding amendments that have been adopted.

In the meantime I humbly suggest, with all respect, to my good friend, the majority leader, and to his colleagues that there is no filibuster in progress, but there is attention being given to public business and to improving the bill before us and preparing it for passage, so that it will serve the public interest, not special interests.

BENNETT CHAMP CLARK

Mr. HENNINGS. Mr. President, on July 13, death came to a great American—a distinguished former Senator, statesman, soldier, scholar, and jurist. I refer with deepest regret to the passing of Judge Bennett Champ Clark of the United States Court of Appeals for the District of Columbia.

Bennett Champ Clark was born into politics. He and his father, the late Speaker Champ Clark, constituted the most famous father-son dynasty in Missouri's political history.

Born at Bowling Green, Mo., on January 8, 1890, Bennett Champ Clark was christened Joel Bennett. Later, like his father, he adopted the name of Champ. He became convinced that the name should be perpetuated. A brother, who had been given the father's name, had died in childhood. For this reason Bennett thought he should adopt the name. His father, who had been christened James Beauchamp Clark, had shortened his name to Champ Clark early in life.

Bennett attended the public schools of Bowling Green and Washington. After graduating from Eastern High School here in Washington in 1908, he entered the University of Missouri and obtained his bachelor of arts degree in 1912. Returning to Washington, he entered the law school of George Washington University, obtaining his bachelor of laws degree in 1914. While still a student at George Washington, Members of the House of Representatives signed a petition urging his appointment as Parliamentarian. He served as Parliamentarian from 1913 to 1917.

Bennett was one of the first American volunteers in World War I. Resigning his position with the House, he applied for a place in the unit which Theodore Roosevelt was organizing. After President Wilson discouraged the Roosevelt venture, he entered the first officers training camp at Fort Myer, Va., and received his commission as a captain. He was elected lieutenant colonel of the 6th Regiment, Missouri Infantry, which later became the 140th Regiment, United States Infantry, with which he served until September 1918. He served as assistant chief of staff of the 88th Division from September 1918 until March 1919. From March 1918 until May 1919 he held the same position in the 35th Division, with the rank of colonel. He was 1 of the 17 charter members and an incorporator of the American Legion, serving as chairman of the Paris caucus which formally launched the organization. He served 1 year as its national commander.

From 1919 to 1932 Bennett Clark practiced law in St. Louis, specializing in corporation law and doing some historical writing. His biography of President John Quincy Adams, published in 1932 under the title "John Quincy Adams, Old Man Eloquent," is a recognized work of careful research. He received honorary degrees from the University of Missouri, Bethany College, which was his father's school; Marshall College, the institution which his father had served as president; and Washington and Lee University.

Bennett Clark won the Democratic nomination in the 1932 primary, and was elected to the Senate for the term commencing March 4, 1933. He was subsequently appointed to the Senate to fill the vacancy caused by the resignation of Senator Harry B. Hawes for the term ending March 3, 1933. He established a record in Missouri Democratic primaries in 1938 when he carried every county in the State, obtaining a plurality of 481,500 over the closer of his 2 opponents. He was returned to the Senate by a large plurality in the general election of that year.

Within a few months after his election to the Senate, while a bewildered Congress was docilely approving the New Deal programs, Clark was one of the few who dared to lock horns with the administration and call attention to the questionable points of various measures. Boldly he attacked the National Industrial Recovery Act, the Government reorganization and the court measures sponsored by the Roosevelt administration. While some who opposed New Deal legislation were signaled out for a "purge," President Roosevelt and Bennett Clark shared great mutual respect for each other. No opposition to the distinguished Missourian was even faintly encouraged. Even his bitterest opponents recognized Clark's sincerity and integrity. He enjoyed the rough and tumble of debate. No one in the Senate was a more able parliamentarian.

Clark was chairman of the committee on rules and order of business at the national Democratic convention in Philadelphia in 1936, obtaining what might be called "a family victory" in the repeal of the two-thirds majority rule for a nomination. It was this rule that kept his father from becoming the Democratic presidential nominee in 1912.

In 1945 he was appointed to the United States Court of Appeals for the District of Columbia, of which he was an associate justice at the time of his death. Chief Judge Harold M. Stephens of the court of appeals described him as "a judge of high courage and integrity, of brillant intellect, of strong and outspoken conviction, and he was a faithful friend." Judge Stephens added that Judge Clark had, "like his father, devoted his life to the service of his country."

Mr. President, I ask unanimous consent to insert in the body of the RECORD, comments on the death of Bennett Champ Clark which appeared in the St. Louis Globe-Democrat on July 15 and July 17, the Kansas City Times on July

15, the Washington Post on July 16, and the Washington Evening Star on July 17.

There being no objection, the newspaper comments were ordered to be printed in the RECORD, as follows:

[From the St. Louis Globe-Democrat of July 15, 1954]

BENNETT CHAMP CLARK

Bennett Clark was a man of many interesting facets, all of which he employed to make him a stimulating personality. Born into politics—his father was Champ Clark, long-time Speaker of the House—he was a precinct worker long before he could vote. Eventually he became a United States Senator from Missouri, a potent individual in the Democratic Party.

He was an expert on parliamentary law and wrote a book about it. He was an author—his volume on John Quincy Adams being regarded by historians as a superb analysis of this turbulent President.

He was a soldier, the youngest colonel to be sent overseas in World War I. He was one of the charter members of the American Legion and presided over the caucus in Paris which organized the body.

He was an astute lawyer and ended his days as a judge of the United States Court of Appeals for the District of Columbia, a tribunal regarded as second only in importance to the Supreme Court.

But perhaps the work of which he was proudest was his leadership, as chairman of the rules committee of the Democratic National Convention in 1936, in the move to abolish the two-thirds rule in respect to nomination for President. Had the majority rule pertained in 1912, doubtless his father would have been the Democratic nominee, as he clearly had a majority but not the required two-thirds.

Senator Clark—we prefer to refer to him thus in Missouri—loved the hurly-burly of political life. He was a man who made friends easily. He was an old-fashioned Democrat who shied away from New Deal fantasies. In fact, had he played along with Franklin D. Roosevelt, it is quite possible he would have had the President's support as his successor. This was at the time before Mr. Roosevelt had been bitten by the third and fourth term bug.

Few men in public affairs have lived a more complete and satisfying life. He was courageous, he combined superior intelligence with an innate love of politics. As the son of a famous father, Bennett Champ Clark was a credit to his name. His death at 64 marked the untimely removal of a public figure who contributed materially to the thing we call the American way of life.

[From the St. Louis Globe-Democrat of July 17, 1954]

JUDGE MOORE'S COURT RECESSED IN MEMORY OF CLARK

United States District Judge George H. Moore yesterday recessed his court until Monday out of respect for United States Judge Bennett Champ Clark of the Washington, D. C., Court of Appeals who died Thursday.

Judge Clark was buried yesterday in Arlington National Cemetery. Judge Moore entered a eulogy to Judge Clark in the court's records.

"Judge Clark was a lawyer of great ability," Judge Moore said, "the greatest of parliamentarians; a valiant soldier; the youngest Colonel in the American Expeditionary Force in the first World War; an author of distinction; twice United States Senator from Missouri; a wise and patriotic statesman; an Associate Justice of the United States Court of Appeals for the District of Columbia—a judge whose only goal was justice. His legal, military, legislative and judicial career added luster to his great family name, and reflected great honor upon his native State.

"Honor, courage, and integrity were his most distinguishing characteristics."

[From the Kansas City Times of July 15, 1954]

MISSOURI'S BENNETT CLARK

In Missouri the name of Clark became a tradition as native as country ham and redeye gravy and Missouri mules. And through Bennett Clark that tradition was a national factor at a time of vast economic and social change.

In the Senate of the New Deal 1930's he was frequently called an "aginer" and compared with an earlier Missouri senator, Jim Reed. It would have been more accurate to say he stood pat on basic principles that were part and parcel of his upbringing. He recognized the need for many changes and battled to make them sound.

When Bennett Clark was a child, growing up in the national arena of Washington, the Clark tradition was already well established through his father. To most of Missouri Democracy Champ Clark was the symbol of statesmanship in a long-tailed coat and a big black hat. From Champ Clark's rise to Speaker of the House and inches short of the Presidency, Missourians took reflected glory.

Bennett Clark's early years in Washington detracted nothing from his native Missouri instincts. In his first race for the Senate he was completely at home on the courthouse squares across the State. He knew the interest of rural Missourians and held them through 2-hour speeches. In that first campaign he dared to advocate repeal of prohibition when most of the State's politicians still turned pale at the issue. It was a foretaste of his rugged independence that was to be demonstrated on the national stage in Washington. His fight against the Roosevelt court-packing plan was one example.

This hard-hitting Senate leader was the same Bennett Clark who spent years on research to write his excellent 2-volume biography of John Quincy Adams. His book on parliamentary law has been widely used.

His leadership in many national issues is a long story. But two of his battles seemed to be particularly close to the heart of Bennett Clark. He had seen his father lose the nomination for the Presidency because of the two-thirds rule. Eventually the son became an active leader in the Democratic convention that abolished the rule.

A World War I soldier and one of the original founders of the American Legion, Bennett Clark led the fight for the GI bill in the Senate.

His later years were spent in Washington as a judge of the District of Columbia United States Court of Appeals. To Missourians he was still the native son on important business away from home. Ten years after he left the Senate his imprint is still deep in Missouri memories.

[From the Washington Post of July 16, 1954]

BENNETT CHAMP CLARK

Judge Bennett Champ Clark had had a distinguished public career before he was appointed to the United States Court of Appeals by President Truman. The son of Champ Clark, who for many years was Speaker of the House of Representatives, he became parliamentarian of the House before he finished law school. In 1933 he was elected to the United States Senate in the same landslide that swept Franklin D. Roosevelt into the Presidency. As a Democratic Senator from Missouri, however, he followed an independent line and often clashed with the Roosevelt administration. The climax of his political career came when he, along with Senators Burke, King, Wheeler, and others, fought and defeated FDR's court-packing bill, despite the President's whopping victory in 1936.

On the bench Judge Clark proved to be a man of brilliant intellect and strong convictions, though his effectiveness was occasionally hampered by illness. He took to the court from his practice of law and his experience in Congress a broad knowledge of statutory law and of the processes of legislation and procedures in the courtroom. While he sometimes referred to himself as an old-fashioned Democrat, he was never doctrinaire on the bench. His rugged independence made it impossible to classify him either as a liberal or as a conservative. With courage that was especially marked even in a land of independent judges, he decided each case as he saw it without the slightest regard for expediency. In the historic Dollar case, in which the Department of Justice had failed to give effect to a ruling of the court, a lawyer for the Department explained its conduct in part by referring to a letter from the President. Judge Clark indignantly replied that if the lawyer thought a letter from the President of the United States (the President in question—Harry S. Truman—had appointed Judge Clark and was a close personal friend) could influence the judgment of the Court he had better think again.

Judge Clark's colleagues say that he also had the ability to cut to the heart of difficult legal issues. While he perhaps failed to achieve complete fulfillment of his powers, he earned a distinguished place on the bench.

[From the Washington Evening Star of July 17, 1954]

BENNETT CHAMP CLARK

Born at Bowling Green, Pike County, in 1890, Bennett Champ Clark spent most of his life in the District of Columbia. Yet he definitely represented Missouri in the major interests and patterns of his career. Both his parents reflected the natural skepticism of the Show Me State, and he was glad to follow their example. Thus he grew up distrustful of the partisan groups of large cities, the political influence of big business and the activities of what he called interventionists. He put his faith in the people of the farm districts and small towns, rural America firsters; and he spoke for them even when their cause was unpopular and obviously destined to fail.

His father's experience at Baltimore in 1912 embittered Bennett for the rest of his days. The deal which he believed had been worked by the Bryan faction and Tammany Hall to nominate Woodrow Wilson in place of the Speaker of the House was, in his view, a family affront which he never forgave. One of the great victories in which he took pride was that of his drive to abolish the two-thirds rule at Democratic national conventions. This triumph, achieved in 1936, cleared the way for the elevation of his friend Harry S. Truman to the Presidency.

Meanwhile, Mr. Clark gratified his own ambition in the Senate, where he consistently maintained an independent attitude on foreign and domestic questions alike. When his nonconformity cost him his seat in 1945, his former colleague, then in the White House, named him to the United States court of appeals, where he served quietly yet with distinction. Dying relatively young at 64, he leaves a legend peculiarly personal. His eloquence, his profound knowledge of parliamentary procedure, his excellent record as a soldier, his part in organizing the American Legion and finally his neighborliness here in Washington probably are the qualities for which he will be remembered longest.

POLITICAL SPOILS IN AGRICULTURAL PROGRAMS

Mr. HENNINGS. Mr. President, during the 1952 political campaign an effort was made to convince American farmers that they were being enslaved, under the farm programs, by Washington "agricrats."

"Agricrats" is a word the Republicans coined to conjure up resentment against those who supposedly dictated to the farmers—giving them no voice in agricultural affairs.

General Eisenhower, as a candidate, repeatedly promised American farmers that the farm programs would be "cleansed of partisan politics," and that the programs of the future, if he were elected, would be "turned over to farmers" to be "farmer run."

In his opening farm speech at Kasson, Minn., on September 6, 1952, General Eisenhower said:

> I pledge you that the Republican Party is going forward with positive, aggressive, farmer-run farm programs * * *. This first thing we intend to do is take the emphasis off of Washington * * * our goal will be sound, farmer-run programs that safeguard agriculture—but do not regiment you, do not put the Federal Government in charge of your farms. What counts is being prepared to do the right thing at the right time. To do this, the Republicans will use the wisdom of the farmers * * * the programs must be transferred into genuinely farmer-run operations * * *.

At Columbia, S. C., on September 30, 1952, General Eisenhower said:

> And the management and direction of the farm program—federally financed though it will be—must be turned over to farmers.

On October 13, 1952, at New Orleans, La., the candidate said:

> What we need is to start from here and build a better program based on more farmer participation and more Federal, State, and farmer partnership.

Speaking at Memphis, Tenn., on October 15, 1952, Candidate Eisenhower told his audience:

> With single-minded purpose we must move toward farmer-run programs. I pledge you an administration that * * * will increase farmer participation.

In that same Memphis speech, General Eisenhower added:

> The agricultural conservation program, administered by PMA, is now permeated with partisan politics * * *. I pledge you an administration that will cleanse all farm programs of partisan politics.

Mr. President, such was to be the great crusade. It was to be a crusade to "cleanse all farm programs of partisan politics."

In actual performance, the great crusade has turned Missouri into a cauldron of spoils politics, boiling over into the Federal courts as the farmers of Callaway County, Mo., attempted to defend their right to select the members of the County PMA—now Agricultural Stabilization Service—committee. These farmers held mass meetings and raised several hundred dollars to carry the defense of the county committee into court. That has been done.

And Callaway County is not the only county where trouble has occurred. Trouble has arisen all over Missouri—in county after county—as the Republican Party has conducted a crusade to turn the farmer committee offices into a part of the Republican spoils system. Elected farmer committeemen have been forced out of office, loyal civil servants have been fired, reinstated, buffeted and abused until they resigned. Agricultural stabilization affairs within the State of Missouri are in a turmoil.

Before I go into the details of the administration's mess in Missouri, I would like to say in all fairness that a great deal is involved in this matter besides partisan politics. The system of farmer-elected committees to administer our national farm programs has been in the past one of the finest devices for democracy in Federal programs yet developed.

The men who built the farm programs in the dark days of the thirties—Democrats and Republicans alike—wanted a Federal program that was as close as possible to the people—to the farmers. They wanted farmer participation in its administration and policymaking. So a system of elected committees was set up.

Farmers participating in the Federal programs meet in their townships. There they elect township committeemen who assist in the administration of the programs. They also elect a delegate to a county meeting, which in turn elects the county committee members. These men, the farmer-elected committeemen at township and county level, have been in charge of the administration and application of the Federal farm programs at the grassroots—out on the actual farms—of the Nation.

This system is thoroughly democratic. It permits and requires farmers in virtually every county in the Nation to learn the how and why of the farm programs because the farmers, themselves, are involved in the administration of these programs. As a result of this system farmers have voluntarily cooperated with the programs. Offensive policing has not been necessary. Also, as a part of this system, informed farmers have participated in policy determinations.

Students of government have been watching this system of administration by farmer committees because it is the outstanding governmental technique thus far developed to overcome the danger of great national programs becoming centralized, removed from the people they affect and, therefore, dictatorial and unresponsive to the people who are affected by them.

In order to provide information concerning the details of how this committee system works, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD at this point in my remarks pertinent provisions from the official regulations governing PMA county and community committees, paragraphs 713.4 through paragraph 713.11, and paragraph 713.28 which are the regulations governing selection of the committees and removal from office, having been issued by Secretary Benson on March 26, 1953.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REGULATIONS OF THE SECRETARY OF AGRICULTURE GOVERNING PMA COUNTY AND COMMUNITY COMMITTEES

SELECTION OF COMMITTEES

SEC. 713.4. Method: County and community committees shall be elected by farmers in accordance with the provisions of the regulations in this subpart.

SEC. 713.5. Who may vote for committeemen and delegates: Any farmer who is of legal voting age and who has an interest in a farm as owner, tenant, or sharecropper and any farmer not of legal voting age who is in charge of the supervision and conduct of the farming operations on the entire farm shall be eligible to vote for committeemen and delegates in the community in which he has such an interest if:

(a) A payment or grant of conservation materials or services is or will be made with respect to the farm under the current Agricultural conservation program, or there is being carried out on the farm one or more of the current program practices approved for the State by the State production and marketing administration committee, referred to in this subpart as the "State Committee";

(b) Such farmer is eligible for a cooperator's loan or other price support;

(c) Such farmer is eligible for a payment under the Sugar Act program; or

(d) Such farmer has a crop insurance contract with the Federal Crop Insurance Corporation.

In any State having community property law, the spouse of a farmer who is eligible to vote under the foregoing provisions shall also be eligible to vote.

SEC. 713.6. Restrictions on voting: Each eligible voter shall be entitled to only 1 vote on any 1 ballot in any election held in any 1 community or in the county convention. If the eligible voter has an interest in a farm in more than 1 community in the county, such voter shall not be entitled to vote in more than 1 such community in the county. There shall be no voting by proxy.

SEC. 713.7. Determination of elective areas: Each county shall be divided into local administrative areas, referred to in this subpart as "communities." The term "county" in the Territory of Alaska shall be the area so designated by the State committee. The boundaries of the communities shall be fixed by the State committee after considering any recommendations by the county committee. No such community shall include more than one county or parts of different counties.

SEC. 713.8. Calling of elections: Each election of farmers to the county or community committee shall be held on a date or within a period of time and at a place fixed by the State committee which will afford full opportunity for participation therein by all persons eligible to vote. Each such election shall be held in accordance with detailed instructions issued by the Assistant Administrator for Production of the Production and Marketing Administration, referred to in this subpart as the "Assistant Administrator." If the number of eligible farmers voting in any election of community committeemen is so small that the State committee determines that the result of the election does not represent the views of a majority of the farmers who were eligible to vote in such election, it shall declare the election void and call a new election.

SEC. 713.9. Election of the community committee: The farmers in the community who are eligible to vote in such community shall elect annually a community committee. The community committee shall be composed of

3 members, 1 of whom shall be elected as chairman and 1 of whom shall be elected as vice chairman. First and second alternates to the community committee shall also be elected to serve as acting members of the community committee in the order elected in case of the temporary absence of a member, or to become a member of the community committee in the order elected in case of the resignation, disqualification, removal, or death of a member. An acting member of the community committee shall have the same duties and the same authority as a member. Failure to elect the prescribed number of alternates at the regular election shall not invalidate such election or require a special election to elect additional alternates.

SEC. 713.10. Election of delegate to the county convention: (a) Except in any county in which there is only one community, the farmers in the community who are eligible to vote in such community shall elect annually at the community committee election a delegate to a county convention and an alternate to serve as acting delegate in case of the temporary absence of the delegate, or to become the delegate in case of the resignation, disqualification, removal, or death of the delegate. An acting delegate shall have the same duties and the same authorities as a delegate.

(b) In any county in which there is only one community, the community committee shall be the county committee.

SEC. 713.11. Election of the county committee: (a) The delegates elected pursuant to § 713.10 shall meet in a convention held before the close of the same calendar year in which they were elected to elect the county committee for the county. A majority of the delegates so elected and qualified to vote at the time of the convention shall constitute a quorum. A county committee of 3 members shall be elected, with 1 member elected as chairman and another member as vice chairman. At the same convention the delegates shall also elect first and second alternates to the county committee to serve as acting members of the county committee in the order elected in the case of the temporary absence of a member, or to become a member of the county committee in the order elected in case of the resignation, disqualification, removal, or death of any member of the county committee. An acting member of the county committee shall have the same duties and authority as a member.

(b) If the county agricultural extension agent for the county is not elected secretary to the county committee, he shall be ex officio a member of the county committee but shall not have the power to vote.

* * * * *

REMOVAL FROM OFFICE OR EMPLOYMENT

SEC. 713.28. County and community committeemen: (a) Any member of the county or community committee or alternate to such office who becomes ineligible for office under the provisions of § 713.27 or who fails to perform the duties of his office or who is incompetent or commits, or attempts or conspires to commit, fraud, shall be removed by the State committee, or if it appears that he may be subject to such removal, he may be suspended by the State committee pending an investigation. The State committee may also suspend pending investigation or remove any county or community committeeman or alternate if such action appears to be necessary for the success of any program administered by the county committee.

(b) If because of an investigation there are no members or alternates available to serve on the county committee, the State committee shall designate a person to administer the programs in the county pending the exoneration or removal of those under investigation, and if removed, pending the election of new county committee members and alternates. Any person named by the State committee in such capacity shall have full authority to perform all duties regularly performed by a duly elected county committee.

Mr. HENNINGS. Mr. President, in the past the administration of these programs has been on the whole nonpartisan. In Republican areas, Republicans have been elected to township and county committees because the farmers voted for them. In areas predominantly Democratic, the committeemen have usually been Democrats. And in many areas of the Nation men of both parties have served together in harmony. It has been a Department of Agriculture tradition that the will of the farmers, expressed in their committee elections, was to be respected. The results of the farmer elections were not to be set aside for political reasons, and removals would be made only for bona fide and serious misfeasance or malfeasance in office. Prior to this administration few removals of committeemen occurred.

Under the Department's previous policy, farmer committeemen themselves were the administrators. They made the applications of acreage allotments to their neighbors. They handled loan dockets and other administrative details. There was literally and really mass participation of farmer citizens in the administrative handling of the programs, instead of administration by professional "agricats," if I may use President Eisenhower's word.

Shortly after the new administration, pledged to farmer-run programs, took office, the Secretary of Agriculture announced that the farmer committees would no longer handle administrative work. They would be used as policy-making boards and new county office managers would handle administration.

I ask unanimous consent to place in the RECORD at this point in my remarks a copy of Secretary of Agriculture Benson's press release of March 25, 1953, announcing this change.

There being no objection, the copy of this press release was ordered to be printed in the RECORD, as follows:

SECRETARY BENSON ANNOUNCES CHANGES IN PMA COMMITTEE OPERATIONS

Greater uniformity, efficiency and economy in the operation of State and county offices of the Production and Marketing Administration are called for in changed operating methods announced today by Secretary of Agriculture Ezra Taft Benson.

Under the new policy, which is to take effect immediately, the local policy-forming and policy-execution functions of these farm program offices are being separated. The program and administrative policy-forming functions will continue to rest with the State PMA committees, which are selected by the Secretary of Agriculture, and the county PMA committees, which are elected by farmers themselves.

The policies which are determined by the State committee, however, will be carried out by committee employees under the direction of a State administrative officer, working under the committee's direction and responsible to it. All State committeemen, including the chairman, will work on a when-actually-employed basis, rather than as full-time employees.

"This change in handling PMA field work," stated Secretary Benson, "will result in savings of an estimated $125,000 annually in State and another $500,000 in county office operation. This is based on an estimated average of 75 days actual employment by State and county committeemen."

At the county level a county office manager, selected by the county committee and responsible to it, will carry out the policies determined by the county committee and be responsible for day-to-day operations. County committeemen, like the State committeemen, will work only on a part-time basis.

"This method of operation will enable each member of the team to perform functions which he is best able to carry out," Secretary Benson said in commenting on the operational changes. "The State and county committees will in effect serve as a 'board of directors' to determine policy, but they will not be asked to spend their time on routine administrative matters. They will be paid for the time they spend in policy forming work, while staffs trained in office management and administrative work will carry out such policy.

"We are also establishing a rotation system for each State committee under which one or more State committeemen will be replaced each year. This will make it possible to bring fresh and wider viewpoints to bear. It will also insure stability and continuity of policy."

Mr. HENNINGS. Mr. President, this change by Secretary Benson has been debated before. It sounds innocent enough in itself, perhaps, but it is actually a device to put into effect policies determined by Federal and State "agricrats" rather than by farmer committees. Former Secretary of Agriculture Brannan had his staff study the prospective costs of the suggestion. He found that it would be considerably greater than the per diem costs of the committeemen's work. But Mr. Benson, the present Secretary of Agriculture—contrary to the pledges of his party to economize and to build "farmer run" programs—ordered that county managers be employed.

I am of the opinion that an appropriate committee of Congress should now make a careful study of the real current costs of administering the production adjustment, price support and conservation programs which are handled by the Agricultural Stabilization committees, formerly the PMA committees.

I have a comparison of costs, taken from various hearings, which indicate that the overall cost of administering the agricultural conservation program, sometimes called ACP, acre allotments and marketing quotas, the Sugar Act, Commodity Credit Corporation loans and purchase agreements and CCC price support work, is considerably larger in the current fiscal year than it was in 1950, when there were similar allotments and/or quotas to be administered.

This comparison indicates that the cost for the basic agricultural conservation work is down in the county and State-and-regional offices. But the cost of the county work on the production adjustment and CCC programs appears to be up more than $13 million as compared to 1950.

I ask unanimous consent to insert in the RECORD at this point a statistical table, prepared from data submitted to the Congress, comparing the allowances of funds for the various items for the current fiscal year with expenditures for the same items in 1950.

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

Comparison of obligations and expenditures for certain U. S. Department of Agriculture programs in fiscal 1950 and fiscal 1954

	Fiscal year 1950		Fiscal year 1954	
	State and Territorial offices	County offices	State and Territorial offices	County offices
Agricultural conservation	$3,963,003	$20,680,499	$3,379,954	$19,087,419
Acreage allotments and marketing quotas:				
Tobacco	537,612	2,038,040	661,602	2,939,421
Peanuts	308,911	1,778,659	291,938	1,544,638
Wheat	925,168	6,628,285	1,366,282	10,730,030
Cotton	947,715	8,679,419	947,462	13,581,436
Corn	427,966	3,184,954	337,329	5,730,550
Sugar	656,801	329,192	496,899	342,540
CCC loans and purchase agreements	1,290,386	5,919,182	746,580	5,931,961
CCC price support	2,117,753	3,514,587	1,774,144	6,991,172
Production adjustment and CCC, total	7,212,312	32,072,318	6,622,236	47,791,748
Grand total, all State, regional, and county items	63,928,132		76,881,357	

Mr. HENNINGS. Mr. President, we need to know if this overall increase results from a greater workload and, if so, to what extent, or if the supposed or seeming economy is made more apparent than real by a shifting of costs. We need to know if field work is costing more under the county office managers than under the old system of paying per diem to committeemen.

In Missouri, we were not long in getting a clue to the reason for Mr. Benson's decision to have county office managers. Two months after the Benson order establishing the new posts, and banning elected farmer committeemen from administrative work, on May 29, 1953, Mrs. L. C. Davis, vice chairman of the Missouri Republican State committee, sent a letter to the Republican county chairmen and vice chairmen in the State, in which she told them:

There are 4,300 PMA employees in Missouri. They should be Republicans if we can lend our energy to see to it that they are. The salary of county officer manager ranges from $2,500 to $4,000, depending upon the workload of the county. By workload is meant the scope of the program in the county. The chief clerk's salary is approximately $2,300, and it is recommended that this post be given to a woman. In addition, there will be 1 to 3 clerks, depending upon workload.

It is recommended that you immediately decide who would be the logical choice for the county office manager in your county, start boosting him, and file his application for the post at your county PMA office. Lest this be the type of office that would conveniently lose a Republican application, you are advised to file a duplicate with the Republican State Committee.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point the text of the letter ascribed to the vice chairman of the Missouri Republican State committee.

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

MISSOURI REPUBLICAN STATE COMMITTEE,
Montgomery City, Mo., May 29, 1953.

DEAR COUNTY CHAIRMAN OR VICE CHAIRMAN: The PMA election will be held on July 31 at the township level. At this election a county committeeman or committeewoman and an alternate committeeman or committeewoman will be chosen. This county committee in turn elects a county board from its membership and the law requires that this board must be selected by August 1. The board consists of chairman, vice chairman, and third member and first, second, and third alternates.

Who votes at the township level: Any farm owner, or operator or share cropper whose name is on the mailing list at county PMA office. If you have never participated in these elections, you must go to the county PMA office and have your name put on the mailing list. A husband and wife can vote, or if either cannot come, a vote my be cast by proxy.

Your county board selects, with the approval of your State PMA board, a county office manager who cannot be a PMA committee member. This office manager must be named by August 3. He is on a full-time basis, and he in turn chooses a chief clerk with the O. K. of the fieldman of that particular area. Your county office manager is required to have 2 years of high school education and must either live or have lived on a farm.

It is recommended that you immediately decide who would be the logical choice for county office manager in your county, start boosting him and file his application for the post at your county PMA office. Lest this be the type of office that would conveniently lose a Republican application, you are advised to file a duplicate with the Republican State committee.

There are 4,300 PMA employees in Missouri. They should be Republicans if we lend our energy to see to it that they are. The salary of county office manager ranges from $2,500 to $4,000, depending upon the workload of the county. By workload is meant the scope of the program in the county. The chief clerk's salary is approximately $2,300, and it is recommended that this post be given to a woman. In addition, there will be in each county 1 to 3 clerks, dependent upon workload.

Enclosed is list of the members of the present PMA board in your county. Copies of this information are being sent to you under separate cover for distribution to your committee who will have to help you at the township level.

Will you keep the Republican State headquarters, Montgomery City, advised as to progress you are making and feel free to ask our assistance at any time.

Sincerely,

MRS. L. C. DAVIS,
Vice Chairman.

Mr. HENNINGS. Mr. President, likewise, I ask unanimous consent to have printed in the body of the RECORD a news article from the August 20, 1953, issue of the St. Louis Post-Dispatch, written at the State capital, Jefferson City, by a staff correspondent of that newspaper. In this article, Mrs. Davis is quoted as acknowledging that she wrote a letter to all counties about this matter but contends that she said in the letter that "qualifications of education and experience be the prime requisite for the consideration of applications for the newly created office-manager post."

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

CHARGES GOP SEEKS HOLD ON STATE PMA JOBS—DEMOCRATIC OFFICIAL SAYS REPUBLICANS PLAY POLITICS AT EXPENSE OF MISSOURI FARMERS

JEFFERSON CITY, MO., August 20.—A charge that Republicans are playing politics with the already desperate plight of the State's farmers, by attempting to control the Production and Marketing Administration elections in Missouri July 31, was made today by Democratic State Chairman W. F. Daniels of Fayette.

In a statement issued through Democratic State headquarters here, Daniels said that Mrs. L. C. Davis, of Boonville, vice chairman of the Republican State committee, sent out letters to all county GOP chairmen last May urging them to line up support for Republicans in the PMA elections.

He quoted the letter as saying: "There are 4,300 PMA employees in Missouri. They should be Republicans if we lend our energy to see that they are."

Daniels accused the Republicans of making a political football of PMA, the agency closest to the farmers' soil and livelihood. He denounced it as a brazen effort and declared the Republican administration in Washington should renounce it.

In the July 31 elections, a PMA county committeeman and alternate were named in each township. The county committee, in turn, elected a county board from its membership. The county committee then named a county office manager, who has a big voice in the election of clerks and office employees.

The township elections were open to any farm owner or operator or sharecropper whose name was on the PMA county list. The Democrats reported that the Republican letter urged the Republican county chairmen to have all eligible persons place their names on the list.

Later, Mrs. Davis acknowledged she sent letters urging responsible Republican farmers to participate in the PMA elections, and that the letters were sent to every county in the State.

In reply to Daniels' charges, she declared she also urged in her letters that qualifications of education and experience be the prime requisite for the consideration of applications for the newly created office manager post.

Mr. HENNINGS. Mr. President, in order to make every possible effort to be entirely fair, I wish to call attention to the fact that the copy of her letter supplied me by Democratic sources does not contain the statement about the prime requisites to which Mrs. Davis alluded in the interview. I believe the copy of

her letter as I have supplied it for the RECORD is an exact copy of a letter she sent to one of the counties. One grassroots Republican was so shocked by this effort to turn the farm program into patronage "pie" that he released his copy of the letter to farm leaders within his county. I have had the copy checked carefully. If there is some discrepancy between this letter and letters sent to other counties, then we should be advised of it.

As the St. Louis Post-Dispatch article points out, the farmer elections of community committeemen and delegates to the county meetings, which select the county committees, were held July 31, 1953, under the regulations promulgated by Secretary Benson.

In order to make the background of this matter complete, the RECORD should include the "Qualification Standards for Position of PMA Office Manager," which was distributed with a general notice to State PMA committees on July 29, 1953. I ask unanimous consent that it be included in the RECORD at this point.

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

QUALIFICATION STANDARDS FOR POSITION OF PMA COUNTY OFFICE MANAGER

(Grades Nos. OM-1, 2, 3, 4, and 5)

Applicants for the position of county office manager must meet the following qualification standards:

I. Citizen of the United States.

II. Age: 19 to 65.

III. Physical requirements: Applicant must be physically able to efficiently perform the duties of the position which may involve difficult office and strenuous field work as well as considerable travel within the county.

IV. General background requirements: Applicant must have qualifying experience consisting of the following:

A. Farm experience: At least 2 years actual farm experience or the equivalent in agricultural training or experience in agricultural organizations. (Preference should be given to persons with a working knowledge of crops and livestock produced in the county of employment.)

B. Educational requirements: Applicant must have completed at least 2 years of high school or the equivalent in other recognized schools. If the duties of this position will require the ability to type and operate or explain the operation of other office machines, the applicant must demonstrate his ability to operate such machines satisfactorily.

C. Experience requirements: Applicant must have a total of at least 18 months of responsible experience in a PMA county office with the following exceptions:

1. Field work for other public or private agricultural agencies or other office work of a responsible nature may be substituted at a ratio of 3 months of such experience for 2 months of responsible county office experience.

2. Education at a recognized college or university may be substituted at a ratio of two satisfactorily completed school months for 1 month of county office experience.

D. Personality requirements: Applicant must be of good character and have a temperament and personality suitable for a representative of the county committee in dealing with farmers, businessmen, and others.

V. Review of previous county office employment: Where a present or past county office employee or committeeman applies for this position, audit reports, investigation reports, and personnel information available in the county of employment should be reviewed to determine whether the applicant should be disqualified.

Mr. HENNINGS. Mr. President, in general, these men were required to be citizens between 19 and 65 years of age, with 2 years of farm experience, at least 2 years of high school, with 18 months experience in a PMA county office or, as a substitute, 1½ times as much experience in some other agricultural agency or twice as much time in a college or university.

On April 4, 1954, the Department of Agriculture issued instructions for employing county office managers on a revised form called Instruction 107-2. It requires a review of all applicants, selection of the best qualified applicant, entry into the minutes of the county committee meeting of the reason for selection, and submission of the final choice to the State committee, before actual employment, so the committee or its representative may—and I now quote—"determine and advise the county committee whether qualification standards have been met."

There is no provision for the State committee to make a determination among the various applicants for the post of county office manager. Their determination is limited only and solely to whether or not the manager selected by the county committee meets the qualifications set out in the USDA regulation.

The assumption of the regulation was that the local committee would know which, among the qualified candidates, should have the job, which applicant could work best with the elected committee members—which seems perfectly logical and certainly reasonable—which would work best with the farmers of the county. The right was reserved to the State committee only to audit the qualifications of the man selected by the local group.

A new Missouri State committee was, of course, appointed by the present Secretary of Agriculture Mr. Benson. Although it had long been customary to appoint State committeemen from the rolls of experienced county committeemen, none of Mr. Benson's selections in Missouri had had previous committee experience. The new State chairman started farming during World War II, having previously been with the firm of Libby, McNeill & Libby.

Many Missouri farmers who have worked years to build the democratic, farmer-elected committee system were disappointed both in these appointments and in the subsequent choice of fieldmen, not all of whom seemed to have appropriate backgrounds. Only one in the entire State had ever been in PMA work.

The fieldmen included a State legislator previously with an oil and gas company, the former owner-operator of an auto supply store who had been secretary of the State fair for several years, a 2-year farmer formerly employed in construction work, 5 men with some farm background, and 1 former PMA fieldman, a Republican. With the exception of the latter, none had had any experience whatsoever in the farm program work they were to take over.

One of the first actions of the new State committee was to attempt to remove the State office's budget and personnel specialist, Mr. John Ader. This action happily was reversed here in Washington as a violation of civil service rules and regulations.

Charges had been made against Mr. Ader, and an investigation had been demanded. Secretary Benson's personal investigator found that these charges had been falsely made and Mr. Ader was cleared in a letter signed by Assistant Secretary Ross Rizley.

In all justice and sincerity, I want to compliment the Department of Agriculture on refusing to sustain these false charges against a man who had given 20 years of efficient and irreproachable service to the farm programs. I wish I could also compliment them for standing behind him and insisting that, in view of his experience and unblemished record, he be continued as a pillar in the service in Missouri. But instead, Washington then undertook to get Mr. Ader out of the way in Missouri. They tried to "kick him upstairs" by offering him a transfer into Washington where he would not embarass the political administrators who had tried to get him out of the State and put him where he would not be able to observe happenings in the Missouri office. Happily for the State Mr. Ader declined this transfer and resigned in disgust for it was then apparent that the USDA in Washington was cooperating in the spoils move in Missouri.

I am told that in some States the incoming State committeemen, desiring to continue a high standard of administration, saw the value of these experienced men. But this was not the case in Missouri. The facts make it obvious that a spoils jobs was to be done on the personnel of the farm agency in Missouri—and it would not have been pleasant to have an experienced civil servant supervising budgets and personnel.

In the months which have followed establishment of the new State administration, the press of Missouri has been full of news and comments about the dismissal of county committeemen, whom the farmers elected, as the State committee goes about making patronage of the county committee machinery, and forcing the appointment of office managers selected by the State committee and firing any elected committeemen who do not accede to the State committee choice.

I have an editorial from the Springfield (Mo.) News-Leader of April 25, 1954, entitled "Look Who Talks of Noncooperation." This editorial deals with difficulties that have arisen in Callaway, Texas, and Greene Counties, and is sharply critical of the State committee's Republican spoils system. As it is pertinent to this subject, I ask unanimous consent that this editorial be inserted in the RECORD at this point.

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

LOOK WHO TALKS OF NONCOOPERATION

Among the farmers of Missouri, State ASC Chairman Murray Colbert can stir up more furor than Evangelist Billy Graham could cause in a convention of atheists.

This week 200 angry Callaway County farmers held a mass meeting at Fulton and raised $664 to launch a Federal court fight to stay the firing of the county's agricultural stabilization and conservation committee.

When farmers raise that much money in a year when drought and the price squeeze have teamed up to send thousands of them to the wall, it's a certainty that they are fighting mad.

Maybe the committee needed firing? Maybe.

And in Texas County the old committee was fired in January by Colbert, who, balked by its successor, ousted the second committee last week. Perhaps the Texas County ASC committee deserved that fate? Perhaps.

And could be W. H. Pipkin, chairman of the Greene County committee, needed kicking out? Could be.

And it's possible that many others over the State, fired by the doughty ASC chief, got just what they deserved? It's possible.

Without proof to the contrary, there's no gainsaying that Mr. Colbert may have acted in the best interests of the ASC program in his wide wielding of the ax of dismissal. But ask yourself, Isn't it odd that he should find so many "noncooperators" in the program at one time, especially since it has rolled along for years without all this trouble?

Which suggests a nasty thought: Could these firings be politically prompted?

Of course not. Didn't Agriculture Secretary Benson say there would be nothing political in the administration of his reorganized ASC?

Why does Colbert fire these men? "For noncooperation," he says. Just that, and nothing more.

Yet in Texas County Chairman Stanley Haliburton was fired last January for insisting, he explained, that newsmen be permitted to attend an ASC meeting. The word of those newsmen tends to bear out Haliburton.

Actually, however, there was more to it than that. The State committee had a choice for office manager and the county committee wouldn't go along. So the old committee was fired and a new one finally named. But the new one—Republicans and Democrats—refused to be coerced, too, and foolishly thought it could name its own choice. Bingo. The results were just like that. Out the new committee went this past week for as the Houston Herald declares, "If State Chairman Murray Colbert and his committee can't get the job done one way, they will try it another way." Even so. Colbert's refusal to admit reporters is ample condemnation in itself.

Isn't the ASC a public office, entirely maintained by public funds? Then by what right did Mr. Colbert try to bar newsmen whose duty it is to tell the public what goes on at such meetings?

The right of precedent, perhaps for a reporter was barred from the Greene County ASC meeting last spring presumably on State committee orders. But precedent or no precedent, no public agency has the right to exclude newsmen from any of its business sessions.

Greene County farmers have no love for Mr. Colbert, either. An order for several thousand bushels of drought emergency feed oats lay in his office 3 weeks, last December, unprocessed until the deadline for receiving orders had passed. That cost local farmers badly needed feed, it also cost them a few thousand dollars in Uncle Sam's bargain buy feed program.

Not very cooperative of a man who has fired so many others for noncooperation, is it?

Mr. HENNINGS. Mr. President, the Callaway County episode referred to in the Springfield editorial is another instance of the State ASC chairman's peremptory dismissal of farmer-elected committeemen to permit his own dictation of county affairs. This matter was taken to the Federal court.

The court has ruled that the committee should appeal its case to the Secretary of Agriculture before taking court action. At this point the final outcome is uncertain. But I can tell you that the dictatorial, closed-door methods of the State ASC in regard to this whole matter aroused such a volume of protests that they have already reached the Department of Agriculture here in Washington. Mr. Benson's department let it be known that they had asked that a State committee hearing for the ousted county committee be held in secret, first, because an open hearing might be subjected to demonstrations; and, second, because the issues were, as they were pleased to put it, administrative in nature.

Mr. President, we have traveled a long way down the road from the philosophy of democratic, farmer-elected committee administration of our farm programs in Missouri. It seems very strange that this should have occurred under an administration which warns constantly against the danger of regimenting the American farmers.

The Columbia (Mo.) Daily Tribune has pinpointed this inclination toward undemocratic, dictatorial processes of the present administration in an editorial, dated May 14, 1954. In response to their inquiry, the Columbia Daily Tribune reports that the Department of Agriculture admitted ordering the closed-door hearing for the two reasons heretofore stated. The paper then expresses the opinion that Mr. Colbert and his aides "are afraid to let the people know the details of this latest bungle in personnel."

Mr. President, I ask unanimous consent to include in the RECORD at this point in my remarks three editorials about the Callaway County situation from the Columbia Daily Tribune, as follows: A Shocking Piece of Arrogant Bureaucracy, which appeared on May 8, 1954; So They Were Afraid, which appeared on May 14, 1954; Opening of Public Records, which appeared on May 29, 1954.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Columbia Daily Tribune of May 8, 1954]

A SHOCKING PIECE OF ARROGANT BUREAUCRACY

One of the most shocking and high-minded examples of bureaucracy to reach these parts in many a year developed in Columbia this week when the Missouri agricultural and stabilization committee staged a star-chamber hearing for three members of the Callaway County committee whom it had tossed out of office mainly, it appears, because these men chose to carry out the mandates of the Callaway County citizens who elected them instead of kowtowing to the Washington-appointed bureaucrats who run the State office.

What were the charges against these men? We can't say with authority because they have not been made public and because at this week's hearing newspaper men and all other citizens were locked out of the tax-supported hearing room. But we are told, reliably, that one of the charges against the Callawegians is that they allowed a newspaper photographer to take their pictures. Another is that they had the effrontery to call a mass meeting of the citizens who elected them so that they could tell those freeholders what the ruckus was all about.

We are not particularly interested in the politics of this situation, though we do feel that if Democrats are in the overwhelming majority in Callaway County—and they are—that they should be permitted to elect Democrats to represent them. That seems to be fundamental.

But this thing goes far deeper than that. The chairman of the State agricultural and stabilization committee has appropriated to himself many of the powers and practices of the late King John of England, who trampled the people of his island kingdom until they put a quill in his hand and told him to sign the Magna Carta. He has denied the freedom of the press—in this instance and others. He has denied the duly-elected members of the Callaway committee a chance to properly hear charges against them, and to answer them within the hearing of their peers. He has, as a bureaucratic administrator, booted out of office, without a hearing, men who were placed there by the sovereign power of popular vote. He has made it necessary for them to spend money to defend the rights which the voters bestowed upon them against high-powered government attorneys who are being paid from tax money contributed by the same citizens who elected their county committeemen.

All of this in 1954. All of this in the United States, a government of free people. All of this in Missouri. All of this in Callaway and Boone Counties—in Fulton and Columbia.

We may well ask our representatives in the two Houses of the Congress—yes, and Mr. Eisenhower in the White House, how long are they going to permit this flouting of the Federal Constitution by a minor bureaucrat, right down here at the grassroots, where democracy is supposed to begin. Do we have the right to vote any more? Do we have the right to know what the charges against us are? Do we have a right to a hearing in open court? Do the people have a right to know what is going on behind closed bureaucratic doors? Does a man lose his job because he gets his picture in the paper? Does he lose his job because he wants to report to his fellow citizens who elected him to office?

The people of Little Dixie have a right to know the answers to those questions.

[From the Columbia Daily Tribune of May 14, 1954]

SO THEY WERE AFRAID

The Missouri Agricultural Stabilization and Conservation Committee's amazing flouting of the constitutional rights of the people of Callaway County in its proceedings before and since the ousting of the Kingdom's duly elected county ASC committee becomes more and more amazing as Department of Agriculture officials in Washington try to explain away the denial of free speech, the denial of freedom of the press and the denial of freedom of assembly in connection with the affair.

When the Tribune sought, through the Associated Press, an explanation of the high-handed doings of the Missouri committee, it got these explanations from the Washington office:

The Department of Agriculture asked that the hearing which the State committee held—or started to hold—for the Callaway County committee, be closed to the public and the press because, (1) the issues were administrative in nature, and (2) because an open hearing might be subjected to demonstrations.

Now we have some more questions for the Department of Agriculture:

Since when has the Department become endowed with power to flout the Constitution by the label administrative in nature?

And, since when has the Department become endowed with power to decide when or where a demonstration may or may not be held in Boone County, if they mean that a few of our Callaway County neighbors might journey over to Columbia to speak a word for the men whom they elected to office and who have been summarily kicked out of office, apparently for such derelictions as permitting a newspaper photographer to take their pictures?

We have police, sheriff's officers, and the highway patrol which we are sure could afford Chairman Murray C. Colbert and his colleagues—even his Washington attorneys—proper protection from any invading Callawegians.

We don't really believe Mr. Colbert, his aides, or his bosses are afraid of a Callaway delegation. We'd guess that they are afraid to let the people know the details of this latest bungle in personnel.

But we read on in this Washington dispatch. We learn that the testimony in this star chamber hearing is being recorded. Thus, we have a new and modern touch to the methods of old King John. But, we are assured that the public will be fully informed of the State committee's decision. Should we sing huzzas about that, just like the people of Germany used to shout themselves into hysterics when the late Adolph Hitler and the later Mr. Mussolini came out on their respective balconies to fully inform the people of their decisions?

We don't know what the three Callaway committeemen did, good or evil, to bring about their downfall in the eyes of Mr. Colbert. We do know, however, that neither Mr. Colbert and his superiors in Washington have any right to set themselves above the Constitution of the United States. They have done a stupid thing and they are making themselves and the Department of Agriculture look more stupid by the day. The methods of dictators are no more welcome in Little Dixie when they come from Montgomery City or Washington than they are when they come from Red Moscow or than they were when they came from Nazi Berlin or Fascist Rome. We want none of it.

[From the Columbia Daily Tribune of May 29, 1954]

OPENING OF PUBLIC RECORDS

We note with some satisfaction Secretary of Agriculture Benson's order to the Agriculture Conservation and Stabilization Committee to open its books to the public, so that the taxpayers may know who is getting the money they put up and why. It is to be hoped that Secretary Benson's order may do something to correct the high-handed, star-chamber session methods which Murray Colbert, Missouri ASC chairman, has used in conducting the Agriculture Department's—and the people's—business in Missouri. It might not be too much to expect that, despite the apparent support which Mr. Colbert got from Washington when he refused to permit newspapermen and the public to attend a hearing for Callaway County's ASC committee, we may eventually find out what this case is all about and the State chairman may eventually cease going around the State firing elected officials in a more-or-less off-the-cuff, or at least, off-the-record, fashion.

The curtain-lifting order for the ASC followed by only a short time a similar administration order designed to end the secrecy surrounding the handling of public money by the Federal Housing Administration. There is firm foundation for conviction that, had the Housing Administration's business been conducted in the open—as public business ought to be conducted—instead of behind the walls of bureaucratic secrecy, it would not have become necessary for the Congress to investigate the multimillion dollar scandals which have rocked that Government agency.

It may be that the order to open the books of the ASC will have come in time to prevent similar scandals in that organization.

Mr. HENNINGS. I also have a newspaper account from the St. Louis Post-Dispatch of May 21, 1954, telling how the 5-month row in Texas County was finally resolved. I ask unanimous consent that this article be inserted in the RECORD at this point.

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

TEXAS COUNTY ASC REINSTATES THREE—TWO COMMITTEEMEN AND ALTERNATE REJOIN GROUP UNDER NEW OFFICE MANAGER

HOUSTON, MO., May 21.—Two members and an alternate of the Texas County Agricultural Stabilization and Conservation Committee have been reinstated and an office manager has been installed to bring a temporary peace to the 5-month row with the State committee.

The new manager is Robert C. Evans of Plato, 1 of 2 men the county committee declined to nominate when it was suspended April 20 by Kermit Bailey, State committee member acting for Chairman Murray C. Colbert.

Named by Bailey were Chairman Roy Gentry, who already had resigned 3 days before; Francis Forbes, Emmett Cox, members of the committee from Mountain Grove; J. E. Sturgeon, Licking, and Earl Grogan, Ozark Community, alternates.

While they were under suspension, W. E. Foster, field man, and Milton Gehr, Chaffee, office manager at large, were reported to have proposed Evans to the State committee and the action was accepted. The two committeemen and Sturgeon later were reinstated.

Gentry, a Democrat, did not attempt to return because he since has announced his candidacy for county committeeman. Wayne Killion, clerk under the setup existing when the program was part of the Production and Marketing Administration, stepped out when Gentry took over.

The dispute in the county began with the firing of Stanton G. Halliburton, chairman, by Colbert. Farmers disgruntled with the way the ASC program has been handled have indicated their anticipation of expressing their sentiment at election of township delegates in July. The delegates name the committeemen and alternates which Colbert says the State committee has the power to remove for cause.

The new office manager and his father, M. H. Evans, are dairy farmers in partnership on about 550 acres. Their output is handled by Sanitary Milk Producers. Salary of the younger Evans in the ASC position is $2,720 a year. He is a Republican.

Mr. HENNINGS. The first chairman of this committee, Stanley Halliburton, was fired last January. The reconstituted committee still declined to name an office manager chosen by Murray Colbert, State ASC chairman. So the farmer-elected committeemen were suspended. A State fieldman then installed one of the State ASC chairmen's choices as county office manager, and two of the former committeemen were persuaded to accept reinstatement. The third, a Democrat, still resisted the State office dictation and refused reinstatement. He will be a candidate for reelection as county committeeman this month, although some may wonder why when local elections are so disrespected by the "agricrats" in Washington and Jefferson City.

Mr. President, the list of counties in which loyal employees have been forced out or resigned in disgust, where farmer-elected committeemen have been displaced in one way or another, or where there are apparent political considerations for not appointing an office manager, now reaches more than a score.

Representative PAUL C. JONES called attention to the situation on February 8, 1954, when he inserted in the daily CONGRESSIONAL RECORD, on page A973, an article from the Sikeston, Mo., Standard. This article dealt with the background of the new State fieldmen, the Davis letter to Republican county chairmen, urging them to grab the local committee jobs, and with happenings in Adair, Ralls, and St. Charles counties.

Any investigation of the situation should go into the happenings in Atchison, Benton, Bollinger, Chariton, Dent, Franklin, Iron, Jackson, Linn, Maries, Nodaway and Scotland counties in addition to those mentioned in the newspaper articles which I have cited.

My attention has just been directed to a pertinent item on the ASC farmer committees in Wayne Darrow's Washington Farmletter of June 12, 1954, which was circulated throughout the country. I ask unanimous consent that this item be inserted at this point in the RECORD.

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

ASC FARMER COMMITTEES

Agricultural Stabilization Service is preparing a new set of rules to limit elected farmer committees to 3 years of service, and to disqualify them from doing field work—limit them to acting as a board of directors.

If new rules go into effect, a farmer would be ineligible for reelection to county ASC committee after serving 3 years, with this exception: In counties where all 3 of the present committee have served 3 years or more, 1 could be retained for another year.

This exception was put into the proposed rules after Minnesota chairman told top brass here that to throw out all three committeemen now would assure the reelection of Senator HUMPHREY, Democrat, of Minnesota.

The changes are in line with views of Dr. Reed L. Frischknecht, son of the Utah Extension Service director. Young Frischknecht is now a USDA consultant who wrote his doctor's thesis on the farmer-committee system and its shortcomings.

USDA top command distrusts ASC farmer committees, regards them as a Democratic political outfit, and a potentially dangerous pressure group.

Proposed move would complete process of making committees advisory only, and presumably develop committees more in sympathy with the GOP. It recalls the remark of the late Alex Legge, head of the old Farm Board, about advisory committees. He likened them to a gelding, which he defined as a horse that follows the herd in an advisory capacity.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. HENNINGS. I am very happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. Is that the Wayne Darrow Newsletter which refers to the Production and Marketing Administration committees, with some special reference to the State of Minnesota?

Mr. HENNINGS. I have the letter before me, and I shall be glad to read that portion to my distinguished friend from Minnesota.

Mr. HUMPHREY. I should like to hear it again. It contains some information that is quite important to me.

Mr. HENNINGS. That particular portion reads as follows:

> If new rules go into effect, a farmer would be ineligible for reelection to county ASC committee after serving 3 years, with this exception: In counties where all 3 of the present committee have served 3 years or more, 1 could be returned for another year. This exception was put into the proposed rules after Minnesota chairman told top brass here that to throw out all 3 committeemen now would assure the reelection of Senator HUMPHREY, Democrat, of Minnesota.
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> The changes are in line with the views of Dr. Reed L. Frischknecht, son of the Utah Extension Service director. Young Frischknecht is now a USDA consultant who wrote his doctor's thesis on the farmer-committee system and its shortcomings.

Is that the reference which my friend from Minnesota had in mind?

Mr. HUMPHREY. Yes. I thank the Senator for reading that portion. He was merely going to have the document inserted as a part of the RECORD. It had been brought to my attention some time ago that some special consideration was being given to the junior Senator from Minnesota. Of course, I always like to hear such references, particularly when they are so flattering as the one which the Senator has just read.

Mr. HENNINGS. I believe the junior Senator from Minnesota could find considerable comfort as well as considerable commendation in this connection.

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

Mr. HENNINGS. Gladly.

Mr. HUMPHREY. Would the Senator from Missouri say, in view of what he has just read, that possibly the junior Senator from Minnesota may have made some contribution to the stability of the ASC program just by way of nuisance value?

Mr. HENNINGS. I would say without peradventure of a doubt that the Senator from Minnesota has made a substantial contribution. I wish that his contribution could have permeated or reached as far as my State of Missouri.

Mr. HUMPHREY. I do not believe that a senatorial election will be held in Missouri this year.

Mr. HENNINGS. No, not this year.

Mr. HUMPHREY. I ask the Senator to be patient. It will reach Missouri.

Mr. HENNINGS. I thank the Senator from Minnesota for his contribution. I hope we will not have to be so patient as to wait a period of 2 years before it reaches the hinterlands of my great State of Missouri.

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

Mr. HENNINGS. I yield.

Mr. SYMINGTON. I regret that other business made it impossible for me to be on the floor when my colleague presented the first part of his splendid talk with respect to some programs in our great State of Missouri. I have some questions which I should like to ask of my distinguished colleague, and I shall ask them later. However, in catching up with some of the things that my colleague has said, do I understand correctly that the new State chairman has been a farmer, starting in World War II, and previously was with Libby, McNeill & Libby?

Mr. HENNINGS. That is my understanding. I may say to my friend and colleague that up to that time he had been with them.

Mr. SYMINGTON. That is a manufacturing company, is it not?

Mr. HENNINGS. Yes; and it is a very fine company. It is a very worthy and distinguished American company.

Mr. SYMINGTON. But it is not a company in which a salesman would get experience and knowledge of the farm problems of our beloved State. Is that correct?

Mr. HENNINGS. It is entirely possible that by extension and by reading in the subject while working with Libby, McNeill, & Libby, that he may have gained some knowledge; but, if so, I have heard nothing about it. He had had no practical experience, insofar as we have been able to determine, or so far as the farmers of Missouri have been able to ascertain, prior to going to the farm during World War II.

Mr. SYMINGTON. I do not wish to take the time of my distinguished senior colleague unduly, but I should like to ask another question.

Mr. HENNINGS. I am very glad to have my colleague take all the time he requires so that the facts may be brought to light. He is making some very fine contributions to the discussion.

Mr. SYMINGTON. As I understand, the fieldmen appointed include a man who formerly operated an oil and gas company.

Mr. HENNINGS. That is true.

Mr. SYMINGTON. I do not wish to be repetitious, but I am impressed by the lack of experience of some of these appointees with respect to the farm program, in connection with which the distinguished Senator and I have been working to bring help to our farmers in the drought situation. As I understand, one is an auto supply storeman, whom the administration appointed in carrying out its pledge to put farmers in charge of the farm program.

Mr. HENNINGS. I understand that he has had considerable experience in the automobile supply business.

Mr. SYMINGTON. I should like to ask the distinguished senior Senator from Missouri, even if the gentleman has had 50 years of experience in the auto supply business, whether that qualifies him to take over the grave farm problems which now confront our State.

Mr. HENNINGS. Doubtless he has met some farmers from time to time in the course of his business. To what extent he has profited by his communications with the farmers, I am unable to ascertain.

Mr. SYMINGTON. Perhaps he has sold some new tractors to farmers.

Mr. HENNINGS. I do not know whether he dealt in tractors.

Mr. SYMINGTON. I would ask my distinguished colleague, is it not true there has been little money in Missouri recently with which to buy tractors?

Mr. HENNINGS. There has been very little, due to the falling farm prices. I note that farm parity dropped 4 points last month. The devastating drought which we experienced last year was followed by the drought which we are suffering this year. It has reached proportions of menacing destruction.

Mr. SYMINGTON. I should like to ask the Senator another question. Does he not feel that because of the continuing critical problems of the farmers in the State of Missouri, it would be advisable, if possible, to put in charge of the program people who have had some experience on farms?

Mr. HENNINGS. I may say to my good friend and colleague that I happen to be a believer in specialization. Perhaps because I am a professional man I have the notion that a man who is trained and experienced is probably a little better qualified to handle a particular problem than a man who has had no training or experience in a given field. I believe that is particularly true when we bear in mind that the state of our agricultural program in Missouri, as well as in other States throughout the Nation, is parlous, and even now, due to the ravages of nature, is perilous.

Certainly this is no time—and I doubt that such time ever exists or ever has existed—when an automobile supply dealer or men who have had no experience whatsoever with agriculture should be put in charge of agricultural programs simply because they happen to belong to a political party. That is true of any political party, whether it be the Democratic or the Republican Party. Agriculture is entirely too important and too essential to the maintenance of our prosperity and our stability in the world today to be played fast and loose with. People who are not qualified, either under the regulations or under the law or under commonsense should not be given the jurisdiction and the power and the authority over matters with which they could not possibly have any understanding because they lack experience in this field.

Mr. SYMINGTON. As my distinguished colleague will recall, both of us spent a great deal of time working to get an adequate assistance program in the terrible drought period last year.

Mr. HENNINGS. We spent several months working on that problem during the drought that devastated our State from one end to the other.

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

Mr. HENNINGS. Very gladly.

Mr. SYMINGTON. One of the chief problems that we had was not only with respect to the drought, but with respect to the administration of the Federal drought assistance. Would that be a fair statement?

Mr. HENNINGS. It certainly was. I would say that the administration of the drought-assistance program was not only a problem, but it was a monumental

tragedy, and that what came was too little and that it came far too late.

Mr. SYMINGTON. Mr. President, will the Senator yield for another question?

Mr. HENNINGS. Very gladly.

Mr. SYMINGTON. Considering, first, that the State of Missouri put up more money to help its farmers than any other State in the Union, and considering that the distinguished Senator and I frequently voiced objections to the administration of the Federal aspect of the program, would not the Senator agree that this is not the time to put inexperienced people in charge of the farm program of Missouri, especially as we are now facing grave new dangers as a result of this terrible drought that has again hit our State?

Mr. HENNINGS. I would say to my distinguished colleague most emphatically this is not the time. I would say even more emphatically that there never is an appropriate time for such action.

Mr. SYMINGTON. I thank the Senator.

Mr. HENNINGS. And there should never be a time to play fast and loose and to play partisan politics with the farm program of our State or of any other State.

New regulations were announced by Secretary of Agriculture Benson on June 15, 1954, governing agricultural stabilization community and county committees. Secretary Benson said that the revised regulations are designed to strengthen farmer control of local program administration. Actually, they do exactly the opposite.

Secretary Benson's new regulations forbid the committeemen to participate in administrative operations and prevent the farmers from having sufficient experienced committeemen on the job by limiting the terms of committeemen to 3 years. These regulations took the control of committee elections away from the farmers and vested it in a county election board composed of a State college employee—the county agent—as chairman, the heads of the Soil Conservation district office, and the Farmers' Home Administration office, as members.

None of the three men specifically placed on the election board by the Secretary will necessarily be a farmer. All will be what President Eisenhower called "agricrats," or professional agriculturists. It will be only natural that they will select the local election officials from among their clientele—those farmers who have been sold are not critical of the professionals. In other words, the election machinery has been stacked by Secretary Benson.

The purpose of such a regulation is obviously to prevent the grassroots farmers of this Nation from making a free choice of their committeemen, from reelecting experienced committeemen, and from getting experienced representatives in the county committees with enough background to argue with the agricrats.

The provision that no farmer may serve more than three annual terms on a committee guarantees the professionals that few committeemen will ever acquire enough experience in the ASC program to seriously challenge the domination of the professional county office managers, who are not limited in their tenure.

The biggest step in the process of taking the ASC program—formerly PMA—away from the farmers had, of course, been taken early in the new administration pledged to "farmer-run" programs. That was when Secretary Benson ordered employment of office managers to handle all administration.

This is only another step in the destruction of democratic processes in farm program administration, and another step toward top-down dictatorship.

We are now witnessing steps in the destruction of democracy within our agricultural agencies—steps which are intended to take away from the real, working farmers of the Nation their right to participate directly in the conduct of the Federal farm programs.

Top-down dictation is being substituted for free elections and grassroots franchise.

Mr. President, I have brought this matter to the floor of the Senate because the facts make it clear that the situation is not going to be corrected, but abetted, by Mr. Benson's Department of Agriculture, despite President Eisenhower's pledges, and because there is evidence that the Missouri stabilization committee mess may prove a rotten apple that spoils the whole barrel.

The spectacle in Missouri is one of real regimentation—political regimentation. Farmer elections of committeemen mean little or nothing. They are set aside if they interfere with the spoils. And Washington officials of the Department of Agriculture, instead of demanding respect for the democratic procedures of committee selection, are sustaining the actions of the dictatorial State committee and sending attorneys out from Washington, at taxpayers' expense, to defend the spoilsmen.

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

Mr. HENNINGS. I am happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. I am very much pleased to hear the Senator make this speech in reference to our great county and township committee system which underpins, so to speak, the entire agricultural program. It has been one of the finest examples of practical democracy we have ever had.

Mr. HENNINGS. It is real democracy at work. It was so intended when the original philosophy was conceived.

Mr. HUMPHREY. Sometimes I think we have hesitated or failed to pay proper tribute to the hundreds of thousands of men and women throughout the Nation who have served so faithfully on these committees, most of them with little or no reward in terms of pay. This committee system, as I understand, has been the governing body, so to speak, of the entire farm program. As I gather, the Senator is now speaking up in defense of this great freely elected, freely chosen group of farmers who have been the administrative force in the program.

Mr. HENNINGS. May I say to my distinguished friend from Minnesota that it should not be necessary to speak in defense of real democracy in operation. I am undertaking not only to speak, as the Senator has suggested, in defense of the free election in selecting ASC county committeemen but also in denunciation of this bold, shameless attempt to destroy it and to pervert it into an adjunct of the political spoils system.

Mr. President, I believe the operation in Missouri is being watched by the spoilsmen in the other States of the Union. I think the Department of Agriculture's backing of Mr. Colbert's activities in Missouri has been widely noticed, if not pointed out to officials in other States, and I think we may expect to find widespread emulation of this destruction of the democratic system of farmers running their own affairs in their own way, in their own States, and in their own counties and communities.

Mr. HUMPHREY. Mr. President, will the Senator from Missouri yield further?

Mr. HENNINGS. I shall be very glad to yield.

Mr. HUMPHREY. The Senator is doing a very worthy service, first, properly to evaluate and appraise this great system, and, second, to challenge any force that would disrupt this great organization of men and women who have dedicated part of their time, talent, and energies to making the farm program work. If we strike a body blow at the freely and democratically elected committee system of what was once known as the PMA, we strike a body blow at the agricultural program itself. The price-support program, the acreage-allotment program, which may be necessary on occasion, the storage program—all of it depends upon the willingness, the devotion and the patriotism of these committeemen and their application to their jobs.

Mr. HENNINGS. My distinguished friend from Minnesota is correct. The entire program in the past has been predicated upon the will, the ability, and the spirit of the people themselves to try to control their own affairs in agriculture. There is no question but that if this alarming trend continues in my State and if it spreads to the other States of the Union, we are going to find a most seriously impaired agricultural economy in the United States. Bear in mind that agriculture is, at best, a parlous and hazardous, and even an unrewarding, pursuit, and that American agriculture needs all the help it can get and should not have impediments placed in its way. We must not permit a political organization in a given State or county to be built at the expense of the agricultural economy of the region. That is exactly what is going to happen if we are not vigilant.

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

Mr. HENNINGS. I yield.

Mr. HUMPHREY. I am sure the Senator has pointed out, as I gather from his remarks, that much of the responsibility which these committees have exercised for years with great care and diligence has now been removed.

Mr. HENNINGS. To a large extent.

Mr. HUMPHREY. We are beginning to see a pattern of permitting the system to die on the vine through a process of attrition, by the withdrawal of responsibilities, making their jobs not the responsible jobs they once were, but positions which no longer permit managing the great agricultural program right at home base. I recall that last fall some new rules and regulations were sent out from the Department of Agriculture. There was difficulty in many of our county committees in Minnesota in administering loans. There was a backlog of loans. The appropriations for their office staff were cut, and they were working day and night to take care of the applications for crop loans. This is a political device to weaken the process of the committee system.

Mr. HENNINGS. No one in the Senate understands the agricultural problem in broad terms and in specific detail better than does my learned and distinguished friend from Minnesota. I assure him, according to my understanding, that he has expressed exactly the peril and the danger, the nature and extent, of what is being done. Sometimes people who think they are playing smart politics find that what may seem to be expediently good politics is not, in the long run, because it is dishonest and it perverts the intent and the philosophy of this great agricultural program, as in this instance.

I predict that if what has happened in Missouri is permitted to happen in other States, we are going to hear from farmers, Republicans and Democrats alike, because the Republican farmers do not want these programs administered, as was suggested by my colleague from Missouri, by men who have been autoparts salesmen and have had little or no experience in agriculture, or by men without experience in positions of responsibility and trust. I say such appointments are an insult and a threat not only to the farmers, but to all the people of this country.

Mr. HUMPHREY. Mr. President, will the Senator from Missouri yield further?

Mr. HENNINGS. I am glad to yield.

Mr. HUMPHREY. Is it not rather amazing, bewildering, and downright confusing for an administration regulation to be issued which says, "If you serve 3 years and serve well, and learn through experience, you are too old, and we have got to get rid of you." I have never in my life heard of any management organization, government or private, that would dismiss someone from service because he had served 3 years and served well.

Mr. HENNINGS. Does the Senator from Minnesota suspect that there might be some sinister implications involved in the 3-year limitation? Could it have anything to do with elections?

Mr. HUMPHREY. I might surmise that that could possibly be the case, but I should like to feel that the Department of Agriculture is more interested in agricultural commodities than in agricultural politics.

Mr. HENNINGS. Does the Senator think that 3 years' experience and seasoning in this field is of such a nature as to render a man less competent and less capable of fulfilling his obligations and responsibilities as an agronomist or an agriculturist? Does the Senator think that is too long, and that he is likely to be too old in the service after 3 years?

Mr. HUMPHREY. The Senator from Minnesota is sufficiently old-fashioned to believe that 3 years could add to one's ability and that 3 years as a county committeeman or in the service of the Agriculture Department as a committee member in the great countryside would not necessarily sap one's vitality to the point where he was ready to be cast off. I think it is pretty obvious what the 3-year service is about. It seems to date back to a time when there was a movement afoot in this land to change administrations with plenty of leeway, so we might catch anyone who could not pass the "security regulations" or the kind of political loyalty that was necessary. I place that in big quotation marks. I mean, Republican security regulations.

Mr. LANGER. Mr. President, will the Senator from Missouri yield for a question?

Mr. HENNINGS. I thank the Senator from Minnesota for his contribution. I hope he is not too cynical and that his misgivings are not entirely sustained by what seem to be the facts.

I yield to the distinguished Senator from North Dakota.

Mr. LANGER. Certainly there is politics involved. I criticized it long before today. Representative BURDICK, of North Dakota, stated just what my friend has been saying. He published a statement in his weekly letter which is printed in the newspapers in North Dakota. The farmers came to about the same conclusion as have my distinguished friend from Minnesota and my distinguished friend from Missouri. It was a Republican who criticized it.

Mr. HENNINGS. I thank the Senator from North Dakota. I believe there are few, if any, Members of the Senate who understand the real nature of the farm program and the farmer more than does the Senator from North Dakota. The Senator has been observing the operation, as has the Senator from Minnesota.

In undertaking to bring this matter to the attention of the Senate this afternoon, I have done so because I think that what is happening in Missouri is significant of what is likely to happen and is going to happen all over the country unless we are able to call a halt. We are going to have politics instead of progress, partisanship instead of production.

Mr. HUMPHREY. Mr. President, will the Senator from Missouri yield further?

Mr. HENNINGS. I yield.

Mr. HUMPHREY. I merely wanted the Senator to yield so that I could join with him in his tribute to our distinguished colleague, the able Senator from North Dakota [Mr. LANGER]. I know of no Member of Congress who is more respected and loved by more people than is this able Senator. His struggle for a sound agricultural program has brought him not only the respect and confidence of his farm constituents, but it has brought him their votes, their good wishes, and their support.

Mr. HENNINGS. May I say to the Senator from Minnesota that no one is more deserving not only of the support of his farm constituency, but the entire constituency, than the Senator from North Dakota because he has always been on the side of the interests of the people and is willing to fight for them.

Mr. HUMPHREY. May I say to the Senator from Missouri, do not worry about what is termed a filibuster, because there is no filibuster.

Mr. HENNINGS. The Senator well explained that this afternoon, I am sure, to the satisfaction of those who might have had some misgivings.

Mr. HUMPHREY. Three votes in 1 day is a pretty good record. I have been in the Senate when there have been a lesser number of votes in 1 month.

Mr. HENNINGS. I think even during the time of the late unhappy course of the so-called Bricker amendment there were some 5 or 6 weeks of debate, were there not?

Mr. HUMPHREY. I think so.

Mr. SYMINGTON. Mr. President, will the Senator from Missouri yield for a question?

The PRESIDING OFFICER (Mr. BUSH in the chair). Does the senior Senator from Missouri yield to the junior Senator from Missouri?

Mr. HENNINGS. I am happy to yield to my colleague.

Mr. SYMINGTON. I was listening carefully to the remarks of the junior Senator from Minnesota. There have been times when past administrations have been criticized for centralizing government. It has been necessary at times to centralize government, primarily because of the rise of totalitarian interests in other countries; but one place in which previous administrations have never been interested in centralizing government any more than necessary has been the farms. I was very much impressed by the remarks of my friend and colleague in his fine talk this afternoon when he emphasized that the previous program had been a grassroots program. As we both know, the farmers of our State, as well as the farmers of other States, have been running their own business. Aside from the automobile repairmen and the salesmen who are telling the farmers of Missouri what to do in this political farm operation, does not the distinguished senior Senator from Missouri agree with me that there is involved a centralization of business and operations out of Washington, in a direct connection, through the State ASC committee chairman, which is exactly opposite to all the pledges which were made about decentralization during the last campaign?

Mr. HENNINGS. My friend and distinguished colleague is correct. It is precisely in contravention and in an opposite direction from the expressed convictions, indeed, the promises in 1952 of the then candidate for President, General Eisenhower. Singularly, the President has many times undertaken to uphold the right of States, the right of local communities, and has seemingly expressed that as a basic philosophy. I do not know whether the President knows what is going on. I do not know

whether this matter has ever been called to his attention. I am sure if it had been called to his attention, as it is being this afternoon, that it would and should be of the greatest interest to him, because what is being done is scandalous, outrageous, and without precedent since this great program was first initiated. It does violence to the heart and soul and basic concept of the self-governing, self-directing, independent, untrammeled free American farmer. This matter in the State of Missouri is particularly important because I believe the pattern is being set there.

Mr. GOLDWATER. Mr. President, will the Senator from Missouri yield for a question?

Mr. HENNINGS. I am very glad to yield to the Senator from Arizona.

Mr. GOLDWATER. The Senator has given great study to the question. If I understood him correctly, the figure employed in this field in Missouri is 4,500. Is that correct?

Mr. HENNINGS. Does the Senator mean the number employed?

Mr. GOLDWATER. The number of men employed in the program.

Mr. HENNINGS. The figure of 4,300 was quoted in the letter of the vice chairman of the Missouri State Republican Committee.

Mr. GOLDWATER. I believe that is the figure I remember. Does the distinguished Senator from Missouri have any information about the number of Republicans who were included in that original list when the program was inaugurated under a Democratic administration?

Mr. HENNINGS. To go back to the Senator's question, I do not know whether the Senator from Arizona was present this afternoon——

Mr. GOLDWATER. Yes. I have been here throughout the speech.

Mr. HENNINGS. I am complimented that the Senator has been present. I shall now try to answer his question. I undertook to say that in past administrations the programs had been on the whole nonpartisan; that in Republican areas, Republicans had been elected, as would be natural, on the county and township committees, because the farmers would vote for them. In the areas that were predominantly Democratic, the committeemen have usually been Democrats. In many areas both Democrats and Republicans were elected and worked together in harmony.

Mr. GOLDWATER. The reason why I asked that question of the Senator is that a very peculiar circumstance or happenstance is that every employee connnected with the program in my State was a Democrat. They all still are.

Mr. HENNINGS. I ask the distinguished Senator from Arizona whether any of them were elected.

Mr. GOLDWATER. Yes, both elected and appointed, and there are still Democrats in those positions. I have not changed a single one of those appointments.

Mr. HENNINGS. I trust, then, that they are doing a good job, or the distinguished Senator from Arizona would certainly have seen to it that some of them would have been supplanted by better qualified members of either party or by Republicans who might be better equipped to exercise their functions and duties. However, I am glad to have that contribution of the Senator from Arizona.

Mr. SYMINGTON. Mr. President, will the senior Senator from Missouri yield for a comment?

Mr. HENNINGS. I am very glad to yield to my colleague.

Mr. SYMINGTON. I should like to say to our colleague, the distinguished Senator from Arizona, that the fact that the program is working well under Democrats in Arizona does not necessarily mean that the program in Missouri is working well. As my distinguished colleague pointed out a few minutes ago, if this cancer, and I believe that is a fair description for it, in the farm program continues in Missouri, it will be bound to upset the program which my friend the Senator from Arizona has stated works so well in Arizona, regardless of the parties to which the employees belong.

I should like to say to the distinguished Senator from Arizona, and I believe my colleague will agree with me, that in Missouri I found the most criticism of this farm program came from that district which is generally the most solidly Republican district in the State, in southwest Missouri. They were the ones who were most bitter in their opposition to the method of administration of the program. I am sure my colleague will agree the trouble was that there was a maladministraton of the program because the persons who were in charge of it did not have the proper experience to handle it.

Mr. HENNINGS. I thank my distinguished colleague. He is correct. There was an area around Springfield, Mo., in Greene County, which is traditionally a Republican area, in that great milkshed where the drought was most disastrous last year. I just asked to have inserted in the RECORD an editorial from a newspaper, which is certainly a Republican newspaper of that city, which comments adversely upon playing politics in the manner characteristic of this particular program in our State the past year.

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

Mr. HENNINGS. I am very happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. Is there not possibly some misunderstanding on the part of our Republican friends as to this program? This is not a new program. It has been established since 1933. There are men who have been connected with the program at the grassroots level for 15 years, 10 years, and 12 years. The county committeeman is not elected as a Republican or Democrat. He is elected by the farmers in his county.

Mr. HENNINGS. That is correct. He does not run for office as a politician.

Mr. HUMPHREY. The top man in the county is supposed to be an administrator.

Mr. HENNINGS. He does not run on a political ticket. He does not run as part and parcel of one of the great national elections.

Mr. HUMPHREY. Indeed, he does not.

Mr. HENNINGS. He runs for that office as a farmer. I think most of us know farmers well enough to know that when it comes to the conducting of their own affairs and charging others with the responsibility of governing and administering those affairs, they do not care whether a man happens to be a Democrat or a Republican. They generally select a man because of his character, experience, ability, industry, and those other qualities which make a person in whom they can put their confidence for proper management of their affairs.

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

Mr. HENNINGS. I yield.

Mr. HUMPHREY. It appears to me that what we see in the changes being made and in the new rules and regulations being handed down, pertaining to the committeemen, is supervision by the Department of Agriculture, the Secretary of Agriculture, and the President over those persons who have heretofore run their own affairs. As the Senator from Missouri mentioned, this administration talked about decentralization. I recall the President making a speech that he was going to see to it that farmers had much less Government regulation.

Mr. HENNINGS. I believe that speech was made in the Senator's own State at Kasson.

Mr. HUMPHREY. I listened to that speech. That was a great speech.

Mr. HENNINGS. Yes; it was.

Mr. HUMPHREY. I want to say that that speech stands today in the archives of American history and in the annals of American history almost like scripture. In the realm of spiritual and religious matters, there are the Ten Commandments. There is nothing wrong with the Ten Commandments; they are wonderful. The trouble is a lot of people do not live by them. There is nothing wrong with the speech which the President made at Kasson, Minn., either. The trouble is the administration has forgotten it.

Mr. HENNINGS. Does the Senator from Minnesota suggest that there has been a lack of confidence by the administration in the farmers to conduct their own affairs at the township, county, and State levels? Or does the Senator think perhaps this action might be tinctured to some extent and in some degree by not caring whether the farmers handle their own affairs or not, as long as they are put into political hands? In other words, do politics transcend the administration's interest in American agriculture?

Mr. HUMPHREY. There was an article recently published in the Washington Post by a very outstanding columnist of this city, one who has dedicated his talents and abilities to the field of civil service and the merit system, Mr. Jerry Kluttz. That article was most revealing. I believe it was placed in the CONGRESSIONAL RECORD for a review by our colleagues. It sets forth how we are beginning to see the whole civil service system of this country, which has been

built up since the time of Garfield and Arthur, early in the 1880's, pulled apart at the seams.

I say that this can lead to only one thing—a breakdown in the efficiency of the civil service of this land.

Mr. HENNINGS. It is a negation, is it not, of the principle of civil service?

Mr. HUMPHREY. It certainly is. There is not one scintilla of evidence in the farm area that our farm committees have ever failed in meeting their responsibilities. I remind the Senate that these farm committees have met the production problems of war and of peace. They were able to gather together the wheat necessary to relieve the famine in Europe and Asia. They have done a tremendous job.

Mr. HENNINGS. And with little compensation, except for the satisfaction of having performed a patriotic duty to their neighbors, in fulfillment of the confidence which their friends and neighbors have in them.

Mr. HUMPHREY. And what is their reward? They are to be literally severed from their responsibilities and left, as I said before, as nothing but window dressing, without the responsibilities of administration which they are capable of undertaking.

Mr. HENNINGS. I thank the Senator for his contribution.

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

Mr. HENNINGS. I yield.

Mr. LANGER. Referring to the remarks of the Senator from Minnesota relative to the speech at Kasson which he liked so well. I wonder if the Senator is aware of the fact that all over the Northwest a name has been given to that speech. It is called the golden promise.

Mr. HENNINGS. The golden promise.

Mr. HUMPHREY. And it is still a promise. It is a long way from reality.

Mr. HENNINGS. Hope deferred, unfulfilled.

Mr. HUMPHREY. Hope eternal

Mr. HENNINGS. As I pointed out earlier, I am advised the Missouri operation is being watched by spoilsmen in other States and Washington's backing up of Mr. Colbert's activities has been widely noted. We may expect wide copying, unless strong disapproval is shown by the Congress.

I can recall that when the former Secretary of Agriculture, Mr. Brannan, appeared at a statewide meeting of community and county committeemen in Minnesota a few years ago both the Civil Service Commission and a special House Committee on Lobbying investigated the matter. It was discussed extensively on the Senate floor. Neither the Civil Service nor the House Lobby investigations developed any violation of law or of regulations. It seems to me that since my Republican colleagues pursued so vigorously the flimsy charges in Minnesota at that time, they should be equally willing to cooperate in investigating and ascertaining facts related to conditions in my State as I have described them, and in other States, if they exist, particularly in view of President Eisenhower's repeated pledges during the campaign that the committee system would not be used for partisan political purposes.

Mr. HUMPHREY. Mr. President, will the Senator yield at this point? He has made reference to what occurred in the State of Minnesota.

Mr. HENNINGS. I am glad to yield.

Mr. HUMPHREY. How well I recall the furore and hullabaloo which occurred because the Secretary of Agriculture went out to the city of St. Paul, Minn., and addressed the county and township committeemen. Following that address the junior Senator from Minnesota was privileged to make an address. Other Members of the Minnesota delegation were invited. I may say, parenthetically, that I have not been invited this year to speak to the county committeemen, but at that time there was bipartisan participation.

The issue was raised that politics was talked at that meeting. The Secretary did not talk politics, but if anyone wishes to ask me what I talked about, I talked about politics. I talked about the issues. I frankly told them what I thought about the agricultural legislative policy. I have not changed a bit. I have not acquired a deathbed political region, as have some others, who got around to 90 percent price supports just before election. I was for that policy 3 years before I was elected. I was for it the day I was elected, and I have been for it 365 days a year every year since I was elected. I went out to St. Paul to tell those folks where their Senator stood.

Mr. HENNINGS. Everyone is well aware of where the Senator stands.

Mr. HUMPHREY. Those who are not will become aware of it this fall.

Mr. HENNINGS. They will be edified and enlightened, I am sure.

Mr. HUMPHREY. There was considerable discussion with respect to that meeting. The conclusion was finally reached that the junior Senator from Minnesota talked politics. That is like coming to the conclusion that the Post Office sells stamps.

I thank the Senator.

The PRESIDING OFFICER (Mr. THYE in the chair). The Chair invites the attention of his colleagues to the fact that yesterday the majority leader announced that speakers should yield only for questions. The Chair has refrained from calling this to the attention of his colleagues while amusing remarks were being made.

Mr. HENNINGS. I thank the Chair.

Mr. SYMINGTON. Mr. President, the subject which my distinguished colleague has been discussing is very vital to the State of Missouri. At the conclusion of the remarks of my senior colleague I should like to make a very brief comment, and ask several questions with respect to his address.

Mr. HENNINGS. At that time I shall be very glad to yield to my distinguished colleague, with the indulgence of the distinguished occupant of the Chair.

In my own judgment, this is a matter which should be investigated by an appropriate committee. The Subcommittee on Agriculture of the Appropriations Committee might very well do it for the economy of this whole office-manager setup is open to question, as the distinguished chairman of the Judiciary Committee [Mr. LANGER] has indicated, and there are indications that costs are going up, rather than down, as the Congress was promised.

The figures I have previously quoted are such an indication. Reports come to me that the cost of putting grain into storage bins and taking it out—now done by contract under new Department policy—is rapidly increasing. That the number of employees, particularly in the higher grades, is increasing, and that the storage cost estimates we so frequently hear of from the Secretary and his aides these days, are not realistic. They reflect the new higher in-and-out costs, accelerated amortization of storage facilities, and similar factors. I think those things are worth looking into, and require examination.

I have watched the committee situation developing in Missouri for several months, as has my junior colleague, without speaking out, in the hope that Secretary Benson would intervene to keep the no-politics pledge made by President Eisenhower. Instead of keeping that pledge, the Department seems to be defending the political operations in my State, and the dictatorial usurpation of county committee prerogatives. It now defends those who would destroy the grassroots democracy of our farm programs.

I now see no advantage in waiting for the Department to act on the cost matters which have been brought to my attention. There is no reason to believe that the pledges of economical and businesslike administration will be honored more than the no-politics pledge.

Investigation of both the administration and costs of farm committee operations is therefore appropriate and necessary.

Politics, and not economy and efficiency, is dominating farm program administration in Missouri. I do not know the situation in all other States today, but I know what it will be in other States very soon unless this Congress takes a hand.

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

Mr. HENNINGS. I am very glad to yield to my friend and colleague for a question.

Mr. SYMINGTON. Mr. President, I would like to associate myself with the report just made by my colleague, the senior Senator from Missouri, in his remarks calling attention to the political manipulation of the farmer-elected ASC committees in our State.

On several occasions I have called this matter to the attention of the Secretary of Agriculture, asking for a complete report on specific instances in which attempts have been made to contravene the wishes of our farm people. Not once, to my knowledge, has a fair and complete investigation been made by the Department.

For this reason, I wish to join the senior Senator from Missouri in asking that these charges be investigated by an appropriate committee of the Senate.

In view of the many statements made both during the campaign in 1952, and

subsequent to that time by administration spokesmen that "the management and direction of the farm program * * * must be turned over to farmers," does not the Senator agree that both the administration and the majority in this Senate should welcome such an investigation as he has proposed?

Mr. HENNINGS. I will say to my distinguished colleague that the administration certainly should welcome it, because there could be nothing more disastrous to this administration than the failure of American agriculture due to the infusion and infiltration of partisan politics into the farm program.

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

Mr. HENNINGS. I am very glad to yield to my colleague.

Mr. SYMINGTON. Does not the Senator also agree that if a thorough investigation is not made it will be proof positive that the administration is much more interested in political patronage and blind obedience to dictatorial farm policies handed down from Washington than in farmer participation at the grassroots in the direction of the agricultural program?

Mr. HENNINGS. Let me say to my distinguished colleague that that is a leading and suggestive question, and probably I should object to it on that ground, but I shall not be technical. My answer to the question is "Yes."

Mr. SYMINGTON. As shown by one of the insertions into the RECORD by my colleague, the editorial from the Springfield (Mo.) News and Leader, an independent Republican paper, the Republican State ASC chairman last January peremptorily fired Stanley Halliburton, chairman of the Texas County ASC committee because Halliburton insisted that newspapermen be permitted to attend a county ASC committee meeting.

Incidentally, Mr. Halliburton had been elected and reelected as chairman of the Texas County committee for nine successive terms by the farmers of his county.

Does not the senior Senator agree that meetings of the farmer-elected county ASC committees should be open to the public whenever possible, in order that the farmers may have the opportunity to know what their elected representatives are doing?

Mr. HENNINGS. I will say in answer to that question that it is one of the elementary requirements of a democratic operation of this nature. The people interested and the public should be allowed to see and hear what is going on. These are not star chamber proceedings. These are not executive committee meetings. There is nothing secret about them. As has been suggested, they represent democracy at work, democracy in its most constructive form.

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

Mr. HENNINGS. I am very glad to yield.

Mr. SYMINGTON. Does the Senator from Missouri know of any instance in which any farmer-elected county PMA or ASC committeeman in Missouri was discharged during the years prior to 1953 on any such flimsy excuses as those used by the present Missouri State ASC committee?

Mr. HENNINGS. To my knowledge, it is without precedent since this program first came into effect in 1933.

Mr. SYMINGTON. I thank the distinguished senior Senator for his splendid presentation of a most serious problem.

Mr. HENNINGS. I very much thank my colleague for his most valuable contributions to our discussions here this afternoon.

I now yield the floor.

REVISION OF THE ATOMIC ENERGY ACT OF 1946

The Senate resumed the consideration of the bill (S. 3690) to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

The PRESIDING OFFICER (Mr. THYE in the chair). The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I modify my amendment, which is the pending amendment before the Senate, by striking out all of the amendment after line 5, on page 1, so that the remaining portion of my amendment will read as follows:

On page 86, line 18, after comma it is proposed to insert the following: "to municipalities, private utilities, public bodies, and cooperatives within transmission distance authorized to engage in the distribution of electric energy to the public."

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

Mr. HUMPHREY. I yield.

Mr. HICKENLOOPER. Mr. President, the Senator from Minnesota and I and the staff have been working on this matter, and we believe that the amendment will be a beneficial addition to this particular subject under the notice of hearing section of the bill, and therefore I shall assume the responsibility of accepting the amendment, if it is agreeable to the Senator from Minnesota.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota, as modified.

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

Mr. HUMPHREY. I yield.

Mr. LANGER. Will the Senator from Minnesota explain what the amendment does?

Mr. HUMPHREY. First, I may say that the part I have stricken appears to me to be already covered in the amendment that was previously adopted and in the body of the bill under the chapter known as "Judicial Review and Administration Procedure," by the definition of the term "person," which includes both public and private groups, individuals, corporations, utilities, municipalities, State agents, and others.

The matter of procedure is also outlined in the bill as it is before us. My amendment, as modified, deals with the section of the bill on page 86, line 18, and subsection (b), where the bill reads:

b. The Commission shall not issue any license for a utilization or production facility for the generation of commercial power under section 103, until it has given notice in writing to such regulatory agency as may have jurisdiction over the rates and services of the proposed activity, and until it has published notice of such application once each week for 4 consecutive weeks in the Federal Register, and until 4 weeks after the last notice.

I believe that the term "regulatory agency" is too restrictive, and, furthermore, that it is not adequate notice in terms not only of type of notice, but with respect to the groups involved. For example, there are some States which do not have regulatory agencies. Therefore my amendment would include municipalities, private utilities, public bodies, and cooperatives within transmission distance authorized to engage in distribution of electric energy to the public. They likewise would be notified. Therefore, full notice would be given at any time an application for a license was filed.

The bill as it reads now provides that if any person wants to be heard by the Commission, if he believes that he has reason to come to the Commission on the basis of the license, he is authorized to do so, as I understand, under the language of the bill.

Mr. HICKENLOOPER. That is correct.

Mr. HUMPHREY. Therefore, it is my feeling that this addition will not complicate the procedural matters that are outlined in the bill, but, instead, will be helpful.

Mr. HICKENLOOPER. I may say, in conformance with what the Senator from Minnesota has stated, that the committee was of the opinion that although the provisions for notice in the Federal Register probably would be adequate, the Senator from Minnesota has enlarged the field somewhat and adequately, we believe, and therefore we have no objection to the amendment. Therefore I shall be glad to accept it.

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

Mr. HUMPHREY. I yield.

Mr. LANGER. How would the notice be given? Will the Senator give us a concrete example?

Mr. HUMPHREY. One way would be through the Federal Register, which of course is made available to all public bodies. In this instance it would also include notice such as the Army engineers give, for example, through adequate written notice. Of course notice in the Federal Register is the first method, and the second method is by written notice. So that the legislative history may be clear, the written notice may take many forms. It may be by teletype, or telegram, or by letter, or by bulletin,

such as Government agencies frequently use.

Mr. LANGER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senator from Minnesota [Mr. HUMPHREY].

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment and ask that it be made the pending question.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 87, line 3, it is proposed to add the following:

Where conflicting applications include those submitted by public or cooperative bodies such applications shall be given preference.

Mr. HUMPHREY. I should like to call the attention of the Senator from Iowa to this amendment. What it does is include in the licensing provision of the proposed law the preference clause which has been included under the so-called byproduct section and under the new section as adopted in the Johnson amendment to section 45.

I believe this amendment will establish a sense of equity and balance in the two aspects of the proposed legislation as now amended.

By the Johnson amendment we have authorized the Commission to engage in the power business. Under section 44 we have authorized the sale of power which may be the byproduct of operations of research and of other operations of the Atomic Energy Commission.

Both of those now have, I believe, what is called the preference clause. What this amendment would do would be simply to say that if there is a conflict over application, the public body and the cooperative shall be given preference. That is the substance of the amendment, and I think it is within the tradition of the preference clause, which has been an accepted public policy.

Mr. HICKENLOOPER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. HICKENLOOPER. Mr. President, this particular amendment suggests some difficulties and some further study and I should not want to make a statement about it at this particular moment.

If the Senator wishes to present it at a later time, I shall have something to say about it.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5173) to provide that the excess of collections from the Federal unemployment tax over unemployment compensation administrative expenses shall be used to establish and maintain a $200 million reserve in the Federal unemployment account which will be available for advances to the States, to provide that the remainder of such excess shall be returned to the States, 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 on the amendments of the Senate to the bill (H. R. 6725) to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6788) to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 96) to extend the greetings and felicitations of Congress to Hon. Herbert Hoover on the 80th anniversary of his birth, August 10, 1954.

ENROLLED BILLS SIGNED

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

S. 252. An act to permit all civil actions against the United States for recovery of taxes erroneously or illegally assessed or collected to be brought in the district courts with right of trial by jury;

S. 2380. An act to amend the Mineral Leasing Act of February 25, 1920, as amended;

S. 2381. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of oil and gas on the public domain;

S. 2759. An act to amend the Vocational Rehabilitation Act so as to promote and assist in the extension and improvement of vocational rehabilitation services, provide for a more effective use of available Federal funds, and otherwise improve the provisions of that act, and for other purposes;

H. R. 6725. An act to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps; and

H. R. 6788. An act to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes.

ADDITIONAL REPORTS OF A COMMITTEE

By unanimous consent, the following additional reports of a committee were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services; without amendment:

S. 2780. A bill to authorize certain property transactions in Cocoli, C. Z., and for other purposes (Rept. No. 1971);

H. R. 2224. A bill to amend the Army-Navy Medical Services Corps Act of 1947 (61 Stat. 734), as amended, so as to authorize the appointment of a Chief of the Medical Service Corps of the Navy (Rept. No. 1972);

H. R. 6223. A bill to amend section 87 of the National Defense Act of June 3, 1916, as amended (32 U. S. C. 47), to relieve the States from accountability and pecuniary liability for property lost, damaged, or destroyed except in cases where it shall appear that the loss, damage, or destruction of the property was due to carelessness or negligence or could have been avoided by the exercise of reasonable care (Rept. No. 1973);

H. R. 7131. A bill to repeal a limitation on pay of certain officers of the Navy (Rept. No. 1974);

H. R. 8570. A bill to authorize the Secretary of the Navy to dispose of certain uncompleted naval vessels, and for other purposes (Rept. No. 1975);

H. R. 9000. A bill to integrate the Judge Advocate's promotion list with that of the Army to restore lost seniority and grade, and for other purposes (Rept. No. 1976); and

H. R. 9302. A bill to permit retired members of the uniformed services to revoke elections made under the Uniformed Services Contingency Option Act of 1953 in certain cases where the elections were made because of mathematical errors or misinformation (Rept. No. 1977).

ADDITIONAL EXECUTIVE REPORT OF A COMMITTEE

By unanimous consent, the following additional executive report of a committee was submitted:

By Mr. WILEY, from the Committee on Foreign Relations:

Francis A. Flood and sundry other persons for appointment and promotion in the Diplomatic and Foreign Service.

COAL, INTERNATIONAL TRADE, AND THE NATION'S WELFARE

Mr. KILGORE. Mr. President, now that the question of foreign trade has been politically resolved until next year, I suppose it would be considered conventionally proper to drop the whole subject and go on with the show. Postponement has become the popular method of dealing with any spirited controversy. Postponement is an easy way out, but it is not always based on courage and integrity. When it is employed by the executive or legislative branch of our Government, it can lead to disappointment, discomfort, and distress among affected citizens. Such being the case, I am taking this opportunity today to return to the discussion of one important issue that the administration has nimbly sidestepped rather than become involved in any intraparty jousting that might lead to embarrassment in November. The subject is international trade and its impact upon the Nation's welfare—an issue which was recently put aside without decision for the second consecutive year.

May I say, Mr. President, that as I develop this subject, I think every member of this body will see how very relevant it is to the subject under discussion, because it goes to a fundamental of atomic energy.

Let me preface my remarks by reassuring the Senate that I have not in any way become less enthusiastic about the need for expanding world trade. I am as convinced as ever that the progressive intensification of foreign commerce is a most effective medium of strengthening our economic and cultural relationships with our friends across the

seas, and that every reasonable move in this direction is a step toward international peace and friendship.

Mr. President, we do not often get into a fist fight with a man we are trading with profitably, nor do nations often get into war with other nations with which they can profitably trade.

We have without question made important strides along these lines since the conclusion of World War II. Much of this progress has been possible because of this Nation's leniency in the formulation of trade agreements, but I am confident that this benevolent approach to the problem will ultimately accrue to our own best interests. We alone among the nations were in position to make the numerous concessions that were required to stimulate trade with our foreign friends.

With Western Europe devastated by the war, we had the option of ignoring the plight of those of our friends on the Continent, or of recognizing their situation as a mutual problem and attempting to resolve it at whatever cost to ourselves might be necessary. We chose the latter course, as everyone knew we would. We would have done so even if our own future were not believed to be in any way involved in the future of those countries. And when a new menace evolved from the frustration that was World War II, it became all the more clear that our own well being was directly connected with the fortunes of our friends across the Atlantic.

The story of America's contribution to the rehabilitation of Western Europe is without precedence in history. Its effect on the morale of the recipient nations was in itself sufficient justification for the many sacrifices our people were required to undergo in order to make this project possible. In addition, it reestablishes the industrial stamina required to provide for the sustenance of a vast populace in a mid-20th century economy.

Our overall remedial plan included a revolutionary system of international trade whereby a progressively greater interexchange of goods would be carried out in succeeding years. A close study of the results of this program reveals that, while the United States has observed the agreed-upon policies to the very letter, other participants have resorted to various stratagems in order to establish loopholes that would serve to their respective advantages. A system of licensing, currency conversions, and other protective devices were adopted and have been popularly utilized, yet the United States has made no such move which could be considered inimical to the principle of the trade agreement program.

Despite these inconsistencies, however, we do not for 1 minute advocate seizing any such opportunity to abolish the intent of the trade program. Nor do we seek compensation of any kind. We accept the fact that we were in position to make concessions far greater than those agreed upon, and this sacrifice has been made in the same spirit that has been inherently characteristic of the people of the United States.

But there comes a time when we must take stock and recheck our course before proceeding further. It is especially imperative that such an appraisal take place whenever our national security might in any way be in jeopardy. While the gauge for determining to what extent our international policies affect the prosperity of our Nation is somewhat elastic, there is nevertheless a detectable point at which their impact on the general welfare may be determined. When, for instance, the consequences of these policies bring mass unemployment to American citizens, then a close appraisal of our whole program becomes mandatory.

Mr. President, our National security demands that we who have been chosen to serve the people of this Nation reexamine our foreign trade program without delay. It is incumbent upon us to make whatever changes are necessary in that program to remove any threat to the security of our country. It behooves us also to provide means of protection for the working people in the United States against inequitable competition resulting from the policies that may have appeared to be entirely inocuous at the time of their institution. By so doing we will be lending to the amelioration of economic conditions not only in this country but—in the long range—to our allies all over the world. A nation where poverty and destitution are rampant cannot serve as an ideal for its neighbors, nor can they look to it for succor in their own hour of need.

Although we hear glowing promises of a return to the prosperity that we enjoyed prior to the arrival of the new administration, there are today thousands upon thousands of hungry men, women, and children in the United States. Some of the responsibility for this depression must be attributed to the general lack of foresight and courage which are a prerequisite to a vigorous leadership. At the same time, a considerable amount of unemployment has been created by the foreign trade policies which the administration has once again refused to resolve. Yet, despite the fact that the reasons for the impoverishment of many of our areas can definitely be pinpointed, our people are once again expected to step aside in order that a political party may continue its balancing act.

For the record, I should like to indicate how the Bureau of Employment Security of the United States Department of Labor analyzes conditions in West Virginia. In its May summary, the Bureau lists these cities as areas of substantial labor surplus: Bluefield, Charleston, Clarksburg, Fairmont, Huntington, Parkersburg, and Wheeling. Under "areas of very substantial labor surplus," the following cities are included: Beckley, Logan, Morgantown, Point Pleasant, Ronceverte-White Sulphur Springs, and Welch.

That does not leave us with much room for even a modicum of prosperity, Mr. President. We are in serious trouble. And although we know the answer to one of our most serious problems, we find it impossible to get any action because this is an election year.

Industries which even the most naive observer would discern as suffering from unfair foreign competition include coal, glass, and pottery. I mention this because West Virginia is the leading coal-producing State in the United States. It has even surpassed the State of Pennsylvania, with its enormous anthracite coal production, and West Virginia is also one of the most important manufacturers of glass and pottery.

Let us consider the situation in the coal industry. There is no question of coal's importance to the welfare and security of the country, as it is to the economic life of West Virginia. We have been discussing atomic energy as a weapon of defense. It cannot be delivered without steel, and steel cannot be manufactured without coal, and coal cannot be obtained without running the mines.

West Virginia is a treasure chest of coal, gas, limestone, and timber. In addition to glass and pottery, our State manufactures steel and tinplate—or, I should say, it has been manufacturing them, but the operation has been very seriously curtailed.

West Virginia also manufactures mining equipment, chemicals, textiles, furniture, and a variety of other materials. Leading crops are wheat, corn, oats, hay, tobacco, and fruit.

Thus with abundant reserves beneath our soil, and with perennially rich harvests from our rolling fields and orchards, there is no justifiable reason for the prevailing depression among many of our communities—in fact, most of them.

Our coal fields cover an area of 9,500 of the State's 24,282 square miles. They underlie all but 7 of West Virginia's 55 counties. Five billion tons of coal have been taken from the State's opulent veins, and there are still more than 50 billion tons of recoverable reserves remaining.

Yet, despite our God-given natural advantages and the willingness of our people to invest and to work, our coal industry is at this time far from the dependable source of livelihood that it was meant to be.

Whereas the coal industry has for many years provided a means of subsistence—both directly and indirectly—for at least half of our 2 million inhabitants, employment and opportunities have been steadily declining since foreign residual oil first began to ravage our markets. With the closing of mines and the dispossessing of miners from their jobs, there has come an attendant decline in the great railroad industry of West Virginia. The Baltimore & Ohio has a network of lines crossing the State laterally and also reaching the mining districts from Charleston to the Panhandle; both the Chesapeake & Ohio and the Norfolk & Western serve the prolific fields of southern West Virginia; and the Virginian juts north through Mercer County to pick up many consignments for tidewater and ocean shipment from the port of Hampton Roads, Va.; and, incidentally, it is interconnected with the New York Central for shipment to lake points.

I may say, along that line, that the State of West Virginia, of which I am very proud to be a native, is the greatest source for metallurgical coal, a necessary product for the production of steel and other metals. There is no coal that compares with it.

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

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

Mr. LANGER. Has the distinguished Senator from West Virginia not seen the large lignite fields of the West? Is that lignite not just as good as the coal in West Virginia, and is not the same company which is producing it in West Virginia producing it in our area of the country, namely, the Truax-Traer Co.?

Mr. KILGORE. I regret to inform the distinguished Senator from North Dakota that lignite cannot be used for metallurgical purposes, and I was about to explain the reason for it. I may say to my good friend that when I was in Europe a little after the close of World War II, I talked to a Mr. Schmitz, who was at that time a prisoner of war. On hearing that I came from West Virginia, Mr. Schmitz said, "If I just had had your West Virginia coal, what I could have done with it."

But I regret to say that lignite coal does not produce a good quality steel. I inform my good friend that lignite is a good steam fuel, but it contains so much foreign material that it cannot be used for open-hearth production or blast furnaces. There is being perfected a different method for using it. There is experimentation with it for the production of liquid fuels. The Department of the Interior's Bureau of Mines, stationed at Morgantown State University, feels it is a potentially prolific source for liquid fuel, and also for residual fuel for steam purposes, after liquid fuels are taken from it. However, that is looking into the future. They have been experimenting in that field. But at the present time, for metallurgical purposes, there is nothing that compares with the high volatile and low volatile coals found in the Appalachian area. Formerly, much of it was found in Pennsylvania, but it has been mined out in that State, so that it is no longer available there, and the steel districts in the Pittsburgh area now have to rely upon the coal they get from West Virginia for their coking purposes. The Truax-Traer Co. operates in the county in which I live. They have some very good mines containing high volatile coal, and they are very successful with it. However, under present conditions of operating techniques, lignite cannot be used for the manufacture of steel.

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

Mr. KILGORE. I yield for a question.

Mr. LANGER. Does not the Senator from West Virginia know that lignite has 107 byproducts? Has not the distinguished Senator from West Virginia mentioned the fact that we import many products from foreign countries, with the result that there now exists much unemployment in his State. For example, I hold in my hand a pencil, and I see the distinguished Senator has one in his pocket. The outside of that pencil is made of lignite. It comes from a byproduct of lignite.

Mr. KILGORE. And it was probably produced in the State of West Virginia.

Mr. LANGER. Does the distinguished Senator also know that the outside of playing cards is made from a byproduct of lignite? In addition, the bottoms of ships contain an application of hydrochloric acid, so that they will not rot, and that comes from lignite. Does the Senator from West Virginia not realize that lignite is superior to the West Virginia coal which he has mentioned.

Mr. KILGORE. I shall have to differ with my distinguished colleague. It is not superior. From lignite produced in the State of North Dakota and from West Virginia coal there is obtained ammonia, and methanol, and from them we get all the products my good friend has mentioned. They can be obtained from lignite or coal, but coal has fewer impurities and will produce a greater quantity for a ton of operation. The principal point is that in the production of coke for steelmaking, metallurgical work, and that kind of operation, the purest carbon obtainable is desirable. Coke has nothing but carbon in it. If there is an appreciable percentage of sulfur or phosphorus or any other such element, the coal is not good for the manufacture of steel. That is why steel produced from pig iron and by the open-hearth process must be analyzed. The run has to be analyzed. I am not depreciating the qualities of lignite. We also have lignite in West Virginia. It is a good product. However, for quick results in the production of materials for defense, nothing will take the place of the almost pure carbon of natural coal, without any other foreign material in it.

I thank the Senator for mentioning lignite. I know it is a very good product. While it has about 100 byproducts, I think it will be found that from natural coal a vast number of byproducts are produced.

As a manufacturer and distributor of mining equipment, West Virginia suffers a proportionate recession in these businesses. What is more, local business houses are likewise affected when there is a slowdown in mining activity. Families without income do not patronize their neighborhood merchants, do not buy clothing, new automobiles, or household appliances, or make other general purchases that normally contribute to the business activity of a community.

Incidentally, they do not buy as much food as they did. They do not replace worn clothing. They do not buy sweepers, washing machines, or other durable goods of any kind. Therefore, the unemployment reacts upon other manufacturing industries all over the country.

I may say to my good friend the Senator from North Dakota that I well remember when farmers in his part of the country were burning wheat in their stoves and at the same time coal miners in my State had lots of coal they could not sell. We would have given a good deal if we could have sent to North Dakota some of our coal in return for some of the wheat which was being burned. Eventually, as I am sure my colleague will remember, the Federal Government had to finance such an exchange by sending wheat, or at least flour, from the great Northwest into West Virginia. I am reminded of an announcement by a bus company in Williamson, several months ago, to the effect that it was forced to lay off almost half of its drivers and inactivate a portion of its fleet of vehicles as a result of mine closings.

Normally the coal industry pays most of the total gross sales tax, which represents about 25 percent of West Virginia's tax yield from all sources. When the coal business is off, the loss is also felt very seriously in the State treasury, thus having grave impact on our educational system and all State agencies.

As a matter of fact, we have had to seriously curtail our roadbuilding program. We are having to cut down on every possible State expenditure and cut off some necessary ones by reason of the falling off of tax receipts. The activities of county and local governments must also be curtailed when miners and others in coal communities are deprived of income.

Our educational system is almost 50 percent dependent on the consumers' sales tax. When people are unable to buy, receipts from the consumers' sales tax drop off, and thereby the money available to operate our schools is decreased in amount.

Thus, obviously, the entire economy of West Virginia incurs heavy losses when our coal industry is in distress. We constantly hear, of course, that competition from oil and gas is accountable for whatever decline the coal industry has experienced. Of a certainty, the ever-extending network of pipelines from the Southwest to our part of the country displaces much of coal's markets. When railroads began to dieselize on a broad scale in the postwar period, the market outlet for millions of tons of coal was removed. I well remember that recently a very fine gentleman from Wyoming came to see me. He said that the dieselizing of the Northern Pacific and St. Paul Railroads had put all the miners in Wyoming out of work. That is what it did to some of our miners. As homeowners installed gas equipment instead of coal-burning stoves and furnaces, the coal industry felt a consequent loss. These were normal conditions only to be expected in our changing times.

The outlook for coal elsewhere, on the other hand, followed an opposite course as we returned to a peace economy. We needed steel, and a ton of coal is required to produce each ton of steel. Electric utilities undertook to expand to such an extent that the need for coal in this industry was expected to rise by 10 million tons annually. The chemical industry—and West Virginia has the good fortune to have some of the world's largest chemical plants—would need more coal than ever before in history. Other industries, large and small, were increasing in capacity and would require greater amounts of coal for their production activities.

Under the circumstances there was every reason for the coal industry to expect to continue operations on a lively scale.

In other words, all the changing over, with the increased production of byproducts and increased uses, and the impact of the Southwest gas on the coal industry, would not have affected it very much.

As one of the most progressive of all industries—both from the standpoint of the mine operator and the mine worker—the bituminous coal industry did not hesitate to make substantial investments for more efficient mining and better quality products. The United Mine Workers of America have always welcomed new machines and new techniques which tend to increase productivity. For example, in Europe, the peak production for a coal miner is a ton a day. In the United States the average production per man is 8 tons a day, showing the increased efficiency in the use of our manpower because of the substitution of horsepower, coupled with brains, for manpower in its brute form, as it is used in European industry.

Modern equipment in today's mines includes electrically operated mobile machines which cut deep into the coal at the face of the seams, automatic drills which follow the cutting machines and bore uniform holes into which explosives can be tamped so that the charge will loosen the coal and make ready for loading; electric loading machines capable of scooping up as much as 6 tons of coal a minute; and electrically drawn shuttle cars that can carry 10 tons of coal from the working face to the underground railroad or conveyor belt along the main haulageway. That is compared with the 800-pound coal car customarily used in European mines.

In West Virginia more than 4,000 coal-cutting machines, 1,400 mobile loading machines, and 4,500 electric locomotives are owned by our mining companies. Many were in use up until the time of the shutdown, but entirely too many are now idle because of the loss of markets.

Efficient conveyor belts have also been installed, so that the coal will flow continuously from bed level to tipple.

Surface mining has also been modernized in recent years. Giant drag lines and power shovels remove overburden from the veins, after which mechanical brooms sweep the exposed coal thoroughly before an explosive charge loosens it for the smaller shovels to load onto trucks. Whether the coal comes from deep or surface mines, much of it is now mechanically cleaned before being sent to market. Coal preparation upgrades the product, gives maximum recovery of marketable coal from run-of-mine, and makes a salable product from low-grade seams. There are in excess of 200 cleaning plants in West Virginia, some of them costing as much as $2 million each. In some of them the coal is first air-cleaned and then water-cleaned. In some it is treated with a spray of hot oil, to lay the dust.

Mine owners are not alone in investing in coal for their future. Members of our labor forces, confident that coal will always supply a substantial part of America's fuel needs, have established homesites in mining communities and adjacent areas. They have helped to build schools and set up other permanent facilities for themselves and their children. I ask Senators to keep these facts in mind when they are told by free-trade advocates that workers who lose their jobs because of competition from imports need only to move to centers of mass production in order to readjust themselves in the economic pattern.

For some time we have been discussing the question of power and atomic energy, where power should be applied, and where atomic energy. It is like a man who bought a pair of cats and a pair of muskrats. He planned to get rich. He planned to raise the muskrats, skin them, feed the bodies to the cats, fatten the cats, kill the offspring of the cats, and feed them to the muskrats.

Atomic power cannot be produced without power, and enough fissionable material to make atomic power cannot be produced without an additional adjunct, and that adjunct must be coal, or a very satisfactory substitute.

Such suggestions are not in conformity with basic American principles, for they would subordinate human beings to the status of inanimate tools in industry. Coal miners can not simply close the mine and move to the city. Suppose the mine is boarded up. Do Senators realize that a modern mine requires 40 or 50 men employed full time to keep it in workable condition when it is shut down? Yes; the mine can be abandoned. The pit mouth can be boarded up. That can be done on a farm. The farmer can stop cultivating a given field, and go back a year or 2 years later, plant a crop and harvest it. But that cannot be done in the case of a mine. After a few months the roof starts to fall. The top falls in. The track becomes unusable. Within a year a mine will deteriorate to such an extent that a year or 2 years are required to reopen the same mine. In fact, it would be simpler to open a new mine. That is what will happen, because the mining companies cannot continue to employ 40 or 50 men to keep a mine in standby condition, against the time of need when the mine will be needed to meet the demands for the production of steel, power, chemicals, high explosive powder, and other things of that kind. I say it is a mistake to suggest that mineworkers leave their homes and go to centers of mass production such as Chicago, Detroit, Pittsburgh, and other centers.

If the production of coal is cut very much more, Pittsburgh will cease to be a center of mass production, because no steel will be manufactured. Our people desire to remain in West Virginia. There is no justification for permitting unnecessary imports which trespass upon this prerogative.

Let us see what we mean by unnecessary imports. Last year 136 million barrels of residual oil were shipped into the east coast of the United States from foreign markets—markets which would be interdicted to us in the event of war, by submarines, as we found them interdicted to us in World War II, when we had to rely largely on what we could produce ourselves.

That 136 million barrels was shipped to us from abroad, taking away profits to the extent of 27½ percent depletion tax.

Residual oil is a nuisance byproduct. It is similar to "bug dust" in a coal mine, except that we do not have to worry about "bug dust." However, storage must be provided for oil. The producers get rid of it for any price they can get. Any price they can get for residual oil is money saved.

Residual oil is what is left over in the refining process after gasoline and other products have been removed from crude oil. It is called a waste product of the refining process—much the same as the sawdust which accumulates in a lumber mill, or the "bug dust" in a mine.

Almost all the foreign residual oil entering this country originates in Venezuela, whose output is, for the most part, refined in Aruba and Curacao. These two small Dutch-owned islands are just off the coast of Venezuela, and their refineries are owned by two of the largest oil corporations.

According to one chapter of the propaganda of the importing companies, importation is necessary to conserve the petroleum resources of this country. Strangely enough, however, it is not gasoline and other more desirable products that are being imported into the United States in such large quantities. Of all the petroleum products exported from Venezuela and the insular refineries, only 4 percent of the gasoline and other higher grade products come to the United States, whereas 48 percent of the residual oil exports enter United States markets.

These imports coming in deprive our people of work in the mines and take away the income tax which would otherwise be paid by the workers. Incidentally, credit is claimed on the income tax of the importer, by way of depletion allowance.

The residual oil shipped into this country is used almost exclusively to compete with American-produced coal. It is used under boilers in large utilities and industrial plants. It is not the oil we burn in our furnaces. That is American-produced oil, the higher grade. One must be an expert to know how to handle residual oil. Otherwise, he is troubled with flake, ash, soot, and everything else.

The truth of the matter is that not a single gallon of foreign residual oil is needed in this country, nor will it be for centuries ahead. Bituminous coal, which makes up more than 90 percent of the Nation's total known energy resources, is sufficiently plentiful to last more than a thousand years. So long as our bituminous coal industry is permitted to flourish without illegal infringement from outside, our men and our mines will always be ready to supply every demand. If, however, foreign residual oil has continued free access into this country, we can anticipate nothing more than a prolonged deterioration of our coal industry, and the Lord only knows what would happen if the coal industry were in an inert condition when an emergency developed. As I have said, once

a mine is shut down, it very soon becomes worthless and cannot be reopened. Losses of coal from falling roofs run into billions of tons in the case of a general shutdown.

The influx of residual oil began inconspicuously enough with a total of 45 million barrels in 1946, at a time when coal was occupied with supplying the abnormal demands of America's sensational postwar industrial expansion, and when Europe was in greatest need of coal from our mines to supplement her own restricted production. But as this country leveled off to a more normal existence, imported residual oil began to cut sharply into the traditional outlets for bituminous coal. By 1949, when residual oil imports reached 74 million barrels, it became evident that something must be done to provide protection for America's mines and miners, railroads and railroad workers, and for every other industry and working force vulnerable to these products from alien refineries.

Let me say to Senators from wheat-growing States that the income which the railroads receive for hauling coal enables them to accord lower rates for hauling wheat, corn, and other grains.

If the railroads had to depend on the hauling of grain, cotton, and other agricultural products, the farmers would find in a very short time that their rail rates would have to be increased. The railroads which have been the most profitable are those which have had large coal tonnages to haul.

The United States Senate took cognizance of this condition when a subcommittee of the Committee on Labor and Public Welfare conducted hearings into the causes of unemployment in early 1950. I had the privilege of appearing before that committee as a witness, and I also sat in whenever possible to hear testimony from various business leaders, union representatives, and members of the Congress and local governments—all of whom echoed the warning that there would be growing distress in coal communities and that our industrial might would be greatly weakened if the situation were permitted to continue.

These predictions have without question been borne out in the succeeding years, for in 1953 residual oil imports rose to a record 136 billion barrels—the equivalent in energy value of 33 million tons of bituminous coal.

To bituminous coal producers the resultant loss was $155 million; to coal miners it was $79 million; railroad revenue which failed to materialize as a consequence of these imports amounted to $88 million, half of which would have gone to railroad labor. Those are not figures picked out of a hat. They are based on reports by such Government agencies as the Bureau of Labor Statistics, the Bureau of Mines, and the Interstate Commerce Commission.

These figures, incidentally, do not include an additional 18 million tons of coal equivalent that comes from foreign crude oil that is imported into the United States and refined here.

What is so amazing about this situation is that the administration chooses to ignore these conditions while showing increasing concern for industries abroad. You recall that only a month ago we made available to the Coal and Steel Community of Western Europe $100 million to be used for its industries, which, in effect, amounts to the creation—with our own funds—of greater competition for American coal.

When the White House sent its message on foreign economic policy to Congress in March of this year, Tom Pickett, executive vice president of the National Coal Association and a former member of Congress from Texas, remarked that one particularly significant aspect of the message was the President's reference to the remarkable headway that other countries have made with United States assistance since the end of World War II. Mr. Pickett then added:

> Unfortunately, the same cannot be said of all basic industries in our own country. It is ironic that so much concern is shown for everyone else in the world while the economic decline in America's coal regions goes unnoticed.

While none of us, I am sure, objects to assisting our friends in whatever way it is feasible and practical, I think it is important that Congress recognize to what extent our aid has cut the American coal industry's markets abroad. It is particularly ironic that, at a time when so little coal is now being shipped overseas, the Foreign Operations Administration should announce—on July 6—that it was authorizing a total of $37¾ million for the purchase of gasoline, crude oil, diesel oil, and other petroleum products to be used in Norway and Turkey. Some of this material is to be purchased in Latin and South America, while other products will come directly from the United States and its possessions.

In view of the vital part that the American coal industry has taken in the reconstruction of Western Europe, we may wonder how the present plight of this industry can be so easily ignored by the administration.

In further illustration, let me say that recently one of the mining companies in West Virginia bid on a 2 million ton order for coal in the Netherlands, and it bid against European competition. The company submitted the lowest bid by $2 a ton delivered in the Netherlands. The next lowest bid was made by an English company, which bid $2 more, and that company got the contract for the coal. Of course they were paid in guilders or in trade, but they did get the order. It shows that we can produce coal cheaper. However, it is impossible to beat the bottomless pit of no cost. I do not say just low cost. I say no cost to the producer, which is the case with residual oil.

After V–E Day, Germany's coal fields were split by diplomatic and military negotiations, with only half of her potential production remaining outside the Russian perimeter of influence. Great Britain's socialized coal industry, unable to meet production schedules, did little to contribute to meeting the overall needs in the immediate postwar years. France, Belgium, and the Netherlands tried desperately to overcome the deficit between demand and supply, but their combined capacities were totally inadequate. The 16 million tons of bituminous coal shipped to Europe in 1946 were increased to 36¾ million tons the following year.

The United States sent money, equipment, and teams of engineers into the allied nations in an effort to raise efficiency and increase production as quickly as possible. At the same time we arranged for European government officials, coal industry executives, and mine labor representatives to visit our mines for first-hand information on how we were able to produce more than three times as much coal per man-day as any other country in the world. As a consequence, by 1948 the need for American coal had again begun to decline, and in 1950 our shipments to Europe amounted to less than one million tons.

What actually happened was that our operators could not accept foreign currency, and no provision was made for it, so that we could not compete, and it was therefore necessary for the foreign countries to buy with soft currency, as was the case with the Netherlands Government, because of currency restrictions.

The impact of the war in Korea and icy temperatures in Europe once again changed the picture across the Atlantic. By November of 1950 the domestic stocks in England had diminished to a critical low, while at the same time most of our friends on the Continent found that they would be unable to meet winter demands without American help.

That is one I cannot understand. If the American oil companies would take the residual oil, which they are dumping in the United States, and sell it to European hotels and apartment houses and homes, where one is never really warm, instead of putting the coal industry out of business in the United States, Europe would be better off, the oil companies would be better off, and we would be better off.

Ireland was faced with a crisis because of the gloomy picture in Great Britain, her regular supplier. Italy announced that sharp cuts and rationing for industry were inevitable unless American coal was made available. From The Hague came word that Netherlands output of coal was well below expected, and that the country's economy was imperiled because of lower imports from Germany and Great Britain. France and West Germany also faced a crisis.

With the general situation becoming increasingly more alarming, a meeting to discuss the shortages was held by the United Nations Economic Commission, in Geneva, shortly before Christmas. Representatives came from Austria, Belgium, Czechoslavakia, Denmark, Finland, France, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Switzerland, Great Britain, Yugoslavia, and the United States. When total supplies were calculated and subtracted from total needs, an immediate call was sent to the United States to ship as much coal as possible without delay.

Once more America's mines and miners came to the rescue and, as soon as ships were available, vast tonnages

were loaded at American ports and hurried into the needed areas. In 1951, a total of 37 million tons of coal was exported from the United States. In 1952—as a result of a warmer winter in Europe and heavier output in the mines of Great Britain and the Continent—our overseas shipments declined to 26 million tons. Last year, the figure was 14½ million tons and a further decline is anticipated for 1954.

Europe has little need for American coal at the present time, and certainly it wants none of it coming in at the expense of employment over there. I ask Senators to note that fact. They want nothing coming in at the expense of employment over there. Only in this country do we find an administration so little concerned with unemployment that unnecessary and injurious imports are permitted unlimited entry into our markets.

It must be understood that in the handling of residual oil there is practically no labor involved. It is all done mechanically. Of course, it is impossible to collect any income tax from a tank truck or a barge.

To visualize the amount of last year's imports of residual oil, picture a train made up of more than half a million railroad tank cars—which, incidentally, is 3½ times the total number of tank cars on all the railroads in the United States. That train would extend all the way from New York to San Francisco and back to Charleston. To the railroads that train would represent quite a business. That would represent the amount of residual oil that is imported.

But, of course, no such business will be realized as long as we permit this foreign fuel to inundate our fuel markets. Foreign oil is not shipped by railroads. It comes in tankers, some of which hold a quarter-million barrels, and it is unloaded at ports handy to consumers so that American transportation industries and workers have little opportunity to benefit from it. Most of these tankers, I might add, fly foreign flags which—so far as we are concerned—may as well be the Jolly Roger, for, indeed, they are literally pirating off America's economic well-being.

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

Mr. KILGORE. I yield for a question.

Mr. LANGER. Is that any different from shipping in wool from Argentina or shipping in meat from Argentina?

Mr. KILGORE. It is not one bit different, I may say to my distinguished colleague from North Dakota. I think it is up to us to take care of our domestic production in order to provide work for our people. If we need anything in excess, then let us buy what we need.

Mr. LANGER. Does not the Senator agree with me that the mercury mines of this country were closed and that mercury has come in from foreign countries?

Mr. KILGORE. I would say to my distinguished friend that I am not familiar with the mercury-mining field. I cannot answer that question.

Mr. LANGER. Is it not true that antimony, tungsten, lead, and zinc are being shipped in from Spain and Portugal and other foreign countries, while our mines are being closed up?

Mr. KILGORE. I think the Senator is correct. I know that there is tungsten in the Appalachian Mountains within a short distance from the city of Washington which is not being mined. Tungsten is being shipped in from Africa and other countries.

However, may I say to the Senator that while it is being shipped in from abroad, there is no income tax exemption on the profits of those foreign shipments, as there is on foreign shipments of oil. There is a 27½ percent depletion tax on oil.

Mr. LANGER. The Senator from North Dakota voted against that 27½ percent depletion tax.

Mr. KILGORE. I am well aware of that.

Mr. LANGER. The Senator remembers the fight we had with reference to it.

Mr. KILGORE. Yes; I do.

Mr. LANGER. We received a message from former President Hoover asking us to repeal it and saying that one man had made several million dollars profit and yet he had paid no income tax at all.

Mr. KILGORE. That is correct.

Mr. LANGER. All of these other products are in exactly the same difficulty as is the coal in West Virginia.

Mr. KILGORE. When the coal industry is injured in the State of West Virginia, I feel as if my corns had been stepped on, just as when wheat and rye and barley and other grains are in difficulty in other States, the Senators from those States feel as if their corns were being stepped on. I think we must always appraise the foreign trade policy. If all Senators whose corns are stepped on would howl as loudly as I do, we might accomplish something.

Mr. LANGER. We took up the matter of rye imports from Canada and found that Canada was shipping to the United States over 12 million bushels of rye in 6 months. At the very peak we produce in this country approximately 23 million bushels. I know the Senator from West Virginia is aware of the fact that millions of bushels of barley were imported when there was an acreage quota on our farmers, with the result that barley is going into the Commodity Credit Corporation, and with the further result that every time a farmer gets a loan on his barley the so-called loss of the Commodity Credit Corporation is piled up, and our friends in the East yell that there is another great loss due to the fact that the farmers have support prices. Is not that correct?

Mr. KILGORE. That is correct.

Mr. LANGER. I wondered why the distinguished Senator kept on talking about coal and did not mention rye or barley or wheat, which the farmers in the Middlewest and the Northwest have been talking about for years. I see here the distinguished Senator from Wisconsin [Mr. WILEY], who talks about dairy products and shows that the dairy situation is exactly similar to the situation of coal.

Mr. KILGORE. I think about coal all the time, and I say to both distinguished Senators that when the coal miners of my State cannot buy the dairy products of the State of the Senator from Wisconsin and cannot buy rye, wheat, and corr, it is bad for the producers in Wisconsin and North Dakota. So it is time for other Senators to help solve our coal problem.

Mr. President, as one of the presidents of the United Mine Workers has said, "Each of those big tankers is bringing discharge papers for more than 200 miners for a full year." Add to these miners the railroad workers, members of allied industries, and local business employees who lose their jobs tc foreign oil, and you will find that it does not take many of these tankers to bring enough discharge papers to pauperize scores of communities that would otherwise be economically sound.

To examine further the impact of residual oil on the railroad industry, let us consider these excerpts from a statement in the Trainmen News for last June 15:

> The continued increase in the number of barrels of imported residual oil reflects itself directly in the decrease in railroad employment in the Eastern section of the country. Current figures on residual oil imports for 1954, up to and including May 8, indicate so far this year there have been imported 53,023,600 barrels. This figure equals 12,824,600 tons of coal, using the ratio of 4.167 barrels of residual oil as being equivalent to 1 ton of bituminous coal.
>
> Most of the coal, which is being replaced by this imported oil, originates in the Eastern, Allegheny, and Pocohantas regions of the coal-producing area. Reports of the Association of American Railroads indicate that 85 percent of all coal shipments in these three regions move by rail. Assuming that coal had replaced the 53 million barrels of oil imported so far this year (May 8), this would have resulted in the increased shipment of more than 12,824,600 tons of coal by rail, using the 85 percent figure of the AAR, all of which was lost to rail traffic.

Incidentally, when coal rail traffic suffers, the loss has to be charged against some other freight, and that means it will cost more to move corn, wheat, and other products.

Reading further:

> To take the matter further, this loss in the first 4 months of this year of the shipment of nearly 13 million tons of coal by rail results in the loss of 213,743 carloads of coal, based on the loading of 60 tons of coal to a carload. The AAR states a coal haul averages about 300 miles per car from the mine to the consumer on the Atlantic seaboard. Using 80 cars per train for an average, the 213,743 carloads would equal about 2,671 trains. Since railroad operating employees are paid on a 100-mile basis, and the average mine haul is 300 miles, the actual loss would justly be 3 times the 2,671 trains, or 8,013 trains or train crews.
>
> But this still is not the complete picture. We have spoken so far only of carloads of coal lost. The other side of this movement is the hauling of empty cars to mines for the transportation of coal to consumers.

I wish Senators could see in my State the freight cars piled up in the mine yards and on sidings, empty cars, rusting away.

I continue reading:

> To obtain the whole effect, and to determine the total number of trains and crews displaced by this operation, the number of 8,013 trains must be doubled, since there would be a like number of movements of

empty cars to the mines before there could be the same movement of loaded cars out of the mines. By this process we see that a total of 16,026 trains are affected.

There are not less than 5 employees on each train crew; after multiplying this by the number of trains affected, we discover this equals 80,130 man-days lost.

If residual oil were not imported, its uses would not totally be replaced by coal. But the increase in railroad employment in road train and engine service would be in direct proportion to whatever degree the importation of oil subsides and its replacement by coal is effected.

There are nearly as many yard train and engine employees in the service of the railroad industry as there are road train and engine service employees, so the number of train and enginemen concerned and affected would be twice the number of only road train and engine men.

It is easy to see how far-reaching the effects of the replacement of coal by imported oil can be when we consider these combined road and yard operating employees constitute only one-seventh of the total number of employees on the railroad. The loss in employment in the operating departments has its chain reaction to a much more serious degree on the nonoperating side.

Comparative carloading reports for the three prominent coal-producing regions, the eastern, Allegheny, and Pocahontas, corroborate the disastrous effect the limitless importation of oil has on railroad economy.

Selecting the week ending May 8, there was a weekly loss in cars loaded in 1954 as compared with the same week in 1953 of 5,124 carloads in the eastern region, 6,994 in the Allegheny region, and 7,840 in the Pocahontas region. Projecting this figure over the 18-week period encompassed by the 52,023,600 barrels of oil imported so far this year, the carloading loss could be approximately 145,000 carloads for this short period.

There you have, Mr. President, an analysis of the disastrous effects of imports of residual oil on the railroad industry as presented by a union whose members are among the principal victims of this foreign product. I could cite page after page of testimony from individual oil operators whose very business existence is also seriously threatened because of the selfish practices of the large international petroleum companies, but this is a story with which everyone from the major oil-producing States is so familiar that I shall forego details. Instead, I should like to discuss briefly one of the implications of residual oil imports that is of primary concern to each of us regardless of which part of the country or which State we represent.

There has just been placed on my desk by one of my colleagues a news item from the New York Journal of Commerce. The date is not shown, but it is a recent issue. I read:

Total oil burner sales for 1954 were expected to rise to 800,000 units, according to an advance report from Fueloil & Oil Heat * * *.

June sales were divided as follows: New homes, 21,583; replacements of old oil burners, 7,748, and conversions from other fuels, 27,892.

That was in 1 month.

Mr. LANGER. Mr. President, will the Senator from West Virginia yield further?

Mr. KILGORE. I yield for a question.

Mr. LANGER. Speaking of unemployment in coal mines, would not that unemployment have been much worse if John L. Lewis had not organized the miners?

Mr. KILGORE. I think the Senator is unquestionably correct. His organization has always cooperated with the operating companies in adopting new improvements which reduce the cost of mining and speed up the production of coal per man, so that there is a high man-hour rate. Many shortsighted men in Mr. Lewis' position would say, "No; we want more men on our rolls, and not so much coal per man."

Mr. LANGER. May I inquire whether John L. Lewis and his organization are to a great extent responsible for safety devices in coal mines?

Mr. KILGORE. Unquestionably that is true. They work harder on safety than almost anyone else, because it involves the lives of their members. They keep experimental work going on all the time. They have safety experts going around, as the Senator from North Dakota well knows. In the national coal inspection bill, we provided that a copy of the report be furnished to the United Mine Workers in case anything defective is found in a mine by Federal inspectors, so they can try to take care of it.

While I have found it most difficult to follow the capricious plans which the Secretary of State has laid out for us in any given period, my interpretation of recent statements by the distinguished Secretary, the Chief of Naval Operations, and other high-ranking administration officials, is that the national defense should be operated on an around-the-clock alert status. We have learned by experience in the past months that our intentions are subject to change without notice, but there is no ambiguity in the warning that we cannot relax so long as the current international tension persists. With the sustained encroachment of Red forces into Indochina, administration forces have finally abandoned the theme song that they have successfully prevented any enslavement of free people. Meanwhile, we are attempting to negotiate a pact for the protection of the threatened states of Indonesia, Australia, New Guinea, and New Zealand. The fact remains, too, that the Philippines, Formosa, Japan, and South Korea continue to be in imminent danger, and nothing has appeared in Europe or the Middle East to lessen the explosive atmosphere in those sectors. Our own military forces are stationed in strategic places in Europe, Africa, Asia, and South America, and we have established bases within close proximity of the North Pole to intercept any surprise attack that might be launched from that direction.

In view of these and countless other means designed in behalf of the security of this Nation, I do not believe that anyone would take issue with the admonition that basic industries should not be permitted to be knocked out during this grave period.

What concerns me, however, is whether our administration leaders and our military planners are wholly aware of the fact that coal is one of the most vital ingredients of any mobilization program. We are shown blueprints of how much steel can be produced if necessary, but the designers fail to point out that there will be no steel at all if coal is not available. Perhaps the oversight is the result of the inclination to take for granted an ample supply of coal, and that our planners are willing to assume that there will be a sufficiency of coal to take care of all emergency needs. On the other hand, there is a distinct probability that coal's place in a war economy is simply not understood by those responsible for outlining the program.

Certainly our friends the British have long realized coal's important role in this regard. During World War I Prime Minister Lloyd George made this statement:

In peace and in war, King Coal is the paramount lord of industry. It enters into every article of consumption and utility.

In World War II, Winston Churchill said:

War is made with steel and steel is made from coal. * * * Coal is the foundation and, to a very large extent, the measure of our whole war effort.

Mr. LEHMAN. Mr. President, will the Senator from West Virginia yield?

Mr. KILGORE. I gladly yield for a question by my distinguished colleague from New York.

Mr. LEHMAN. If, as has already been very clearly demonstrated, the jeopardy of our position is no less serious in relation to the encroachment or aggression of the Soviet forces—and I think that has been very clearly demonstrated—is it not highly important that we keep ourselves strong militarily, and, assuming that as a thesis which nobody can very well deny, is it not necessary that we have the means to produce the military equipment and many other things in sufficient quantities and of sufficient quality in connection with which coal certainly plays a very great role?

Mr. KILGORE. I thank the Senator for that question, and he is absolutely correct. It is a part of our national defense for the future to keep our coal industry alive and capable of being geared into high speed when it is necessary.

We must keep our mines operating at least at a minimum, in order to keep them alive and ready to go. That can be done in our economy by carefully balancing the fuel we use without hurting anything. The Senator is entirely correct.

The Franco-Prussian War was started by Germany, because Germany wanted the iron of Alsace-Lorraine together with the coal of the Ruhr, since the separation of the iron from the coal made it impossible to produce steel in Germany. The French, not having coal, except in the Saar Basin, were precluded from using their own iron ore, as were Luxembourg, and, to a great extent, Belgium. The first move made in World War I by the Germans was to corner the coal and ore. In World War II Hitler put an iron curtain down to cut off the steel mills of France from the coal of the Ruhr, and made a deal with Sweden to buy oil from Sweden until he could capture the mines in Alsace-Lorraine. In the past century

practically all European wars have been concerned with coal and iron ore.

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

Mr. KILGORE. I yield for a question.

Mr. LEHMAN. All of us, of course, have known and have been interested in the organization set up by some of the European countries, known as the Schuman plan for the unified production of iron and steel; but is it not a fact that plan has very definitely recognized the intimate and close relationship between the production of steel in the Ruhr and the production of coal in the Saar?

Mr. KILGORE. I thank the Senator for that contribution. He is absolutely correct. In my opinion, the Schuman plan is a wonderful cornerstone for a peaceful and complete understanding between the countries of Europe and a working together of those countries for the mutual benefit of all, and an integration of industry for the mutual benefit of all. I think the Schuman plan is a wonderful plan and will do away with the shallow bickering that has gone on about the Saar, the Ruhr, and Luxembourg.

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

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

Mr. LANGER. Is it not true that the entire Schuman plan will be disrupted unless there is an international agreement on atomic energy?

Mr. KILGORE. I think there is a danger of that.

Mr. LANGER. Will the Senator tell us how atomic energy is going to affect the coal business in the State of West Virginia?

Mr. KILGORE. I may say to the Senator from North Dakota that, in my humble opinion, the development of atomic energy will not affect the coal business adversely in the State of West Virginia or anywhere else. It will make a tremendous amount of power accessible at key points, but for general use of power, for steam, steel production, and matters of that kind, atomic energy will never interfere with or take the place of coal, any more than residual oil will take the place of coal, because coke cannot be made from oil.

On the other hand, coal is going to be necessary in the production of atomic energy, because in the reduction plants there will be available a great amount of power, and in order that it may be firm, steady power, it will have to be firmed up by steam plants. In a great number of areas, steam produced from coal will be cheaper than atomic energy, because there will not be involved the problem of storage or the problem of obtaining water. In most places, water is readily accessible. Under some of the new processes being developed many byproducts will be obtained from coal before steam will be obtained. Eventually, steam plants using coal will cost practically as little to run as hydro plants. However, coal-burning plants produce steadily during a period of 24 hours, whereas the hydro plants have the great advantage of peak power. A valve is turned on, and a large amount of power is available, and then the valve is turned off.

Mr. LANGER. We have been reading about and hearing of cheap atomic power when it is finally available. If that is true, how can power made by using coal compete with atomic power?

Mr. KILGORE. Unless a new substance is found to produce the necessary fissionable material, I cannot see how cheap power from atomic energy can ever replace the need for coal. It may be possible when a new substance is discovered from which to make the fissionable material. However, using present methods, atomic energy cannot replace the need for coal.

Mr. LANGER. I am sure the Senator has read that England is producing atomic power with which to run some of her ships. I believe they are experimenting with the use of atomic power to run the ships instead of using coal for that purpose. Why will not the use of atomic power cut down the use of coal?

Mr. KILGORE. So far as that is concerned, the use of atomic energy in our ships would not affect the use of coal, because our ships use oil at the present time. Frankly, I think the use of atomic energy for use on ships would be uneconomic because we must realize that the cost of producing a little bit of fissionable material is pretty high. While such power could be used on ships of war, where expense does not count, or in airplanes, or other weapons of war, I do not believe that as yet power can be produced from atomic energy as cheaply as it can be produced from natural fuels which do not need a very expensive refining process, which of itself requires a tremendous amount of power which must be generated either from hydro or steam power.

Mr. LANGER. I thank the Senator for yielding.

Mr. KILGORE. Why is so much more coal needed during times of hostility? Consider the case of steel alone. As I have said earlier, a ton of coal is needed for every ton of steel to be produced. Our coal economists, working with the Department of Defense, have determined that an average of 200 tons of coal go into the making of the steel and aluminum for each B-36 that comes off the production line. For a Walker Bulldog tank, 50 tons of coal are required. Eight hundred tons of coal are used to produce the steel necessary to build a submarine, and in the case of a big aircraft carrier some 50,000 tons of coal are required.

Yes, you need coal to make steel for vehicles of war and for weapons of war. Almost half of the 68 million gallons of toluene, which is the second T in TNT, produced in the United States in 1951, when we were engaged in the Korean conflict, came from coal. Coal is also used in the manufacture of cement, in canning plants, textile mills, other assorted industries, and for a thousand and one other uses. It also produces heat for more than 13 million dwelling units in the United States. It generates 65 percent of all the electric power produced by fuels.

While consumption by railroads is off considerably from what it was a decade ago, many of the lines still use coal to power locomotives and most of them use it in their shops and office buildings. One of our great railroads, the Norfolk and Western, uses coal exclusively for locomotive power. The N. & W. has a total of 274 freight, 46 passenger, and 124 service coal-burning steam locomotives in use at the present time, and is now road-testing the world's largest single unit locomotive, a coal-burning steam turbine electric.

Coal-burning steam locomotives provide the power for 90 percent of all traffic on the New York, Chicago, and St. Louis line—more popularly known as the Nickel Plate. This line has a total of 283 coal-burning steam locomotives in service. The Illinois Central, while performing most of its passenger and yard service with diesels, uses coal in the movement of more than 85 percent of its freight tonnage, and has a total of 870 steam locomotives in use. The Virginian Railway owns no diesels at all. Its 104 coal-burning locomotives handle 100 percent of the passenger service and 66 percent of the freight transportation, the remainder being moved by electric locomotives. The Chicago & Illinois Midland, which also owns no diesels, has 31 steam locomotives in service during 1953 and used coal exclusively to move its passenger, freight, and yard traffic.

I present this information to give you an idea of to what extent the Nation's economy is already dependent upon the coal industry. And now I come to the question: "What would happen to this country if we were to become involved in another war while the coal industry was not operating at a high level of production and could not accelerate its output in proportion to the sudden increase in demand?"

I wish to refresh the memory of my colleagues. I am sure they all remember the time when we furloughed men from the Army so that they could work in copper and coal mines. We practically took such men off the fighting front if they had any mining experience and sent them back to the United States in order that they could produce metals and coal. That is how valuable such products were to us in time of war.

During the current period of international uncertainty, mines should be maintained on a ready basis and new exploration and development should be encouraged.

For instance, the New River Co. in my State, during the period between World War I and World War II, carried on a certain definite percentage of exploration work. When business was a little slack, it would drive ahead and open up new working places. When the pressure of World War II came, the company was able to double its working force, because it had the new working places developed.

That sort of thing must be encouraged if we are going to look to the future. But, unfortunately, this is not the case. There have been scores of mines forced to close in the past several years, and many of them will never be reopened. Let me call your atten-

tion to what happens when a coal mine is closed for any length of time.

Unless pumps are kept in constant operation during shutdowns, under ordinary conditions most of the mines of this country will fill up with water and erosive action will begin to take place. When the mine is to be reopened the first job is to send in pumps and begin the dewatering process. Weeks and even months are required to complete this work, even when the most modern pumps are used.

After all the water has been removed, it will still be a long time until the mine is ready to be reopened. The impounded water will have caused bad roof conditions to develop. When ventilation is returned as the water is pumped out, the air that comes in contact with the roof produces disintegration. As a consequence, the bad roof must be taken out, along with the bad timber, and new timber must be installed. Only after the roof has been made safe can the mechanical repair work begin. This will include the reinstallation of tracks, rewiring, and the bringing in of new equipment. Even then—before production can get under way—falls must be cleaned up and brattices constructed.

Assuming that after perhaps a year, the mine is ready to resume operations, who is going to produce the coal if during the interim period the miners have moved to other areas?

A miner who has learned another trade is not going to go back to the mines. He is going to stay on the outside. He is not going to go back underground. A new group of miners will have to be trained.

Today's labor forces in the coal mines are made up of skilled workers who have become proficient through years of training and experience. Many of our electrical, mechanical, and safety engineers are college trained.

I used to command a National Guard battalion in the coal area. Practically all the members of the battalion worked in the mines. Ninety percent of them were high-school graduates. That is a pretty high percentage in any field. In the State of West Virginia a person has to pass an examination and have 12 months' experience under an experienced miner before he is permitted to work in a mine, unless he is under the guidance of a man with whom he has served. In other words, they are experienced men. It takes a year to train them.

At West Virginia University, in Morgantown, we have one of the Nation's foremost institutions of higher learning which offers excellent courses on all phases of mining.

For those who do not continue their education on the campus, the university's school of mining extension department appoints instructors in the various mining districts that conduct classes in such subjects as mine gases and their control, mine ventilation, the handling of explosives, timbering and roof control, drainage and pumping, the State mining laws, the principles of foremanship, and other subjects in the interest of safety and efficiency.

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

Mr. KILGORE. I yield to the Senator from New York for a question.

Mr. LEHMAN. I wonder whether the Senator knows that the safety methods or procedures which have been developed in the mines of West Virginia and in some of the other States have been of tremendous importance to the development of safety measures in many other industries throughout the country.

I recall that when I was Governor of my State, for years we had been fighting for an adequate law to prevent silicosis, and to provide proper and adequate compensation for those stricken with silicosis. I found at that time that the experience gained in the mines of West Virginia and other great coal producing States——

Mr. KNOWLAND. Mr. President, I do not like to raise a point of order, but under the rules of the Senate a Senator who has the floor is permitted to yield only for a question. This has been colloquy, rather than a question.

Mr. KILGORE. The Senator from New York is asking me a question.

Mr. LEHMAN. I wonder whether the Senator from West Virginia is familiar with the great help which we in New York—and undoubtedly other States as well—received because of the experience he has referred to in West Virginia.

Mr. KILGORE. I do know that many States have sent men to our school of mines for study. Many have come from other States to study the methods which we use in the mines, such as water spraying during drilling, and various other methods. Many of our laws have been copied in the laws of other States which have industries in which an accumulation of dust is involved, dust which can be inhaled by workers. Much of the information thus obtained has been reflected in various State codes.

I can remember when mining was done with mules and picks and good strong backs. Candles were used for light, and miners used to shoot with unslaked lime. A hole was poured full of unslaked lime and water was poured over it and dirt tamped into the hole quickly. The gas from the lime would build up sufficient pressure to shoot the coal. Now we use gas cartridges. Everything is done to safeguard the miner. Miners wear electric lights on their caps. There are many other safety devices which have been developed gradually as a result of experience.

The head of our Bureau of Mines is a very wonderful man who has worked in that field all his life. I have seen him in some pretty bad explosions. He is still Chief of the Bureau of Mines. I hope he will remain in that position as long as he is able.

As I have said, we have extension courses, in which we take the students into the mines and hold evening classes. The West Virginia State College at Institute, W. Va., provides education and training through a most modern extension service. It brings a mobile classroom—a station wagon containing a variety of mining equipment—to isolated communities where men and boys want to learn more about working in the mines. It has a library of textbooks and other literature on mining, an anemometer, and a fan for instruction in air measurement, safety lamps, and many other items necessary for laboratory study.

In Mercer County Vocational High School, at Bluefield, boys learn track-laying, ventilation, timbering, and other trades leading to mining careers.

When we shut down that industry and lose the working force in West Virginia, Pennsylvania, Kentucky, and other States which it has taken half a century to build up, and when those miners get into other industries and get away from us, we shall be unable to reopen those mines in 6 months or a year. We shall have trouble getting the men to go in and open them up. It is hazardous work, and people do not like to work underground in the dark when they can work on the surface where it is light.

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

Mr. KILGORE. I yield.

Mr. LANGER. Does the State university in West Virginia offer scholarships to those who wish to become experts in the mining business?

Mr. KILGORE. Yes, it does.

Mr. LANGER. What are the requirements?

Mr. KILGORE. Practically all our young men who grow up in the mining areas are high school graduates. There are many scholarships. The coal companies finance some of them. Men who have made money in the coal business finance some. The college itself gives some. Scholarships are given to men who make high grades and show a natural aptitude for the work. Most of the scholarships go to men who, it is hoped, wil later become instructors.

Mr. LANGER. Just how are the scholarships paid for?

Mr. KILGORE. As I say, many of them are given by cooperating companies. The same companies make substantial contributions to the experimental work in colleges and mines by paying a part of the costs of experimental work. Sometimes they submit their problems to the schools. A number of the colleges give scholarships, as do many of the companies. They are dispensed to local young men who want to go into the coal-mining business. Incidentally, I think there have been 1 or 2 scholarships under our own Science Foundation, given for research work in chemical and other fields.

But these men, with all the training, are not going to remain in mining communities if there is no employment for them. We have already lost hundreds upon hundreds of artisans that should be on hand to participate in a program of increased production as long as any threat of war remains.

So where do we get our fuel if and when an emergency develops? And how do we transport this fuel if there are not sufficient railroad cars to carry it to the markets where it is needed? Today hundreds of gondolas and hoppers will be found rusting away on the sidings of West Virginia's great railroad systems.

I well remember conditions in the United States in 1941 and 1942, when we were trying to get fuel to the seaboard to keep things going. We were scratching into the back sidings and digging out old coal cars. Anything that had steel in it was put on the railroads to get through to the eastern seaboard to furnish fuel for our fleet.

Mr. James M. Symes, the new president of the Pennsylvania Railroad, offers this analysis of the railroad industry's position in an emergency situation:

Coal would have to immediately replace not only the foreign residual * * * but also meet the major part of the energy demands now supplied by imported crude and its products. The demand for refined oils and gasoline would increase so greatly that it would necessitate cracking down nearly all the remaining domestic residual oil, and coal would have to fuel most of this market. Can we safely assume that a depressed coal industry and the railroads could immediately expand sufficiently to provide and handle the added tonnage plus the increased coal that a war economy would require?

Even though the coal companies could produce the coal, I am sure the railroads would not be in a position to transport it, because of lack of equipment, facilities, and trained employees to do so.

* * * The railroad industry cannot afford to maintain its great investment in facilities for carrying and handling coal unless there is current use for them—we cannot in today's economy maintain them for standby emergency service.

As Mr. Symes has indicated, there would be no foreign residual oil available for use in our fuel markets during a shooting war. If Senators will think back to the days of World War II you will remember photographs that appeared in our newspapers when tankers went down within camera range of Virginia Beach, Miami Beach, and elsewhere up and down our coastline between Houston and Atlantic seaboard cities. For those whose memory may fail them, let me read some of the headlines of early 1942:

January 15: "Tanker Torpedoed 60 Miles Off Long Island."

January 17: "Allied Tanker Seen in Sinking Condition Off Long Island."

January 20: "U-Boats Off Coast; 22 Die in Blazing Tanker."

In other words, because our energies are dissipated in other lines, we are allowing the real basis of our defense to deteriorate. It is a foolish idea of saving. I ask how it is expected we would get the 136 million barrels of residual fuel oil through a submarine-infested Caribbean. I well remember when tankers were being sunk off our coast. I remember one tanker which was sunk in the mouth of the Mississippi River below New Orleans.

Yet the other day we approved the budget for military construction, which contained an item of $600,000 for Camp Bragg. I never will forget the question which was asked. The item was for "liquid storage." Some Senator asked what liquid was to be stored in such quantities at Camp Bragg, which theretofore had used coal. It was admitted that Camp Bragg was going to use cheap residual fuel. The taxpayers were going to spend $600,000 so that tanks could be built to store the residual fuel oil.

Parenthetically, I insert this excerpt from the news story:

Official cognizance of the dangers of the situation took the form of an announcement last night from Washington that steps will be taken to increase shipment of oil by land wherever this is possible.

January 26: "U-Boat Torpedoes Tanker Off Jersey."

January 29: "U-Boat Causes Texas Blackout."

The drop and deck headlines on this story add this information: "100 Mile Strip of Southern Coast Affected as Two Raiders Are Reported; Shipping Warned To Remain in Ports; Enemy Craft Signal in Gulf of Mexico."

January 31: "Another Vessel Is Prey to U-Boat."

February 7: "Tanker Sinks in Inferno of Blazing Oil as U-Boat Strikes—12th in United States Waters."

February 9: "Tanker Victim of Daylight Attack."

February 12: "Tanker Sunk Off Our Atlantic Coast."

February 15: "Florida Crowd Sees U-Boat Sink Ship Off Shore."

February 17: "U-Boat Raids Dutch West Indies; Sink Three Tankers."

February 22: "Two Tankers Lost Off Atlantic Coast."

February 25: "Two More United States Oil Tankers Torpedoed."

February 28: "Two Tankers Torpedoed, One Off Jersey Witnessed by Thousands in Resort Towns."

I shall stop here at the end of February 1942. I think that those headlines should be sufficient to remind us of the catastrophe that lies ahead when any nation depends upon ocean shipments for its oil supplies.

To create such great disruption of water traffic between our ports on the Gulf of Mexico and the Atlantic seaboard, Germany had a total of 60 submarines at the beginning of World War II. If Russia had no more than that at the present time, perhaps we might be able to convince ourselves that our antisubmarine defenses were sufficient to protect the ocean oil routes in another war. For the information of anyone who might be living under such an illusion, I quote from a speech which Rear Adm. Walter G. Schindler, assistant chief of naval operations for readiness, delivered here in Washington last May 21:

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

Mr. KILGORE. I yield for a question.

Mr. HICKENLOOPER. I am interested in the Senator's discussion about how the use of oil will supplant, and perhaps destroy, the coal mines of West Virginia. I wonder if the Senator is aware that this afternoon he voted for an amendment which will put the Atomic Energy Commission into the uranium power production business, which, if successful, will put every coal mine in West Virginia out of business.

Mr. KILGORE. I reply to the Senator from Iowa by saying that I did so knowing full well that the Senator's pipedream is that uranium can be obtained dirt cheap. I have seen it made, and I know that uranium will never compete with coal, except at far-distant points and for war purposes.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for another question?

Mr. KILGORE. I will yield for another question.

Mr. HICKENLOOPER. The question is this: Is the Senator aware that by his vote this afternoon he helped to lay the basis for experimentation which permits commercial operation on the part of the Government in uranium, which, if successful, will put all his coal miners out of work and throw every coal mine in West Virginia into bankruptcy?

Mr. KILGORE. Let me say to the Senator from Iowa that I have never been one to go backward. If the distinguished Senator and his joint committee can produce what he says can be produced, I shall be glad because he will have done something. But the Senator also must realize that to produce the material he talks about would require vast quantities of power. As I stated earlier in the evening, that argument reminds me of the man who planned to get rich. He bought a pair of muskrats and a pair of cats——

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

Mr. KILGORE. I will not yield at this time.

Mr. HICKENLOOPER. I will say to the Senator that he told the story a few moments ago, and I heard it.

Mr. KILGORE. I was afraid the Senator from Iowa had not heard it, because I do not think he would have asked the question he did if he had heard that story. If the Senator can show me how to operate Oak Ridge without power, he can also show me how to set up a perpetual motion machine. He will take the power produced and produce more uranium. Then he will use the uranium to produce more power, drain off the excess, and operate powerplants.

We know that the Russians have over 400 submarines which will be utilized to the maximum extent possible.

But that is not all Admiral Schindler had to say.

Since our harbors are more crowded in wartime—

He pointed out—

it doesn't take much imagination to think of the chaos which would result if our harbor defenses were penetrated. From an attacker's point of view, the targets would be very lucrative. A hit on a loaded tanker or some other ship carrying an explosive cargo would produce devastating results.

Now let me say that Admiral Schindler is no novice at this business of war. A native of New Glaris, Wis., he was graduated from the Naval Academy in 1921 and participated in just about every type of naval activity during the peace years. After the war broke out in December 1941, he became gunnery officer on the staff of a southern Pacific task force.

Admiral Schindler decided that he could better learn enemy tactics from an SBD dive bomber than from the control tower of the carrier to which he was attached, so he got himself assigned as

rear seat gunner on an SBD for the *Yorktown's* famous attack on Tulagi Harbor. In the battle of the Coral Sea he personally accounted for at least one Jap Zero. He flew most of the sorties supporting the Guadalcanal campaign off the deck of the *Saratoga*, to which flattop he was assigned after the *Yorktown* went down at Midway.

In addition, Admiral Schindler is an authority on mine and submarine warfare. He knows how vulnerable our ports would be in a war of snorkel submarines and jet propelled aircraft. He also knows that these war machines can cut off our supply routes either by direct attack or by sowing mines. These mines can be laid by the submarines themselves or they can be parachuted down from aircraft.

Now is there anyone among us who would choose to ignore Admiral Schindler's warning? When this experienced naval authority explains that Russia's underwater craft outnumber the prewar Nazi fleet by almost 7 to 1, and when he also explains how our vital ports could be knocked out by the enemy, does anyone wish to take issue with him? Who would be so bold as to contend that we are safe in placing our security on foreign oil regardless of the striking power of a potential enemy?

As I have shown, in the last war we could not bring the oil around our own coastline. Why, then, in the face of the new and most serious threat, would we run the unnecessary risk of sending our tankers across the open sea? In the last war, as a consequence of the tanker sinkings, the lack of fuel in New England and New York held up work in defense plants, closed schools, churches, and office buildings, and brought blackouts to entire communities.

Our President, Secretary of Interior, and State and local authorities warned that oil burning equipment should be converted to coal as soon as possible. Fortunately, we did have time to convert during that war, and the coal and railroad industries had sufficient notice to be able to expand their activities to the required capacity. From 1938—the year before Hitler moved his troops into Danzig and set off the explosion that was World War II—through the year of our invasion of the Continent of Europe, the demand for bituminous coal in the United States increased by 75 percent. If the industry had failed to provide these needed supplies, there is no way of knowing how long the war may have been prolonged.

I still remember when that great former Senator from California, Hiram Johnson, called me on the telephone in 1942, and asked me if we were trying to freeze him to death. I said, "What is the matter?"

He said, "I cannot get any grate bars for my furnace. Somebody has converted the heating system to oil, and I have lost the grate bars. I am about to freeze to death."

I had a friend in West Virginia who had a little foundry, and we sent a set of grate bars to his home in California, and former Senator Johnson was able to live comfortably in his advanced age.

At the present time when we are admonished to be prepared for an all-out effort immediately after the signal is given, we would not be in a position to say to the coal industry and to the railroad industry: "Reopen your mines and start building freight cars, because within the next year or so we are going to need much more coal than we are using at the present time." No; these increased supplies would be needed at once, and not to foresee these circumstances during this international crisis is to neglect our people and our country.

For anyone who imagines that the increased fuel supply required in an emergency could be provided by our domestic petroleum industry, let me assure you that this idea has long ago been dispelled by some of the leading members of the American petroleum industry. I shall quote from just one of them. The following are excerpts from a speech made early this year by Walter S. Hallanan, president of Plymouth Oil Co. and Republican national committeeman from the State of West Virginia, in reference to foreign oil:

> Much of this cheap, wasteful, and unrestricted production is flooding the American market and destroying the jobs and opportunities of thousands of persons engaged in the production of hydrocarbons, both solid and liquid. It is my considered opinion that if continued without restraint, it will eventually so weaken the domestic industry that our country may be unable successfully to defend itself against aggression. We do not want America to be made a dumping-ground for foreign oil that could destroy a great national industry * * *.
>
> Let me repeat today what I have said a hundred times in the last 10 years, and let me reiterate it with all the emphasis at my command: There is no security in foreign oil. The only security we have with respect to oil lies in adequate reserves and productive capacity here at home. And even these are next to worthless unless we have a strong and healthy industry ready to develop and produce these reserves very quickly.

I may say that this is not a coal man talking. This is not a Democrat talking. This is Mr. Republican in West Virginia talking. He is the president of an oil company, and is also the head of the Oil Institute. He said there is no security in foreign oil.

As a matter of fact, in a war of any great duration not only would we need coal to supply its present markets, the markets now being usurped by foreign residual oil, and whatever other market could be converted to allow all the higher grade petroleum products to be used for fueling the war machine, but it is quite likely that we would also need coal for the production of liquid fuels.

The Senator from North Dakota [Mr. LANGER] called attention to the 27½-percent depletion allowance on oil. That provision was written into our tax laws to develop American oil, American supplies close at home, not to take care of Arabian oil or Venezuelan oil. It was enacted to cause our operators to develop more oil reserves in the United States and its immediate vicinity. It is being abused, and the coal industry is suffering from that abuse.

Back almost two decades ago Germany built 12 coal-hydrogenation plants on an experimental basis, and shortly found a vital need for them. These plants were eventually to supply 85 percent of the aviation gasoline, along with diesel fuels, fuel oil, and lubricating oils, used by the Nazi machine in the final months of the war.

In fact, those coal plants were the sinews of war for Germany when we closed in and blocked her off from foreign oil. They even made lubricants out of coal.

Most fuel authorities acknowledge that synthetic gasoline and other liquid fuels will be derived from coal on a commercial scale in this country in the not too distant future. The Government conducted a research program under the Bureau of Mines at Louisiana, Mo., and produced quantities of excellent petroleum products from coal, so there is no question about our ability to do it. The price factor alone is responsible for the delay in the creation of the synthetic fuels industry. But price is not considered in wartime and, with foreign fuel cut off and the domestic petroleum industry taxed to the limit, we might very well utilize this method of obtaining supplementary gasoline supplies.

Senators may have heard of our coal-hydrogenation plant at Institute, W. Va. It was built by the Carbide & Carbon Chemicals Co., for the production of chemicals from raw coal. The coal is pulverized and combined with hydrogen under extreme pressure, as opposed to the traditional method of producing coal chemicals through carbonization, in which the chemicals come from vapors and tar distilled in ovens where the coal is baked without air to make coke.

The hydrogenation plant offers a wide flexibility of products and the yields can be varied considerably in accordance with the product needed. In peacetime the plastics, rubber, dyestuffs, perfume, paint, and synthetic detergents industries are among those depending upon an adequate supply of coal chemicals. When the need for synthetic fuels arises, the hydrogenation process can be switched largely to the production of gasoline and other such products. Those are some of the many products we get.

The necessity of producing gasoline from coal during an all-out war is a very distinct possibility, but even without it there is no question about the tremendous increase in coal production that would be required in a full mobilization effort. It is, therefore, the unequivocal responsibility of the Congress of the United States to provide protection to the coal industry from any outside forces that may threaten its wartime capacity. For that matter, the Congress is similarly responsible for preventing the unnecessary destruction of an industry which provides a livelihood for some 400,000 American men and their wives and children.

There is a simple solution to the coal industry's most pressing problem, Mr. President. To provide the industry with a chance to reverse its downward trend, to give our miners an opportunity to return to work, to give their families new hope, to bolster the Nation's industrial strength, and to remove what is literally a security risk from a war production

program; these conditions may be realized if this administration is willing to permit compassion for our people to supplant political consideration, and if it is willing to challenge the tactics of international oil profiteers in order that our national security may never be challenged.

That solution is in the establishing of a quota limitation on the amount of residual oil that may be shipped into this country from foreign refineries.

Our reciprocal trade program was intended to build a more prosperous America while reviving the economies of our prostrate friends across the seas. It was not designed as an instrumentality for enabling the rich to get richer at the expense of American workers. During the 1950 hearings by the Senate subcommittee studying causes of unemployment, my distinguished colleague from West Virginia [Mr. NEELY], who was chairman of that subcommittee, elicited some shockingly interesting information from a number of witnesses. It was established that hired hands of importing oil companies had been farmed out to the State Department and were primarily responsible for the policies that invite cheap residual oil to be dumped on the United States fuel market.

The propagandists for those same companies are now engaged in the campaign that professes to delude the people of this country into believing that any limitation on residual oil imports would actually jeopardize our relationship with oil-producing nations. Aiding in this campaign of deceit are the paid agents of foreign governments and of such alien organizations as the Venezuelan Chambers of Commerce. They would have you believe that it is unpatriotic for an American to provide protection for this Nation's welfare and security. They preach that to restrict residual oil imports would bring hardship to oil-rich Venezuela. The fact is that there is not a scintilla of truth in either of these claims.

In the first place, how can any reasonable person object to our taking steps to remove poverty and destitution from our land? Or to enact laws necessary to the defense of our country? Certainly you and I do not resent Venezuela's own policy of protecting her industries and her people from excessive imports.

On March 16 of this year the Senate Committee on Banking and Currency issued an interim report based on a study of the operations in Latin American countries of the Export-Import Bank and the International Bank and their relationship to the expansion of international trade, pursuant to Senate Resolution 25, 83d Congress, 1st session. The following excerpts are so pertinent to this whole matter of our trade relationship with Venezuela that I wish every Member of the Senate would peruse them carefully:

Venezuelan Government policy has constantly favored industrialization as a means of lessening the Nation's dependence upon petroleum. This policy has resulted in the establishment of a number of new industries in recent years, fostered by high import duties. The Venezuelans feel that such protection is necessary because of the country's extremely high-cost economy. * * * Among some of the industries that are protected by the Venezuelan tariff are textiles, wearing apparel, rubber tires, fats and oils, confectionery, paints, metal furniture, crackers, canned fish, tomato products, and powdered milk. * * *

Import duties produce the third largest revenue return to the Venezuelan Government. In reality, the import duties substitute, to a certain extent, for direct taxes, since the administrative collecting system in the interior of the country is imperfect. Consequently, it is more convient to concentrate the collection of revenues in the ports of the country. * * * Import licenses are used as a protective device to assist local agriculture and industry. Thus licenses for some products are issued on the condition that the importer purchase locally a certain percentage of the same product imported.

Those concepts need no interpretation, but I shall include two news reports in implementation of this information.

First, the following item is from the New York Times of last February 1:

Criticism of restrictive tariffs, concentrated lately on this country, was turned on Venezuela yesterday by the Commerce and Industry Association of New York.

In a letter to the State Department, the organization charged Venezuela with continuous tariff increases with the effect of banning many American products. Joseph A. Sinclair, association secretary, urged the Department to take action to have the trend reversed.

Mr. Sinclair, who is director of the association's world trade department, recalled that Venezuela had "raised a furor" last year over a bill in Congress which would have curtailed Venezuelan oil imports. The association and many others in this country, he said, had opposed this threat to Venezuela's major export.

Noting that the bill probably will be reconsidered this year, Mr. Sinclair declared that "Venezuela's current restrictive policy is ill advised from a public relations standpoint." Manufacturers and exporters who had actively opposed the measure last year "will not be so eager this time," he added.

That meant so much, too, because it was at a time when we were being told in Senate committees that we were going to collapse the economy of Venezuela if we in any way restricted the importation of residual oil from Venezuela.

Venezuelan duties on many items such as textile piece goods, men's clothing, shirts, and the like already have been raised 100 percent or more in the last year, Mr. Sinclair wrote. It is understood, he said, that Venezuela is considering increased rates on women's apparel. This was described as one of the principal United States exports to that country.

Mr. Sinclair said one of the primary reasons for American trade-group opposition to Venezuelan oil curbs was the recognition that such restrictions would seriously weaken a major export market. It is now felt, he added, that the United States Government has a valid reason for protesting what amounts to a ban on American goods.

Copies of the letter are being sent to principal chambers of commerce in Venezuela.

And here is a statement on the subject of import controls from Business Information Service, World Trade Series No. 512, January 1954, United States Department of Commerce:

Prior import licenses must be obtained from the Ministry of Development (Ministerio de Fomento) for the importation of certain goods including: wheat flour; potatoes; copra; onions; garlic; rice: powdered milk (for free importation); frozen and refrigerated poultry; all meats, except canned; live cattle; fertile eggs; baby chicks; vegetable oils and oilseeds; tallow; cloth of artificial silk, pure or mixed; cotton cloth; cotton cloth decorated or mixed with silk; cotton cloth mixed with hemp or jute; cloth of wool or goat hair; cloth bags of fique or henequen; cordage; footwear, finished or partly finished, except bathing and ballet shoes; unmanufactured tanned cattle hides; cardboard on bobbins used for the manufacture of accounting-machine cards; asbestos-cement sheets and pipes; white paper without glue or gum, uncalendered, weighing more than 50 grams per square meter, to be used for printing newspapers, magazines, and books of a cultural nature, and for white dull-finish paper weighing more than 60 grams per square meter, destined for the same uses; portland cement; prefabricated buildings; unassembled passenger cars, and rubber tires and tubes.

Despite all this evidence of import restrictions on the part of the Venezuelan Government, we are constantly charged with being unfair in our desire to limit the residual oil imports that are destroying our coal industry and creating mass unemployment in this country. These attacks are, of course, inspired by corporations with oil operations in Venezuela, for surely no one who is aware of Venezuela's own trade philosophy would deny us the right to make similar demands in order to provide for the welfare of our own people.

As for the assertion that a restriction on residual oil imports would seriously affect the oil boom which is now bringing the Government of Venezuela something like $1 million a day in royalties, I assure you that such an eventuality is out of the question. Residual oil is produced without a cost tag and is transported to the United States without regard to actual transportation charges. Refineries normally account for their operating costs and base profits through the sale of gasoline and other higher grade products. That is why residual oil can be sold at as low a price as is necessary to get rid of it.

Venezuela produced 3 percent less crude last year than in 1952, but that decline was not reflected in shipments of residual oil to this country. On the contrary, the amount of residual oil dumped on our shores was increased by some 3 million barrels.

That increase—from 133 to 136 million barrels—offers a clue to the operations of the consortium of intrigue against the coal industry. It demonstrates the determination of the conniving oil importers to carry out their program of creeping monopolism in east coast fuel markets. With Venezuelan production off, there was every reason to expect a proportionate ebbing of the flood of residual that originates in South America and sweeps into the Atlantic seaboard. But the greedy importers, in their conspiratorial drive against coal in coastal areas, insisted on increasing the volume of the tide that has inundated the industrial markets traditionally served by the coal industry. Those companies could peddle their residual oil to other parts of the world, just as they are

doing with most of their better-grade products. They could, as a matter of fact, dispose of a quantity of it right in neighboring South American countries. But no, they choose to dump it in the United States, and as a consequence Red Russia is now shipping oil to at least one of Venezuela's South American neighbors.

Quite obviously, the oil importers expect to continue to flood their way into this country so as to demoralize completely the coal industry and whatever competition it might be able to offer in the coastal markets. Then, once this squeeze is successfully executed, the importers will be free to kite their prices to whatever extent their greedy corporate souls demand. That is the history of monopolies—to crowd out competition and then begin to enjoy the harvest. In this case the trend will be halted only by congressional action. The one other factor that could intervene would be total war, which we all pray will never be forced upon us.

What do we do about this situation, Mr. President? The administration has asked that the status quo be maintained until after the November elections. I commend to you a reconsideration of this entire matter before we go home. I make this appeal in the name of thousands of unemployed American workingmen, in the interest of equitable standards of competition, and for the sake of our national security.

Mr. President, while some day atomic energy may take the place of coal in the production of power, steel cannot be made without coal. Coke cannot be made without coal, although one variety of coke is made from crude oil, but it can be used only for electrodes. It cannot be used in the production of steel. It cannot be used to make pig iron or to make aluminum. Those are the things upon which we rely for our defense. The coal industry must be kept running. A coal mine cannot stand idle. Every day it stands idle it deteriorates. For that reason I think the time has come when Congress should make a reappraisal of our foreign policy. It should look at the tax on foreign oil and also should examine into the matter of limiting the amount of oil coming into this country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KILGORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. KNOWLAND. Mr. President, I object.

The PRESIDING OFFICER. The Senator from California objects. The clerk will continue with the call of the roll.

The Chief Clerk resumed and completed the call of the roll, and the following Senators answered to their names:

Aiken	Bowring	Butler
Anderson	Bricker	Byrd
Barrett	Bridges	Capehart
Beall	Burke	Carlson
Bennett	Bush	Case
Chavez	Humphrey	Morse
Clements	Ives	Mundt
Cooper	Jackson	Murray
Cordon	Jenner	Neely
Crippa	Johnson, Colo.	Pastore
Daniel	Johnson, Tex.	Payne
Dirksen	Johnston, S. C.	Potter
Douglas	Kennedy	Purtell
Duff	Kerr	Reynolds
Dworshak	Kilgore	Robertson
Eastland	Knowland	Russell
Ervin	Kuchel	Saltonstall
Ferguson	Langer	Schoeppel
Flanders	Lehman	Smathers
Frear	Lennon	Smith, Maine
Fulbright	Long	Smith, N. J.
Goldwater	Magnuson	Sparkman
Gore	Malone	Stennis
Green	Mansfield	Symington
Hayden	Martin	Thye
Hendrickson	Maybank	Upton
Hennings	McCarran	Watkins
Hickenlooper	McCarthy	Wiley
Hill	Millikin	Williams
Holland	Monroney	Young

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, I should like to make an appeal to reason addressed to the Members on both sides of the aisle. We have had the atomic-energy bill under debate for a period of 9 days. We have completed one around-the-clock session, and we are now engaged in another around-the-clock session. I think every Member of this body knows that this proposed legislation will not be laid aside for any other bill, and we shall complete action on it, whether it be favorable or unfavorable, as may be the determination of the Senate before we proceed to the consideration of any other bill. The Senate faces a heavy schedule, including the foreign-aid authorization bill, which is the next on the list, to be followed by the very important farm bill, proposed legislation which is coming from the Senate Finance Committee, dealing with social-security coverage, appropriations for foreign aid, a supplemental appropriation bill, and a number of additional bills of State, local, and regional importance, all of which are being jeopardized by the filibuster now in progress. I remind the Senate that there is involved a question of fairness to the employees of the Senate, who have been required to work long hours, the Official Reporters who take down the debates and prepare the copy for the CONGRESSIONAL RECORD so that we may have it as we leave our homes in the morning, our secretaries, our clerks, our Parliamentarians, our pages, and all the other employees. Even though there may be only a single Senator on the floor of the Senate of the United States, the entire employee setup in the Senate must be maintained while the Senate is in session.

Moreover, there are 96 Members of this body who have worked long hours and diligently. They have given of their service, whether they be on the Democratic side of the aisle or on the Republican side of the aisle. They are trying to the best of their ability, to serve their country in an hour of great danger, when there have been tremendous Communist advances in the Far East. No man is wise enough to know the problems which may be facing our country in the months immediately ahead. The President of the United States today is probably carrying a heavier burden than any President has carried in the peacetime history of our Nation. Problems constantly multiply in the tremendously important office he occupies.

This Congress has had an excellent record of accomplishment on legislation up to this time. I have said publicly before, and I repeat publicly now, that record of accomplishment could not have been attained had it not been for the excellent cooperation of our colleagues on the Democratic side of the aisle and of the Democratic leader, the Senator from Texas [Mr. JOHNSON]. There has had to be teamwork on many of the great problems. They are not narrow partisan problems; they are American problems that require an American solution.

I call attention to the members of the press and radio gallery, who, as long as the Senate is in session must also be present in order to cover the events happening in what is supposed to be the greatest deliberative body in the world.

At a time when human freedom is being challenged all over the world, it seems to me we should maintain the dignity and the honor of the Senate of the United States. It seems to me it becomes more or less of a spectacle when a few men, using the weapon of a filibuster, can prevent the great Senate of the United States from taking action, and can prevent not only the bill now before the Senate from being passed, but a whole list of other bills important not only to the Nation, but to other countries, if we are to maintain a free world of freemen.

I have mentioned the fact that we are holding Senators here. I think we owe an act of courtesy to the Members of the other body. There are 435 Members of the House. They are rapidly completing their legislative program. They are about ready to adjourn sine die, on July 31st even if the Senate is not. It seems to me it is hardly fair to 435 Members of the House that we should tie them up and hold up their adjournment for perhaps a week or 2 weeks because a half dozen Senators may be able to block 80 or 85 other Members of the Senate, representing sovereign States of the Union, and prevent the Senate from functioning as a legislative body.

I repeat, I appeal to reason. It seems to me there should be a reasonable solution of the problem which confronts the Senate. So, in a desire to be helpful, I offer the following suggestion: A number of amendments are pending, and they are on the desks of each Senator. It makes very little difference the order in which they are called up. Presumably, Senators who offered the amendments must have thought they were important, or else they would not have offered them, unless they were offered in pursuance of purely dilatory tactics.

I suggest a unanimous-consent agreement regarding each amendment as it is called up in turn. As an example, there is pending before the Senate an amendment offered by the Senator from Minnesota [Mr. HUMPHREY] designated as 7-16-54-L. There has been some discussion of the amendment.

Mr. President, I propose the following unanimous-consent request, and I ask the clerk to read it for the information of the Senate.

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). The clerk will read the proposed unanimous consent agreement.

The legislative clerk read as follows:

Ordered, That any debate on the amendment (7-16-54-L) to S. 3690 submitted by the Senator from Minnesota [Mr. HUMPHREY], including any amendment or motion submitted thereto, shall be limited to not exceeding one-half hour, to be equally divided and controlled, respectively, by the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Iowa [Mr. HICKENLOOPER]: *Provided*, That no amendment thereto that is not germane to the subject matter of the said bill shall be received.

Mr. KNOWLAND. I wish to inform the Senate that I offer that unanimous-consent request on behalf of the minority leader and myself. I merely put the time element in that request as an example. If the able and distinguished Senator from Minnesota, who has offered a number of amendments, feels that a half hour, which would be 15 minutes on each side, would not be sufficient time to debate the merits of the amendment—as I say there has been already sufficient discussion of it—I would not object, because none of us are infallible. I would be inclined to rest on his judgment as to what he felt would be a fair amount of time to debate the amendment. Then the Senate could proceed to debate it. There is now a large attendance of Senators. If such a unanimous-consent agreement is entered into at this time, we shall continue to witness a large attendance, instead of merely having Members available in order to have a quorum, while another Senator or group of Senators can keep the others from acting. If such an agreement is reached, the other Senators will come to the Senate floor. It seems to me those who want to enter the debate would secure a better audience under such circumstances, and if they are interested in the merits of their proposals, they would not be talking to an empty Chamber.

It seems to me I have made a reasonable proposal. If Senators deem they need a little more time, I would not object to making the time 45 minutes. I think that amount of time would be adequate for this particular amendment.

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

Mr. KNOWLAND. I yield to the Senator from Minnesota.

Mr. HUMPHREY. First of all, may I say it is my desire to cooperate. I realize the burden of the majority leader's office. I also realize the heavy load of the agenda. However, I wish to call attention to the fact that the hearings were printed on July 9. The hearings and the report were put on our desks on July 13. The debate started on July 14. The bill comprises 104 pages. Some of us were completely uninformed as to the contents of the bill. In the main, debate on the bill has been germane. The majority leader may call it what he will—filibuster, delaying tactics, or debate. It is my desire, and I am sure it is the desire of other Senators, that we proceed to amend the bill to the best of our ability, recognizing that at times we win and at times we lose. Without any further ado, I may say I am interested in taking action on my amendment. I am not interested in ascertaining the individual capacity of different Members of the Senate to outdo each other in physical endurance. I say to the majority leader I am very happy to accept his request on my particular amendment, which is the amendment designated "7-16-54-L." I understand that his request is limited to that particular amendment.

Mr. KNOWLAND. The Senator is correct; and I think he has made a very fair statement, and one which will expedite the business of the Senate, and I hope his example may be followed by other Senators.

Mr. HILL. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. HILL. Reserving the right to object, I wish to say first I sharply disagree with my distinguished friend, the majority leader, in his use of term "filibuster." [Laughter.]

There has been no filibuster. There has been a debate on a very important bill, a bill of such vast consequences, of such vast potentialities, that those of us here tonight cannot know what the effects may be, not only as regards our country in time of war, but as regards our peacetime economy and the life of our country. We have proceeded. There has been a very hotly contested issue before the Senate. The debate on that hotly contested issue has been germane. There have been very few statements that I recall that were not germane. I refer particularly to the provision in the bill with reference to the Dixon-Yates proposal, or the TVA-AEC question. The time was consumed by both the proponents and the opponents——

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. HILL. I was about to say——

Mr. KNOWLAND. I think I have the floor, but I should like to interrupt the Senator from Alabama, and I then shall yield to him further, because it is the desire of the majority leader to extend every courtesy to Senators. We have a common problem facing us in the legislative duties of a great assembly such as the Senate of the United States. I want to make it perfectly clear, so that no one will be under any misconception, I would not propose that debate on each amendment be limited to the brief time which I have proposed. I suggested that time as to the amendment offered by the Senator from Minnesota because it is a rather short amendment and because it has been debated.

It may be that when a more complicated amendment is to be debated the time for the debate should be extended to an hour, an hour and a half, or 2 hours. I suggest that that is sufficient time for reasonable men who are interested in working out a common problem. I am not suggesting to the Senate that the debate on each amendment be limited to a half hour, but I am interested in expediting the public's business.

In this day and age, when free institutions are being challenged all over the world, when people behind the Iron Curtain have been told that free institutions and representative bodies cannot function, I think we have a responsibility to demonstrate to the people of the United States and the people of the world that this, the greatest deliberative body in the world, can function with regard to the public's business and not be tied up without being able to cast a vote.

Mr. HILL. Free institutions were in jeopardy when the Senate spent 5 weeks debating the Bricker amendment. It was a germane debate, and a very good one. I take no exception to it. Free institutions have been at stake many times when the Senate, recognizing the tremendous importance of the question before it, has seen fit to meet its responsibilities and discharge its duties by having adequate debate.

As I said, yesterday the Senate discussed the very sharply divided question with reference to the TVA-AEC. This afternoon we voted on the Johnson amendment, which was also an amendment of very considerable magnitude——

Mr. KNOWLAND. Mr. President, will the Senator yield at that point and permit an interruption?

Mr. HILL. I yield.

Mr. KNOWLAND. Would the Senator from Alabama be interested in knowing, and I believe my statistical information is correct, that we have already spent on this particular bill more time, and have taken up more pages in the CONGRESSIONAL RECORD, than on any other bill, including the Bricker amendment proposal, which has been before the Senate during this session?

Mr. HILL. That may be true because the majority leader has seen fit to keep the Senate in session such long hours. I think the majority leader must admit, and surely we all know, that when the Senate is kept in session around the clock, as we have been kept in session on this bill, the debate will not be of such a quality as is conducive to exploring the different questions involved and presenting the different issues adequately and arriving at sound conclusions and judgment, as would be the case when the Senate is sitting on more or less regular schedule and a lesser number of hours each day.

What I was going to say is that the distinguished Senator from California knows that the Senator from Oregon has objected to any limitation of debate on the bill. The distinguished Senator from Oregon was here just a few minutes ago——

Mr. KNOWLAND. The Senator from Oregon is here now.

Mr. HILL. I see he has come on the floor, but when I arose he was not on the floor.

Certainly in his absence and in the absence of many other Senators, the request should not be granted at this time of the night. Had the request been made this afternoon immediately after the vote on the Johnson amendment, when other Senators were present, the situation might have been different.

Mr. KNOWLAND. Mr. President, let me say to the distinguished Senator from Alabama, for whom I have a very high regard, as I do for his colleagues on that side of the aisle, that the reason

the Senator from California insisted on the continuation of the quorum call was that he had not seen the Senator from Oregon in the Chamber at that time, and he wanted the quorum call to be completed so that, first, we could demonstrate that a quorum was present, and secondly, for the benefit of any Senators who were not in the Chamber, so as to allow them an opportunity to come to the Chamber.

Mr. HILL. The Senator knows that it is now 15 minutes after 10 o'clock. A quorum means only a majority of the membership. It does not mean that all 96 Senators are present.

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

Mr. HILL. If Senators who are not present had any idea that the Senator from California would make such a request, they might have been present. If the request had been made earlier, I think we might have had an entirely different situation.

Mr. KNOWLAND. I make an earnest plea to my friend from Alabama and I do so in the utmost sincerity. He knows of the important legislation which is to follow this bill. The farm bill is important to his great State of Alabama. Other legislation is pending. He has always been interested in the problems of international affairs. We have for consideration the foreign-aid proposal, which may mean life or death to certain free nations. I plead with the distinguished Senator that he at least permit us to try out the suggestion. It is an experiment. The author of the amendment is the Senator from Minnesota [Mr. HUMPHREY], a conscientious Member of this body. He is willing to accept the proposal, which is an experiment. There may be a number of other amendments which will not be controversial. If we can get those out of the way, we shall have made some progress. If a more complicated amendment comes up for consideration and I suggest that an hour or 2 hours be allowed for its consideration, the distinguished Senator may say, "No; I think we ought to debate that amendment for 3 or 4 hours." That would not be unusual in connection with the normal course of events in regard to unanimous-consent requests.

I would not press my views against those of the Senator. He has been a Member of this body for a longer period than I have. But, as one having the responsibilities of this chair, I plead with him that if we are to transact the business of the public we must be able to consider the various amendments and vote upon them, either by voice vote or yea-and-nay vote. There may be a number of amendments which are not very controversial. We could call this one up first. Word could then be sent out to Senators who are not now present, and they would have an opportunity to reach the Senate Chamber before the Senate voted on any crucial amendment.

I hope the distinguished Senator from Alabama will permit us to go about the business of the Senate in the manner suggested.

I yield now to the Senator from Minnesota [Mr. THYE], and then I wish to yield to my friend from Alabama.

Mr. THYE. Mr. President, I wish to say to my distinguished friend from Alabama that if he will look on our side of the Chamber he will see that there is a fine attendance of Republicans.

Mr. HILL. That is one thing I am complaining about. [Laughter.]

Mr. THYE. If my friend from Alabama will be patient for a moment, I want him to observe our fine attendance. I want him to know that we had an excellent attendance here last night, when quorum calls were made. I wish to say to my distinguished friend from Alabama that we are eager to proceed with legislation. We have not denied those on the other side of the aisle the right to discuss issues. That is one reason why Senators were here last night in goodly numbers, and that is the reason why we are here tonight.

Mr. KNOWLAND. Mr. President, I should like to say to the Senator from Alabama—and he can take my word for it or not—that in the 9 years I have been a Member of this body I have tried never to deceive the Senator or any other Member of this body.

I believe I can truthfully say that between 95 and 98 percent of the Members on this side of the aisle did not know what I was going to propose until I rose on the floor of the Senate tonight and proposed it. I proposed it at the very instant he heard it. The only Senators who knew of it in advance were a few, such as the Senator from Michigan [Mr. FERGUSON], who is present and the Senator from Iowa [Mr. HICKENLOOPER], who is in charge of the bill. I told them about it just a few minutes before I made the proposal. The Senator can believe that or not, but I say to him, on my word as a United States Senator that that is a fact.

I wish also to say to the distinguished Senator——

Mr. HILL. Mr. President, will the Senator yield for just a moment?

Mr. KNOWLAND. Yes; I will.

Mr. HILL. I would not——

Mr. KNOWLAND. I have the floor. Let me say this to the Senator: last night we tried to keep a quorum present. I have no great objection, if Senators are playing a game of delaying or filibustering or anything else. Certain Senators engaged in it can perhaps go home and go to sleep, and it is up to the other group to maintain a quorum. But I feel that under all the circumstances, with this very heavy burden, I have made a reasonable proposal, and I plead with the Senate not to object.

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

Mr. KNOWLAND. I yield.

Mr. HILL. Of course, I accept what the Senator from California has said about not letting Members on his side know that this particular proposal was to be made. However, I rather judge that they had been impressed with the fact they should be here tonight.

Mr. KNOWLAND. They were also impressed with the necessity of being present last night, and every other night. It is highly desirable that they be here every night for the next 10 days, if necessary.

Mr. HILL. I do not question the Senator's statement that he did not tell them he was about to make this particular proposal, but I dare say that he had impressed upon them that they should be present and be in their seats.

Mr. MORSE rose.

Mr. HILL. Does the Senator wish to ask me a question?

Mr. MORSE. I do not have the floor.

Mr. HILL. I should like to say to my distinguished friend from California that I know what his problem is. In some years past I have had the privilege and honor of temporarily sitting where he now sits, when I was acting leader. I know his very natural desire to get on with the program. He has a job to do and he wants to get it done as soon as possible. But I must say to him that at this hour of the night, with so many Senators absent at this time——

Mr. KNOWLAND. The Senator from Alabama knows that it has not been a top secret that we were to have a night session.

Mr. HILL. No; it was not a top secret that there was to be a night session, but there was no intimation whatever that this request would be made at this time of night. Surely without the presence of Senators who are absent, and without an opportunity to advise them as to this request, I have to object to it, and I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. KNOWLAND. Mr. President, of course the Senator is entirely within his rights. I respect the rules of the Senate. I realize that men far wiser, perhaps, than any of us assembled on this floor had reason for each of the rules they placed in our rule book, in order to be able to carry out the orderly procedures of the Senate.

I say this in good humor to my friend. He and I have been friends over many years. We shall continue to be friends. I had only hoped that, because of the circumstances facing the country and the Senate, all Members of this body might be able to see the merit and the equity in the proposal which I have made.

I say more in sorrow than in anger that I regret that my good friend has seen fit to object. I hope when I make another such request, which will be forthcoming, that perhaps the distinguished Senator will have had an opportunity to confer with some of his able colleagues, and perhaps at that time he will be more lenient toward the man who was called rather unexpectedly to fill this post.

Mr. HUMPHREY. Mr. President, I suppose the Senator thought that if we were to proceed with this amendment it might very well be adopted in much less than 15 minutes, and we could proceed with other business of the Senate.

As I understand this proposal, it pertains to one particular amendment, and we could proceed with individual amendments as we go along.

Mr. KNOWLAND. I think that is a practical solution. I had hoped that we might adopt the Senator's amendment, and that perhaps there might be others

we could call up and adopt in an orderly manner.

There are many citizens in the galleries, including schoolchildren, who are observing the proceedings of this great deliberative body. I hope we may show them how the Senate can function as one of the last great free institutions in the world.

Mr. HUMPHREY. Mr. President, I think the point needs to be made, in view of the colloquy which has taken place, that we are debating possibly one of the most important bills that has ever been before this Congress, at least in recent months. We are debating the basic revision of the McMahon Act, the Atomic Energy Act.

A number of us in the Senate sincerely believe that this revision is of such far-reaching consequences that it deserves the most meticulous consideration by Members of the Senate.

I have listened to some of the speeches that have been made. While it was not my privilege to listen to all of the speech of the Senator from Rhode Island [Mr. PASTORE], I think anyone reading the RECORD will find it to be one of the most penetrating and provocative speeches made in the Senate for many a year.

I have also had the privilege of listening to the address of the Senator from Tennessee [Mr. GORE], or at least to a portion of it, on the licensing section of the bill. I have had the opportunity to discuss that particular section at length.

I have listened to the comment, and also read the speech of the Senator from New York [Mr. LEHMAN] on international aspects.

I could point out section after section which is highly controversial, and, moreover, is basic and fundamental to the economic wellbeing of our country.

I was willing to accept the proposal with respect to this one amendment, because it seems to me, as the majority leader has said, that it is an amendment which is pretty well understood. We have been able, in 24 hours, to dispose of three amendments. The Anderson amendments was defeated. The Johnson amendment was adopted. An amendment which I offered earlier this evening was accepted.

I say that we can take this amendment. I have discussed it with the Senator from Iowa [Mr. HICKENLOOPER]. I believe it is not one that is going to stir up a tempest in this body. It is an amendment which applies pretty much to the basic context of what has already been adopted, in terms of the Johnson amendment, section 45.

I feel that we could then proceed forthwith to consider other sections. But when we come to that point of the bill known as the licensing section, Senators ought to be aware of the fact that a number of Senators are concerned about it. I wish to cooperate. I have told the majority leader that I have no desire to see the Senate tied up indefinitely on this particular measure.

No Member of this body is more interested in social security legislation, farm legislation, or mutual security legislation than is the junior Senator from Minnesota. There is no rule of the Senate which would deny us the opportunity to lay the pending bill aside if we wished to consider the farm bill. Such a procedure has been followed again and again and again. I have been in this chamber when measures have been laid aside for weeks at a time in order to allow the Senate to proceed to the consideration of some other measure. It can be done now, if we wish to do it. Personally I believe that we can complete consideration of the bill if we keep at it, and that we can arrive at an acceptable bill.

I wish to vote for an atomic energy bill which will permit licensing private developers of atomic energy for electric power purposes but I do not want to vote for a bill which emasculates all the rules and regulations of Federal power policy for the past 48 years. I will not do so. I may make concessions in connection with a particular amendment, but I will not vote for a measure which I honestly believe does not fulfill the requirements of public responsibility.

Mr. KNOWLAND. Mr. President, I suggest to the distinguished Senator that he has made a practical suggestion. The particular amendment to which he refers is not of a controversial nature, I believe. The Senator from Iowa [Mr. HICKENLOOPER] may feel disposed to object to it. The Senator from Minnesota is in favor of it. Let us discuss the merits of that amendment, and perhaps, if we can keep the atmosphere of the Senate cool this evening, if we do not permit it to become heated, as reasonable men on both sides of the aisle perhaps we can solve our problems one by one. We can not solve them all at once. We can take up only one amendment at a time.

Is the Senator's amendment the pending question?

Mr. HUMPHREY. It is.

Mr. KNOWLAND. I suggest that he make his statement regarding it. Then it can be debated, and we can see what progress it is possible to make.

Mr. HUMPHREY. That is a practical suggestion. I have a warm affection for the majority leader. I wish to proceed. If I have the floor, I will now proceed.

Briefly, the pending amendment affects subsection (c) of section 182 of the bill, which is entitled, "License Applications."

What the amendment does is to have the language apply to that part of the license section which pertains to the licenses on electric powerplants or atomic energy plants. The amendment applies to the subsection which reads:

> The Commission, in issuing any license for a utilization or production facility for the generation of commercial power under section 103, shall give preferred consideration to applications for such facilities which will be located in high cost power areas in the United States if there are conflicting applications for a limited opportunity for such license.

I have explained the amendment to the distinguished senior Senator from Iowa [Mr. HICKENLOOPER]. It would apply to the preference clause as it relates to public bodies or cooperative bodies in a very limited situation. In other words, where there may be a very limited availability of atomic energy for the purpose of electrical generation under the licensing procedure, this amendment would apply. I believe the Senator from Iowa has full knowledge of what I am driving at, and I should like to have his reaction to it.

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

Mr. HUMPHREY. I yield.

Mr. HICKENLOOPER. Has the Senator offered the modification? We discussed the amendment.

Mr. HUMPHREY. I wish to modify it.

The amendment would read as follows: On page 87, line 3, there would be added the following:

> Where such conflicting applications resulting from limited opportunity for such license include those submitted by public or cooperative bodies such applications shall be given preferred consideration.

The language refers back to the language which it amends, namely, that where there are conflicting applications in a particular instance in which there is limited opportunity for licensing, preference will be given to cooperative and public bodies. That refers to a geographical area where there would be a high cost of power.

Mr. HICKENLOOPER. The amendment refers to such situations and provides that where there are conflicting applications, and there is a limited opportunity for license, preferred consideration shall be given to public or cooperative bodies. That paraphrases the language of the amendment, I believe.

I will say to the Senator from Minnesota that I am not personally in favor of this particular amendment, and would vote against it if we were to have a yea-and-nay vote on the floor. However, it carries out part of the idea which was adopted this afternoon in one of the amendments the Senate adopted. I have discussed the amendment with some members of the joint committee. We do not know what action the House of Representatives will take on it. However, after discussing it with other members of the joint committee I feel justified in saying that I shall be glad to accept the amendment and take it to conference. I want the Senator to know, however, that my own feeling would be against the amendment if it were to be made an issue on the floor of the Senate.

Mr. HUMPHREY. I thank the Senator. In taking it to conference, I want it to be clear that what I have tried to do in this amendment is to apply the same yardstick and the same rule insofar as the high cost of electric power is concerned or licenses are permitted to be granted by the Commission as was applied in the Johnson amendment and in the Gillette amendment, the Gillette amendment applying to byproducts, and the Johnson amendment applying to the right of the Atomic Energy Commission to produce its own power.

Mr. HICKENLOOPER. I believe the amendment is clear. It is a supplement to the amendment in which the Senator from Rhode Island is interested, so far as the high cost areas are concerned.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment offered by the Senator from Minnesota [Mr. HUMPHREY], as modified.

The amendment as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment and I ask that it be read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 13, line 3, after "of", it is proposed to insert the following: "Civilian Power Application, a Division of".

Mr. HUMPHREY. Mr. President, in order to discuss this amendment appropriately I should like to read first a few lines from the bill, at page 13:

SEC. 25. Divisions and offices: There is hereby established within the Commission—

a. A Division of Military Application and such other program divisions (not to exceed ten in number) as the Commission may determine to be necessary to the discharge of its responsibilities. Each such division shall be under the direction of a Director who shall be appointed by the Commission and shall receive compensation at a rate determined by the Commission, but not in excess of $16,000 per annum. The Director of the Division of Military Application shall be an active member of the Armed Forces. The Commission shall require each such division to exercise such of the Commission's administrative and executive powers as the Commission may determine.

Mr. President, the language of my amendment would be inserted immediately after the word "of" in line 3, on page 13.

In that way there would be established a division of civilian power application.

It may well be asked what the purpose of the amendment is. Basically, the pending bill is designed to deal with the civilian uses of atomic energy from nuclear or fissionable materials.

It appears to me that what the authors of the proposed act have in mind is to set up a division such as the one the junior Senator from Minnesota has mentioned, but not to specify it as I have specified it in my amendment.

Mr. President, all kinds of licenses will be granted by the Commission. Needless to say, much of the preliminary work will have to be done by a responsible division of the Commission. A number of hearings will have to be held. Obviously there will have to be research and a consideration of the basic needs of the civilian economy in terms of use of atomic energy materials. Those atomic energy materials may be used for many purposes. They may be used for electric energy, to be sure, but also for other purposes. My amendment is a simple amendment. It makes it perfectly clear that, in view of the impact of the proposed legislation and the intent of the proposed legislation, we should designate one part of the Atomic Energy Commission as a division for what we might call civil applications, in which division the Commission would be able to proceed forthwith in licensing and all the other detail that come into that area of activity, and also to have a better organization in terms of the many uses of atomic energy.

I hope that the vice chairman of the joint committee may see fit to consider this amendment. I believe we discussed it previously, and, if my memory serves me correctly, at the time he was uncertain about it, or opposed to it.

In view of the fact that it is contemplated that not more than 10 program divisions will be set up, it seems to me that one program division should be of the kind suggested in the amendment.

Mr. HICKENLOOPER. Mr. President, the Senator from Minnesota is correct in saying that we have discussed the proposed amendment. I told him, when we first discussed it, that I felt we could not accept the amendment for several reasons. In the first place, we have a number of divisions in the Commission, and I believe in those divisions there is sufficient authority already, without creating a new division, to take care of all the needs that would be encompassed in a civilian application operation.

We have a reactor division in the Commission, which is one of the old divisions of the Commission. It has been a very successful division in connection with civilian applications outside of research and development. We have a division which deals with biology, for instance, and another with industrial applications. We have as many divisions as can be properly fitted into the organizational structure of the Commission. I still feel the same way. I have talked to other members of the joint committee and to the staff. We feel, with all due respect to the Senator's amendment, that the setup in the Commission in the various divisions is adequate to handle any ramifications which may arise, and we believe that the Senator's amendment would simply create another division with a higher rated employee and additional employees. We do not think that the establishment of such a division would be warranted.

I hope the Senator, in pursuit of his further inquiry since we discussed the amendment—I am about to say that I hope the Senator can see fit to not press his amendment, on the assurance that I and other members of the joint committee believe that the present organization of the Commission is ample to handle the situation the Senator has in mind.

We hear a great deal of criticism about creating bureau after bureau and group after group. This is one place where I believe an added division would not be justified. I am not attempting to oppose the civilian application idea, but I believe the Commission is fully equipped to handle the situation without creating an additional division.

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

Mr. HUMPHREY. I yield.

Mr. CASE. I wonder whether the Senator from Minnesota will yield so that I may address an inquiry to the Senator from Iowa.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from South Dakota may address a question to the Senator from Iowa, without my losing the floor.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none, and it is so ordered.

Mr. CASE. Mr. President, I should like to ask the distinguished Senator from Iowa, the vice chairman of the joint committee handling this bill, if it is his thought that from the language of the bill providing for a maximum of 10 divisions it is to be understood that one of them would be a division of military applications, and that since the remaining 9 divisions might be civilian divisions, to designate 1 alone as a civilian division would be in effect to set one civilian division, so to speak, above perhaps several other divisions that would be also civilian divisions.

Mr. HICKENLOOPER. I do not know whether that reasoning is applicable, but the other nine divisions would have ample jurisdiction with regard to civilian applications. There are many phases to civilian applications.

There is a reactor division, and there is a division of biology and medicine——

Mr. CASE. The other divisions would all be civilian as contrasted with military?

Mr. HUMPHREY. I think, perhaps, in the main that may be a fairly accurate statement of the divisions.

Mr. CASE. And the Senator says there is a division of military application?

Mr. HUMPHREY. Yes, and certainly military activities extend in more or less limited degree into some of the other divisions also. There is a specific division of military application, and there are nine other divisions. The various divisions can be conducted, I think, without the creation of another division.

Mr. CASE. I asked that question because I think the answer clarifies it for my own purposes. I wonder if there might be several other divisions which might be predominantly civilian in character.

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

Mr. HUMPHREY. I yield.

Mr. FLANDERS. The Senator has mentioned a biological division. That is distinctly civilian. How are the other specific civilian divisions separated from a general civilian division.

Mr. HUMPHREY. We have a civilian application division relating to licenses.

Mr. FLANDERS. So, it relates simply to the application of atomic energy for power and the licensing of undertakings of that sort?

Mr. HUMPHREY. That is correct.

Mr. FLANDERS. So it is very much more limited than the discussion would seem to indicate.

Mr. HUMPHREY. I wish to go back to that point, and I am grateful to the Senator from Vermont for bringing that to my attention.

The purpose of the amendment was was to avoid involvement in any of the activities in the field of medicine or in the field of radio activity with reference to the treatment of certain types of malignancy, but it applies to licensing for the creation of power for the generation of electrical energy. I thought this was a desirable designation within the Commission, because we are now venturing into an endeavor which we have

not undertaken before. We are dealing in terms of legislation with a broad expansion of the Atomic Energy Commission's activities. Primarily, those activities have been in the field of military weapons.

I was saying to the Senator from South Dakota we are now entering upon a particular type of program in the Atomic Energy Commission which is far greater than that which we have had in the past. The purpose of my amendment is to pin down the responsibility and to put into the confines of one division the particular licenses we want in connection with electrical energy production.

Mr. CASE. I appreciate the fairness of the Senator.

Mr. HUMPHREY. There are military aspects of the functions of the Atomic Energy Commission. That is its firm responsibility at this stage.

I suggest that for the moment we lay this amendment aside. I understand the Senator from North Dakota [Mr. LANGER] is here and wishes to address the Senate. While he is making his observations with reference to the bill, I should like to have the privilege of discussing the amendment with the Senator from Iowa [Mr. HICKENLOOPER]. I think we have clarified in the debate the purpose of the amendment, and I think that possibly we have made some progress.

I yield the floor.

Mr. LANGER. Mr. President, I wish now to address myself to the amendment offered by the distinguished Senator from Minnesota.

I addressed the Senate yesterday with regard to the proposed atomic energy bill. I emphasized that it is important, before we act on this monopoly-inspired bill, that we take full cognizance of what the people, through organizations representing millions of voters, are saying about the drive against a sound Federal power policy. I stressed the fact that the people, who are in great need of public power, who have a vital stake in what happens to this great natural resource, ought to be consulted concerning the pending bill.

I pointed out and deplored the fact that they have neither been consulted nor listened to. I offered to enlighten the Members of this body about what the people—the farmer, the laborer, the consumer—think about all this.

Accordingly I discussed at some length a few resolutions adopted by public power and consumer groups, so that the Senate might be informed of what these people, the ones with the real interest at stake, wanted done.

I referred to a meeting at Denver, Colo., on the 10th and 11th of December, attended by representatives of 30 States, with hundreds and hundreds of delegates who are experts on this subject. I read the resolution which was adopted unanimously at that convention. It was a convention called by the National Farmers Union.

I now desire to address myself to another convention, called to meet in Miami, Fla., last January, the convention of the National Electric Consumers Conference, which brought together more than 5,400 delegates directly from the farms. They were officers of REA cooperatives.

In the general language of their resolutions, they came together to speak and act for the progress and general betterment of 4 million of their neighbors and families, who have electric power on their farms as a result of the past performance and cooperative action of their Federal Government and themselves through the Rural Electrification Administration activities of the past 18 years, and for 450,000 or more other farmers who yet hope to attain power in this manner for their farms and farm homes.

The delegates to this great convention termed the Rural Electrification Administration and farmer partnership in power eminently successful, in accordance with the highest American traditions. They asserted that they "should be permitted to continue unhampered by unfounded propaganda of power monopolists, retarding legislative action, or ill-considered administrative rules and orders not compatible with our objective to secure for the American farmer and his family adequate electric power and telephone service at reasonable prices." They further affirmed that these goals may best be advanced "by the application of the sound and historic program of development and utilization of our Nation's waterpower in proper coordination with other modern power supplies."

The delegates reaffirmed the endorsement of the NRECA "Statement of Federal Power Policy of 1951," to which I shall refer later. They endorsed the Jackson bill providing that the Federal Power Commission should not grant a license to construct a dam if the project would be inconsistent with the comprehensive development of the entire river basin involved.

The delegates to the annual meeting of NRECA then resolved that any attempt to sell Federal power projects to commercial utilities will be met with all the opposition possible to protect the ownership of the people of the United States whose investments run into billions of dollars, and to protect the consumers of electric power from possible exploitation.

The great rural electric cooperative convention then proceeded to put itself on record in no uncertain terms on the importance of a continued program of Federal hydroelectric development, on the urgency of continued support for Federal power-marketing agencies, on full implementation of the preference clause in the sale of Federal power, and on fair and equitable allocation of costs to power in connection with multipurpose Federal river-basin projects.

The NRECA annual meeting strongly condemned the new power policy and marketing criteria announced by the Department of the Interior as an attempt to cripple the fine rural electric cooperative program. The delegates went on record in favor of positive legislation protecting the public interest in the development of St. Lawrence and Niagara power, in accordance with established Federal power policy. They urged continued support for the great TVA program.

In order to give the Members of the Senate a clear idea of the temper of these representatives of some 4 million members of rural electric cooperatives throughout the country, I will proceed to read excerpts from these important resolutions.

Mr. President, before reading the resolution, I want to appeal to every Republican Senator. Certainly the memory of some of the older Republicans must go back to the days when William Howard Taft was President of the United States. He was put in office by Theodore Roosevelt. He was handpicked at the Republican convention by Theodore Roosevelt, and at the convention Mr. Roosevelt said that William Howard Taft would carry out the conservation program which had been inaugurated by President Theodore Roosevelt and by the Secretary of the Interior, Mr. Pinchot. The whole country was for that program. Out of a clear sky, as every Member of the Senate who was of age at that time will remember, President Taft proceeded to tear that conservation program to pieces. It became a scandal. William Howard Taft took the same position taken by a majority of my colleagues. Some of the older Members on this side of the aisle will remember how Theodore Roosevelt was cast aside. Theodore Roosevelt ran as an independent for President of the United States, on the Bull Moose ticket, and all over the country the Republican Party became known as the party of the reactionaries, headed by William Howard Taft, who had full power to renominate himself at the convention. Theodore Roosevelt walked out of that convention. Within a matter of a few days the Bull Moose Party was organized. Woodrow Wilson ran as the Democrat. What did the Republicans of the United States do?

After Theodore Roosevelt got through with William Howard Taft, Mr. Taft carried two States, Utah and Vermont, and Mr. Taft was ignominiously kicked out of office of the President of the United States at the end of 4 years. We now have the same fight here. There are a few of us on this side of the aisle who are following the policy of Theodore Roosevelt. Most are following the policy of William Howard Taft.

All the natural resources of this country, and one of the greatest resources is power, belong to the people, and not to a few private monopolies who want to grab it all for their selfish, greedy purposes, in order to feather their nests. That power belongs to the people. We say atomic power belongs to the people. We have spent $12 billion developing atomic power. That is $12 billion of the public's money and we say that $12 billion should go to the people of America and not to the Dixon-Yates group, which is the proposal the present administration is attempting to put over.

Mr. President, I can cast only one vote, but that vote is mine. Any Senator can stand on this floor and give his opinion as to what he thinks about a piece of pending legislation. I say that so long as Almighty God gives me breath, I intend to stand and speak for the rank and file of the people, for the laborers, the farmers, the working people, the

small-business man, the small municipalities, the villages, the towns, and the cities that have been getting cheap power. By my vote I shall never surrender such power to private monopolists who are bent on robbing the people—based on what I have seen of their past record and their present record—of every possible penny they can gouge from them. Why do I say that? Because that is the record.

The resolution adopted by 5,400 members of the REA, beginning with support for hydrodevelopment, and continuing with support for the TVA, shows that what I say is the truth. Let me read some of the resolutions adopted by 5,400 experts, men who had worked for 18 years at developing the REA, men who developed hundreds of thousands of miles of lines. What do they say about Mr. Dwight D. Eisenhower's Secretary of Interior, Mr. Douglas McKay, and about his Under Secretary, Mr. Aandahl, after they were there and talked to them? No Senator has more knowledge of the subject than any one of the hundreds of delegates who attended that convention. Not a Senator knows more about the REA than I do, and I admit I know nothing about it. However, when the experts hear the proposed program of the Secretary of the Interior and his Under Secretary, Mr. Aandahl, and 5,400 experts say it is not a good program, the Senator from North Dakota knows enough, Mr. President, to follow the advice of those 5,400 delegates. I shall now read some of the resolutions adopted unanimously by them:

Whereas there are a great number of hydroprojects throughout the United States suitable for the development of low-cost electric power; and

Whereas these projects are needed to meet the requirements for electric power in the Nation; and

Whereas there is a need for the acceleration of the program of conservation and control of our river basin waters for power, irrigation, and flood control, the benefits of which are essential for the long-term prosperity of the Nation: Now, therefore, be it

Resolved, That we, the delegates to this 12th annual meeting of the NRECA, assembled January 11–14, 1954, do hereby urge Congress to:

They urge us. They go to the only people to whom they can go, the Members of Congress. They come to us as citizens, pleading with us, telling us what they want. The resolution goes on:

1. Appropriate necessary funds for the construction and completion of all multipurpose hydroprojects approved by proper authorities and meeting the specifications laid down for feasible multipurpose dam construction, and by way of illustration, but not exclusive of other such projects as the following dams:

Alabama-Coosa, Jim Woodruff, St. Lawrence, Niagara, Missouri Basin, Oahe, Buffalo Rapids, Glendo, Yellow Tail, Frying Pan-Arkansas, Table Rock, Keystone, McGee Bend, Grier Ferry, Eufula, Hells Canyon, Ice Harbor, Hartwell, Upper Columbia, Buford, Devils Canyon, and Colorado River storage project; be it further

Resolved, That Congress enact the necessary legislation to assure the people that development of hydrosites solely for power-production purposes, by commercial utilities, or non-Federal agencies may be undertaken only when such development will not interfere with ultimate comprehensive regional or river-basin development, which because of size and complexity of purpose should be properly undertaken only by Federal agencies; be it further

Resolved, That we urgently request Congress to appropriate necessary funds for transmission facilities to integrate river-basin project power facilities, and delivery of power to preference customers' load centers; be it further

Resolved, That rights of preference customers, under the Flood Control Act of 1944—

As was so eloquently stated a few minutes ago by the distinguished Senator from Minnesota—

be recognized, and that preference customers be advised that power is available, and their needs met before contracts or interim agreements are made with commercial utilities for disposal of power from various power projects.

POWER MARKETING AGENCIES

Whereas it was the intent of the Congress, as stated in the Flood Control Act of 1944, that power produced at Federal hydroprojects be made available to cooperatives, municipalities—

Which means towns, villages, and cities—

and government bodies as preference customers; and

Whereas failure to carry out this congressional edict is endangering the very existence of cooperatives, and jeopardizing loans made by the Rural Electrification Administration: Now, therefore, be it

Resolved, That the delegates assembled at the 1954 annual meeting of the National Rural Electric Cooperative Association do respectfully request that the Congress—

By whom, Mr. President? By Congress—

require the Department of the Interior to comply with the law as written in the Flood Control Act of 1944 and to implement and make the law effective; and be it further

Resolved, That we urge that adequate continuing and construction funds be made available to the Southwestern Power Administration and to the Southeastern Power Administration to enable them to honor existing contracts with preference agencies, and make power generated at Federal hydroprojects available to preference agencies as directed by the Congress; and—

Note this, Mr. President—

be it further

Resolved, That Congress appropriate adequate continuing funds for these agencies prior to February 28, 1954.

Now we come to the preference matter:

Be it resolved, That we again urge upon the Members of Congress the retention and protection of the "preference" clause in legislation pertaining to the development of our material resources, insofar as the distribution of resulting electric power is concerned.

I do not see how they could have made themselves any clearer than they did in this resolution as it pertains to the pending legislation.

They then take up the question of the sale of Federal power.

SALE OF FEDERAL POWER

Be it resolved, That funds be made available to the Southeastern Power Administration for construction of transmission lines from Clark Hill Dam to serve preferred customers, and if that is not done, that the proposal of the Georgia Electric Membership Corp. (statewide) to purchase the entire output of the Georgia side of Clark Hill Dam for distribution to preference customers and commercial power companies in the area to assure greatest benefits to all, be approved by the Department of the Interior, as opposed to the bus bar sale of the power to the Georgia Power Co., with almost the entire benefit going to that company; and

The Georgia Power Co. is not the Dixon-Yates gang, but they are just like them. The only difference is that the Dixon-Yates gang has not yet had an opportunity to become organized. Apparently it is a part of the holding company, the Southern Co.:

Be it further resolved, That if a policy of sale at the busbar is followed by the United States Government in the distribution of electric power generated at Federal hydroprojects, the Rural Electrification Administration make available funds for construction of transmission lines by rural electric cooperatives, so that power generated at Federal hydro-projects can be made available to preference agencies as directed by the United States Congress in the Flood Control Act of 1944.

Among other things they take up the question of power in Alaska. There is one provision which I should like to read. I ask unanimous consent that the remainder of the resolutions may be printed in the RECORD at this point as a part of my remarks.

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

ALLOCATION OF COSTS TO POWER

Whereas the development of river basins, with reference to multipurpose dams, has been delegated to more than one Government agency; and

Whereas only one Government agency is designated as the marketing body for electric energy generated at these dams; and

Whereas too much of the total cost of some of these dams has been charged to generating facilities: Now, therefore, be it

Resolved by the members of the National Rural Electric Cooperative Association, That we urge a coordination committee selected from the agencies be created to establish a fair and equitable allocation of the costs in all phases of multipurpose dam development, recognizing any geographical or local conditions.

INTERIOR POWER POLICY

Whereas the new Interior power policy for the country and the new Missouri Basin power marketing criteria—which is an extension of that policy in the Missouri Basin—strike at the heart of the rural electrification program in every State where the rural electric systems now purchase, or expect to purchase in the future, federally generated power; and

Whereas the new Interior power policy calls for the building only of multipurpose dams which others will not build—which means the choice sites will go to the commercial power companies—and calls for the building of fewer transmission lines—which means that the power companies will buy more of the power at the bus bar to the exclusion of the rural electrics; and

Whereas the marketing Criteria started as an "all-out" attack to the extent that the claimed powers of the Secretary of the Interior would allow, and even as revised under date of December 11, 1953, still constitutes an apparent deliberate and direct attack upon the preference clauses of Federal marketing statutes, which are so important to the farmers of this country; and

Whereas the criteria will cause irreparable damage to our rural electric systems by—

1. Arbitrarily limiting the amount of firm power available to preference customers to an inefficiently low standard, thereby also reducing Government revenues at the expense of the preferred customers and the Government;

2. Refusing to give preferred customers contractual protection without the payment of penalties so heavy that it would destroy the financial stability of many rural systems;

3. Providing for long term contracts with nonpreference customers without a withdrawal clause, in abrogation of preference rights granted by law to our rural systems;

4. Limiting the area of service and thereby making it impossible for some preference customers ever to receive any Government marketed power;

5. Officially ending the postage stamp rate which provided that all customers pay the same price regardless of distance from the dam; and

6. Introducing a minimum annual capacity charge that is both unnecessary for the protection of the Government and costly to the rural electric systems; and

Whereas the Department of the Interior has also announced that it will not continue its long established policy of insisting that the cost of power produced in multipurpose projects be determined on an incremental cost or equitable proportionate cost basis, but will leave cost allocations to the agencies which build the projects, meaning higher cost to the rural electrics because of formulas applied by the other agencies; and

Whereas these changes in well established power policies, which have operated successfully in the past, are unwarranted and have been adopted without consultation with the chosen representatives of the people and rural systems involved; and therefore constitute an apparent deliberate attempt to damage our rural systems: Now, therefore, be it

Resolved, That we, the delegates to the annual meeting of the National Rural Electric Cooperative Association, meeting in Miami, Fla., January 14, 1954, strongly condemn this new policy and marketing criteria of the Department of the Interior; and that we pledge ourselves to use every effort to defeat this attempt to cripple our fine progam; and that we do hereby request the Secretary of the Interior to withdraw immediately the policy and marketing criteria and to make no changes in established power policies affecting our rural systems without prior consultation with the representatives of the rural systems, chosen by them for that purpose.

The secretary is instructed to send copies of this resolution to (1) the President of the United States, (2) every Member of Congress, and (3) the Secretary of the Interior.

ST. LAWRENCE AND NIAGARA POWER

Whereas NRECA has, at its 10th and 11th meetings, requested the Congress to enact legislation for the development of power on the St. Lawrence River in accordance with the established policy of NRECA relating to public-power development as set forth in the statement of Federal power policy adopted by NRECA, February 1, 1951; and

Whereas the Congress has failed to enact such legislation and the Federal Power Commission has granted a license to the Power Authority of the State of New York to develop and market St. Lawrence hydropower, without protection to the consumer through application of the provisions of the preference clause of the Flood Control Act of 1944; and

Whereas legislation is now pending in the Congress to permit the development at Niagara of hydropower by five private companies, with no protection afforded the public: Therefore be it

Resolved, That we do hereby request the Congress to enact positive legislation for the protection of the public in accordance with the established power policy of NRECA in the development of hydropower at the St. Lawrence and Niagara power sites.

ALASKA POWER PROGRAM

Be it resolved, That we reaffirm our endorsement of the Devil Canyon Dam on the Susitna River in Alaska, and we urge a continuing program of investigations of hydroelectric sites and studies of load growth throughout Alaska so as to encourage a more adequate supply of power at lower rates.

SUPPORT FOR TVA

Whereas the TVA has been so vitally constructive in providing low-cost electric power and energy to the farmers, homeowners, defense industries, other industries, municipalities, and mills in the Tennessee Valley, and improved the general standard of living for farm and homeowners through furnishing power to the rural electric cooperatives, and to the establishment of industries in its area; and

Whereas the Tennessee Valley Authority has made vast contributions to national defense, including the provision far ahead of schedule of the tremendous needs for power of the atomic energy program, furnishing this power at rates so low as to save all the taxpayers of the United States millions of dollars; and

Whereas the TVA program is self-liquidating, repaying capital invested by the people of the United States over a 40-year period and will still belong to all the American people after the people of the Tennessee Valley have paid for it; and

Whereas TVA's wholesale rate yardstick has reduced the rates at which all rural electric systems must buy power, thus exercising a restraining influence that diminishes only with the distance from TVA territory: Now, therefore, be it

Resolved, That we commend to the Congress the great economic advancements and contributions to the development of the Southeast made by the TVA, and request that continued appropriations be made to supplement, advance, and continue this great development of our national resources.

Mr. LANGER. I wish to read this paragraph:

Support for TVA.

This is the very TVA that Congress is trying to wreck today. Fifty-four hundred delegates meeting in Miami on January 11, 12, 13, and 14, after Mr. McKay, Secretary of the Interior, had talked to them, and after the head of the department, Mr. Aandahl, had talked to them, by unanimous vote had this to say with respect to support for TVA:

Whereas, the TVA has been so vitally constructive in providing low-cost electric power and energy to the farmers, homeowners, defense industry, other industries, municipalities and mills in the Tennessee Valley, and improved the general standard of living for farm and homeowners through furnishing power to the rural electric cooperatives, and to the establishment of industries in its area; and

Whereas, the Tennessee Valley Authority has made vast contributions to national defense, including the provision far ahead of schedule of the tremendous needs for power of the atomic energy program—

I stop for a moment to invite the attention of every Senator to the fact that they specifically mention the atomic-energy program—

furnishing this power at rates so low as to save all the taxpayers of the United States millions of dollars; and

Whereas, the TVA program is self-liquidating, repaying capital invested by the people of the United States over a 40-year period and will still belong to all the American people after the people of the Tennessee Valley have paid for it; and

Whereas, TVA's wholesale rate yardstick has reduced the rates at which all rural electric systems must buy power, thus exercising a restraining influence that diminishes only with the distance from TVA territory: Now, therefore, be it

Resolved, That we commend to the Congress the great economic advancements and contributions to the development of the Southeast made by the TVA, and request that continued appropriations be made to supplement, advance, and continue this great development of our national resources.

At another place they make it very clear that they are not following the policy laid down by the Eisenhower administration. They do not condemn Mr. Eisenhower personally, but they condemn the policies laid down by Mr. McKay, the man whom he appointed Secretary of the Interior, and by Mr. Aandahl, Under Secretary.

I have told the Senate about the meeting at Denver, attended by representatives of 30 States. It met December 10 and 11. I have told Senators about the one at Miami, attended by 4,500 delegates coming from every State in the Union and Alaska and Hawaii. Now I wish to take up the one which was held in Albany, N. Y.

The Northeast Electric Consumers Conference, meeting in Albany, N. Y., brought together approximately 200 representatives of municipal electric systems, rural electric cooperatives, labor, farm, and consumer organizations from New England, New York, Pennsylvania, and Ohio.

A few years ago a Senator called a group of Senators from the Northwest the "sons of the wild jackass." I invite the attention of Republicans coming from those States today to the fact that of the men meeting in this conference not one of them came from the Northwest or the West. They came from the New England States and from New York, Pennsylvania, and Ohio. What did they do? The theme of the meeting was an action program to fight the high cost and low consumption of power, particularly in New York and New England. Particular emphasis was placed on support for the public redevelopment of Niagara Falls power, with preference to public agencies and cooperatives in the marketing of the power.

This important electric consumers' conference also went on record in support of a broad power program, including public development of atomic power, with preference to rural electric cooperatives, municipalities, and other nonprofit electric systems. The conference opposed the giveaway amendment of the Atomic Energy Act of 1946, including "granting of patent rights on atomic processes to individuals or private corporations."

If this bill becomes law, Mr. President, Congress will have passed it in the face of all the representatives of the various REA cooperatives, in the face of representatives from municipalities in the New England States, Pennsylvania, and Ohio, and in the face of the consumers group,

as well as of the public generally, whom those 200 delegates represented.

In order to suggest to the Senate how these many farm, labor, and consumer organizations in the Northeast feel about the great power issue, which is before us in the proposal to rewrite the Atomic Energy Act, I shall later read the statement of principles and goals which they adopted unanimously.

The statement is quite long. I hesitate at this late hour of the night to read it. I shall perhaps give myself that pleasure tomorrow or next day, if this debate continues. Meantime, if any Senator desires to read it, it will be available in my office.

Suffice it to say, in general, that these delegates from the New England States and from Ohio, Pennsylvania, and New York adopted the same kind of resolutions as were adopted at Denver and as were adopted by 4,500 delegates unanimously at Miami on January 11, 12, 13, and 14 of this year.

The question is, Is the Senate going to represent the 4 million people who already have REA, and the 450,000 who do not have it, but who want it, or are we going to vote for this bill, which in my opinion, at least, favors private utility monopoly?

The next is the American Public Power Association. The American Public Power Association, a national management organization, representing over 700 publicly owned electric systems throughout the country, met in Chicago in early May when the final hearings before the Joint Committee on Atomic Energy were about to begin. Of course, these people did not have a great lobbyist, who gets $65,000 a year, to speak for them. They just had ordinary individuals. There were 700 of them.

In a series of resolutions the convention placed the country's municipal-electric systems on record in full support of the basic principles of the Federal power policy, which is now under attack on a dozen fronts by an administration that appears to be committed to the power-trust strategy.

The APPA resolutions, which are of importance in connection with the atomic power bill now before the Senate, deal with the preference clause; with the St. Lawrence and Niagara power developments; with the Tennessee Valley Authority's need for additional generating capacity; with the tremendous subsidy the Government is giving to private power companies through the accelerated tax amortization program; and with the proposed amendments to the Atomic Energy Act.

I want to repeat that, Mr. President, the Tennessee Valley Authority's need for additional generating capacity.

They did not mention Dixon-Yates. They mentioned the Tennessee Valley Authority.

This great convention even found time to commend the Senate Subcommittee on Anti-Trust and Monopoly Legislation for its investigation into monopolistic practices in the power industry. It urged an extension of that investigation.

The resolution dealing with the proposed atomic energy legislation declared that the "provisions of the bill, insofar as they deal with patents and permit or encourage a monopoly, are not only subversive of the public welfare, but they are so obviously designed to serve individual private interests at the expense of the general welfare as to require their total rejection."

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

Mr. LANGER. Mr. President, I have the floor.

Mr. KNOWLAND. I thought the Senator from North Dakota had concluded his remarks.

Mr. LANGER. It may take me a little time to finsh them. I will finish my remarks tomorrow.

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

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

Aiken	Eastland	McCarthy
Barrett	Ferguson	Millikin
Beall	Flanders	Monroney
Bennett	Goldwater	Mundt
Bowring	Hendrickson	Payne
Bricker	Hickenlooper	Potter
Bridges	Holland	Purtell
Bush	Humphrey	Reynolds
Butler	Ives	Saltonstall
Capehart	Jenner	Schoeppel
Carlson	Johnson, Tex.	Smith, Maine
Case	Johnston, S. C.	Smith, N. J.
Clements	Kilgore	Thye
Cordon	Knowland	Upton
Crippa	Kuchel	Watkins
Daniel	Langer	Wiley
Dirksen	Long	Williams
Duff	Malone	Young
Dworshak	Martin	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Minnesota.

Mr. KNOWLAND. Mr. President, once again, for the reasons I stated heretofore and which I shall not repeat, I send to the desk a unanimous-consent agreement relative to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] identified as 7-16-54-K, and I ask for the clerk to read it for the information of the Senate.

The PRESIDING OFFICER. The Secretary will read the proposed unanimous-consent agreement.

The Chief Clerk read, as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That any debate on the amendment 7-16-54-K to S. 3690 submitted by the Senator from Minnesota [Mr. HUMPHREY], including any amendment or motion submitted thereto, shall be limited to not exceeding one-half hour, to be equally divided and controlled, respectively, by the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Iowa [Mr. HICKENLOOPER]: *Provided*, That no amendment thereto that is not germane to the subject matter of the said bill shall be received.

Mr. KNOWLAND. Mr. President, I hope the Senate will agree to this request. The amendment is not a highly technical one. We might be able to make a little progress this evening. I shall then have other unanimous-consent requests to propose as we make progress.

Mr. JOHNSTON of South Carolina. Mr. President, I feel that at this time it is necessary for me to object, for the simple reason that we want the amendments to be fully discussed. We do not want to cramp any Senator at any time.

Mr. KNOWLAND. Mr. President, for the reasons I have stated, I move that the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] be laid on the table.

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

Mr. KNOWLAND. For a question.

Mr. HUMPHREY. Mr. President, I would ask the Senator from California if he would not proceed with the consideration of this amendment. I do not think it will take very long. We are all being cooperative in the matter, and we can completely discuss the amendment in the manner in which amendments should be discussed, namely, by free and open discussion, and we can get on with the business of the Senate. I have no intention of making any long discussion of it. If the amendment is not adopted, we will proceed to the next amendment. There are a number of amendments that are being offered in good faith. There is no effort to put the Senate into any embarrassing position of time-lag or jamming up the program. I would appreciate it if the majority leader would give us a chance to finish the debate.

Mr. KNOWLAND. Mr. President, I endeavored to get agreement on what I thought was an acceptable unanimous-consent request. Apparently, we are going to be delayed in casting votes on this and on other amendments, and I ask for the yeas and nays on the motion to lay the amendment of the Senator from Minnesota on the table.

The PRESIDING OFFICER. There is a sufficient second, and the yeas and nays are ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Ferguson	Millikin
Barrett	Flanders	Monroney
Beall	Goldwater	Mundt
Bennett	Hendrickson	Payne
Bowring	Hickenlooper	Potter
Bricker	Holland	Purtell
Bridges	Humphrey	Reynolds
Bush	Ives	Saltonstall
Butler	Jenner	Schoeppel
Capehart	Johnson, Tex.	Smith, Maine
Case	Johnston, S. C.	Smith, N. J.
Clements	Kilgore	Thye
Cordon	Knowland	Upton
Crippa	Kuchel	Watkins
Daniel	Langer	Wiley
Dirksen	Long	Williams
Duff	Malone	Young
Dworshak	Martin	
Eastland	McCarthy	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from California to lay on the table the amendment offered by the Senator from Minnesota [Mr. HUMPHREY]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Idaho [Mr. WELKER] is necessarily absent.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Ohio [Mr. BURKE], the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Illinois [Mr. DOUGLAS], the Senator from Louisiana [Mr. ELLENDER], the Senators from North Carolina [Mr. ERVIN and Mr. LENNON], the Senator from Delaware [Mr. FREAR], the Senators from Arkansas [Mr. FULBRIGHT and Mr. MCCLELLAN], the Senators from Georgia [Mr. GEORGE and Mr. RUSSELL], the Senator from Iowa [Mr. GILLETTE], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Arizona [Mr. HAYDEN], the Senators from Missouri [Mr. HENNINGS and Mr. SYMINGTON], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senators from Washington [Mr. JACKSON and Mr. MAGNUSON], the Senator from Colorado [Mr. JOHNSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from New York [Mr. LEHMAN], the Senators from Montana [Mr. MANSFIELD and Mr. MURRAY], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The result was announced—yeas 47, nays 9, as follows:

YEAS—47

Aiken	Duff	Mundt
Barrett	Dworshak	Payne
Beall	Ferguson	Potter
Bennett	Flanders	Purtell
Bowring	Goldwater	Reynolds
Bricker	Hendrickson	Saltonstall
Bridges	Hickenlooper	Schoeppel
Bush	Holland	Smith, Maine
Butler	Ives	Smith, N. J.
Capehart	Jenner	Thye
Carlson	Knowland	Upton
Case	Kuchel	Watkins
Cordon	Malone	Wiley
Crippa	Martin	Williams
Daniel	McCarthy	Young
Dirksen	Millikin	

NAYS—9

Clements	Johnson, Tex.	Langer
Eastland	Johnston, S. C.	Long
Humphrey	Kilgore	Monroney

NOT VOTING—40

Anderson	Hayden	McClellan
Burke	Hennings	Morse
Byrd	Hill	Murray
Chavez	Jackson	Neely
Cooper	Johnson, Colo.	Pastore
Douglas	Kefauver	Robertson
Ellender	Kennedy	Russell
Ervin	Kerr	Smathers
Frear	Lehman	Sparkman
Fulbright	Lennon	Stennis
George	Magnuson	Symington
Gillette	Mansfield	Welker
Gore	Maybank	
Green	McCarran	

So Mr. KNOWLAND's motion to lay on the table Mr. HUMPHREY's amendment was agreed to.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I send to the desk and ask to have the clerk read the amendment identified as 7-16-54 G.

The PRESIDENT pro tempore. The amendment will be read.

The CHIEF CLERK. On page 87, after line 20, it is proposed to add a new section, as follows:

e. Every licensee under this act, holding a license from the Commission for a utilization or production facility for the generation of commercial power under section 103, shall be subject to the regulatory provisions of the Federal Power Act applicable to licensees under that act as established by sections 301, 302, 304, and 306 thereof and to such other provisions of the Federal Power Act as provide for the enforcement of the regulatory authority of the Federal Power Commission with respect to licensees for development of waterpower.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, the purpose of this amendment, in brief, is to assure that those who are licensed by the Atomic Energy Commission to use nuclear materials for the generation of commercial power will be subject to the regulatory provisions of the Federal Power Act. This control would be after the yardstick operation of the nuclear powerplants by the Federal Government, as a second line of defense against the exploitation of this great Government-owned and people's-owned resource.

The simple purpose of the amendment is to apply the established rules and regulations and provisions of public law with respect to the generation of hydroelectric power and other forms of energy, as written in the Federal Power Act, to licensees of the Commission under the pending bill.

Mr. President, I desire to make it clear that the purpose of this amendment is to safeguard the resources which are in the possession of the Atomic Energy Commission, and which in reality are in the ownership of the people of the United States. It has been made crystal clear throughout this debate that we are not talking about private property owned by some corporation or partnership or individual. I regret to say that I am of the opinion that there are Members of this body who think that we are dealing with a normal contractual relationship between individuals or between business institutions; but we are not. We are talking about a great natural resource which belongs to the people of the United States; and when the Congress of the United States is legislating a policy which will permit a Commission of five members to license the use of that resource by an individual corporation, it appears to me that it is desirable to embody in the law rules and regulations that are tested by experience. I am rather disappointed and discouraged to find in the 104 pages of the bill an inadequacy in the safeguards and protections of the public interest.

The Federal Power Act is the result of long deliberation on the part of many Congresses. It has been amended; it has been gone over time after time. The purposes of that act have been reviewed by committees of this Congress.

The Federal Power Commission has exercised administrative jurisdiction under the terms of the Federal Power Act; and why should one kind of rule and regulation apply to electrical power made by hydroelectric generation or thermal generation and apply a different set of standards and regulations to electrical energy produced from nuclear energy or nuclear power?

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

Mr. HUMPHREY. I yield.

Mr. LONG. Does the Senator know that the gas that is produced in the State of Louisiana and shipped outside that State is subject to regulation, even though it is privately owned?

Mr. HUMPHREY. The Senator from Louisiana has again touched upon one of the points I want to make clear. Whether it is oil or gas or electrical energy generated by steam plants or by hydroelectric-generation facilities, it is subject to the Federal Power Act rules and regulations. And here we are legislating in the field of atomic energy, the great-wonder accomplishment of modern times, the greatest power resource man has ever known, and we hesitate to apply the rules and standards which had been proven to be effective in protecting the public interest.

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

Mr. HUMPHREY. I yield.

Mr. LONG. Does the Senator know that the Congress saw fit to pass an act which has been interpreted as giving the Federal Power Commission the right to fix a price at which a natural-gas producer can sell his gas in interstate commerce, even though the gas was privately discovered and privately owned by private individuals?

Mr. HUMPHREY. The Senator from Minnesota is aware of that, and, while there are some honest differences between the Senator from Louisiana and the Senator from Minnesota as to whether or not that authority ought to be in the Commission, the court has so ruled. Yet, when we now come to atomic energy, which is not privately owned, and which cannot be privately owned, atomic energy which, under the terms of this law, can only be licensed for use by the Commission and not for ownership, we hesitate to apply the rules and regulations which have been proven to be at least acceptable to the Congress throughout the years, in behalf of the public interest. That is the purpose of my amendment.

I want to say, Mr. President, that I do not want this amendment to be laid on the table as a means of thwarting action on the part of the Senate. We have a sorry spectacle here. On the one hand, we have Senators hurling accusations of filibuster, when it seems to me bills are being brought up as fast as they can be brought up. No Senator in this body can stop another Senator, when he gets the floor, from making a speech. The speeches this evening have not been on extraneous subjects; they have been on the subject of power, they have been on the subject of this bill. I have several amendments on which I have worked for days, in order to get them ready; and I am going to present every last one of them. I may say I will be here when some other Sen-

ators have gone home and to bed. I am going to be here, presenting my amendments.

Mr. LONG. Mr. President, will the Senator yield for another question?

Mr. HUMPHREY. Yes; I yield.

Mr. LONG. Is the Senator familiar with the fact——

The PRESIDENT pro tempore. The Senator from Louisiana will address the Chair.

Mr. LONG. Mr. President, is the Senator familiar with the fact that when we had the Bricker amendment under consideration we debated it for 5 weeks, yet no one ever moved to table the Bricker amendment.

Mr. HUMPHREY. I am aware of that fact. I am aware of the many gyrations in connection with the Bricker amendment. By the time it went through this mill, it was not the original Bricker amendment, and with all due deference to our dear friend from Ohio, I do not know whose amendment it was; but he at least got the honor of its authorship.

Mr. KNOWLAND rose.

Mr. HUMPHREY. I am sure that the majority leader would like to have me yield to him, and I want to do so.

Mr. KNOWLAND. I understood the Senator——

Mr. HUMPHREY. The Senator will understand that this is an important amendment, and I want to discuss it a little bit more.

Mr. KNOWLAND. The Senator from California will be glad to wait. He always enjoys the presentations made by the Senator from Minnesota; and the Senator from California will be right here with him when he has completed his remarks.

Mr. HUMPHREY. Mr. President, this is one of the most encouraging signs of the evening, to see the affability, the generosity, the compassionate understanding of the majority leader. I want to say that I am here to share in this wonderful development of friendship and amicability we now have; and I say that, in all sincerity, to the majority leader. I want to expedite the work of the Senate, and I shall. But I am not going to expedite this amendment, until I see the light in the eye of the majority leader, indicating that he seeks action on the amendment, and not its untimely burial.

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

Mr. HUMPHREY. I yield for a question.

Mr. KNOWLAND. I should like to ask the Senator if the Senator will yield for the purpose of permitting the majority leader to submit a unanimous consent agreement. I assure the Senator it is not intended to table his amendment, and is not meant to cut off debate; and if the time proposed in the agreement is not satisfactory to the distinguished Senator from Minnesota, and he suggests additional time, I will certainly be glad to see if the matter can be worked out on the floor of the Senate. I wonder, on condition that he will not lose his right to the floor, whether he will permit me to send to the desk the proposed unanimous consent request and have it read for the information of the Senate.

Mr. HUMPHREY. I may say that we went through this procedure once before. I wanted then to cooperate with the Senator and I still am of the same mind, but I think I must frankly state that there are Members, colleagues of mine, who are not of the same mind. I do not want to embarrass anyone, either myself or any one of my colleagues.

I know that the majority leader, so to speak, has the whip hand. In making these proposals for unanimous consent agreements he has found a kindly soul, a willing person, in the junior Senator from Minnesota. I am just filled with consent, tonight. I want unanimous consent to be given to practically all the suggestions the majority leader makes—practically all, not all.

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

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. Knowing the Senator to have a liberal mind, would he have any objection, even though he decided to object later, to permitting me at least to let the Senate know what I was going to suggest? I wanted the Senator to be sure I was not going to propose to cut off debate, or take him off the floor.

Mr. HUMPHREY. I am always willing to listen to any new suggestion anyone might make. I am of a liberal mind; I believe in free speech, freedom of suggestion, and freedom of petition; and I am now going to yield gladly to the distinguished majority leader to make whatever request he desires.

Mr. KNOWLAND. And with the understanding that the distinguished Senator will not lose his rights to the floor.

Mr. HUMPHREY. That is correct.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. KNOWLAND. I now send to the desk a unanimous-consent request, and ask that it be read for the information of the Senate.

The PRESIDENT pro tempore. The proposed unanimous-consent agreement will be read.

The Chief Clerk read, as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That any debate on the amendment to 7-16-54 G, S. 3690, submitted by the Senator from Minnesota, Mr. HUMPHREY, including any amendment or motion submitted thereto, shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by the Senator from Minnesota, Mr. HUMPHREY, and the Senator from Iowa, Mr. HICKENLOOPER: *Provided*, That no amendment thereto that is not germane to the subject matter of the said bill shall be received.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request?

Mr. KNOWLAND. Mr. President, I do want to see if we cannot get together, as reasonable men; perhaps, I should have said, "Come, let us reason together."

I wonder if 1 hour would be too short, or if an hour and a half, equally divided, would be agreeable? Or, if the Senator feels that the amendment is important—and I can understand how he may well feel as strongly on some of these proposals as he does—he might suggest 2 hours, 1 hour of which would be controlled by the distinguished Senator from Minnesota, and the other hour by the distinguished Senator from Iowa. I certainly want to be reasonable. I am not trying to foreclose debate, but I should like to see if we cannot adjust the matter with my good friend from Minnesota, and fix a time so that the Senate can proceed with its business.

Mr. HUMPHREY. I may say to the Senator that I always appreciate such appeals as "Come, let us reason together"; they are fine, they include all mankind, particularly the sons of Abraham. And now I find myself being prodded or moved by the famous words of the prophet Isaiah.

With that kind of philosophy and encouragement, there is not much else I can do but say to the majority leader that I want to cooperate; but would the majority leader not think it right, in view of the pleadings of some of our colleagues, that before acting on the unanimous-consent request, there be a quorum call?

Mr. KNOWLAND. I think that that would be advisable. I certainly would not want to have the request acted upon, unless all Senators had notice; and if the Senator will yield to me for that purpose, I will suggest——

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Minnesota may yield to the Senator from California for the purpose of suggesting the absence of a quorum.

The PRESIDENT pro tempore. Without objection, it is so ordered.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

Aiken	Eastland	McCarthy
Barrett	Ferguson	Millikin
Beall	Flanders	Monroney
Bennett	Goldwater	Mundt
Bowring	Hendrickson	Payne
Bricker	Hickenlooper	Potter
Bridges	Holland	Purtell
Bush	Humphrey	Reynolds
Butler	Ives	Saltonstall
Capehart	Jenner	Schoeppel
Carlson	Johnson, Tex.	Smith, Maine
Case	Johnston, S. C.	Smith, N. J.
Clements	Kilgore	Thye
Cordon	Knowland	Upton
Crippa	Kuchel	Watkins
Daniel	Langer	Wiley
Dirksen	Long	Williams
Duff	Malone	Young
Dworshak	Martin	

The PRESIDENT pro tempore. A quorum is present.

The Senator from Minnesota has the floor.

Mr. LONG. Mr. President, reserving the right to object——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield.

Mr. LONG. Do I correctly understand that a unanimous-consent request is pending?

The PRESIDENT pro tempore. That is correct.

Mr. LONG. Mr. President, reserving the right to object, let me say that if the Senator from Minnesota is going to offer his amendment, it would be only fair

that a reasonable number of his colleagues on this side of the aisle be present. The Senate has now been in session around-the-clock for almost 40 hours.

If it is proposed that we agree to a unanimous-consent proposal regarding the vote on this amendment—and so far as I am concerned, I am perfectly willing to agree by unanimous consent to vote on all of them—it seems to me it is unfair to Senators on the Democratic side of the aisle to have a small attendance here; and I believe it would be only fair that we take a recess until tomorrow, and at that time agree to a limitation regarding debate on the amendment.

I should like to inquire whether the majority leader would be willing to agree to have the vote taken tomorrow.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I should like to say, in complete friendliness to the distinguished Senator from Louisiana, that it has been known publicly and has been stated on the floor of the Senate that we were going to proceed with this session of the Senate until we dispose of this bill. Quite a number of Members have expressed a great interest in the Tennessee Valley phases of the bill and the power-production phases of the bill. It seems to me that under those circumstances those Members should be here. They certainly were on notice that the Senate was in session. They certainly were on notice that the majority leader would try to conduct the business of the Senate in the normal course of events; and certainly we cannot be blamed if there are vacant seats of some of the Members who have been conducting the prolonged discussion. I do not want to use the other word for it, because that might offend some of my friends across the aisle, and now we are trying to arrive at an area of agreement. So I shall not say a filibuster is in progress at the moment; I shall say there has been rather prolonged discussion.

Under those circumstances, it seems to me only fair that the Members who have been particularly active in these proceedings should be here, and should not, instead, perhaps be comfortably sleeping at home while many Members on the other side of the aisle are under some considerable wear and tear—Members such as the distinguished Senator from Louisiana [Mr. ELLENDER], who is here at this time, as are also the distinguished Senator from South Carolina; the distinguished Senator from Minnesota; the distinguished Senator from Mississippi, my good friend, whose State I visited; the distinguished minority leader, the senior Senator from Texas [Mr. JOHNSON]; my good friend, the minority whip, the distinguished Senator from Kentucky [Mr. CLEMENTS]; our able friend, the Senator from Florida; and our friend, the junior Senator from the State of Texas [Mr. DANIEL], as well as the distinguished son of a distinguished father, the Senator from Louisiana [Mr. LONG]. All of them are here. They are giving of their time.

I shall not name—because it would take me too long to do so—the Members on the Republican side of the aisle who are present. However, I wish to get into the RECORD a statement of the fact that there are now present, at 12:20 a. m., on this side of the aisle, a great many Members who are carrying heavy burdens.

Under those circumstances, it seems to me that the Senator from Louisiana is not obligated to take care of Senators who either are disinterested or at least are not sufficiently interested to be here to make their own objections.

Mr. LONG. Mr. President, it has always seemed to me that the purpose of debate is to gain votes. I believe the longer we debate the amendment, the more votes we shall get for it, especially when more Democratic Senators are on the floor.

Therefore, I object.

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana withhold his objection for a moment?

Mr. LONG. Yes, I withhold it.

Mr. KNOWLAND. Mr. President, I should like to extend my congratulations to the Senator from Louisiana because he himself is here to answer the quorum call; and it seems to me if he is able to do so, other Members should be able to do the same.

Certainly the Senator from Louisiana is within his rights as a Senator in attempting to protect Members who do not see fit to be present at this time.

Mr. President, let me say I have a great regard for the rules. The distinguished Senator from Louisiana also has a great regard for the rules.

Earlier, I stated that I am quite sure that those who perhaps were far more able than any of us, gave a great deal of thought to every page of the rules and to every rule and to every section and to every subsection of the entire rule book of the Senate. When they found that sometimes there developed situations in which the voting stage could not be reached, even though all reasonable requests and efforts had been made—for instance, in situations such as the present one, when every effort has been made to conduct the public business—they drew up rule XXII, which relates to cloture. Of course, that is a very drastic remedy.

Mr. HUMPHREY. Mr. President——

Mr. KNOWLAND. Mr. President, I hope the Senator from Minnesota will pardon me for a moment, please.

Let me say that when I came to the Senate, I had a much different idea regarding cloture than I have today. Normally, I would not favor using cloture. I certainly would not favor using it under any normal circumstances in the early part of a session.

But when we reach the last 2 weeks of a session—and let me say perhaps I am optimistic regarding that point—I realize I have been "dented" considerably regarding the estimated date I had in mind for the end of the session, namely, July 31. Some doubts have been expressed as to whether we shall be able to make up the time that has been lost—but even assuming that the sine die adjournment might come at some other period or date, although I am not one to give up hope very easily—for instance, let us suppose that the session were to be continued for a more extended period—then perhaps it would be fair to say we are now in the last 3 weeks of the session, if we accept the viewpoint of some Members on the other side of the aisle.

Mr. President, all of us realize that we still have a crowded legislative calendar. So I hope the distinguished Senator from Louisiana and other Members on his side of the aisle will not—against my will—almost force me to resort to rule XXII for the only relief the Senate of the United States will have in order to transact the public business.

Mr. LONG. Mr. President, reserving the right to object, let me say that when I came to the United States Senate, I was assigned to a committee on which our distinguished majority leader also served, namely, the Committee on Rules and Administration. At that time we had before us the so-called Knowland resolution, calling for cloture by a straight majority. I was one of the Members who contended that, some day, the fate of the Nation might be involved. I felt that the right of a Member of the Senate to stand and be heard when he thought his colleagues were making a mistake, might be most important to the survival of the Nation.

During the past 40 hours we have seen the majority leader keep the Senate in session night and day. There was talk of filing a cloture petition. However, the majority leader did not need to do so, because he did not have the votes to defeat the Johnson amendment, anyway; he was defeated, when the amendment came to a vote.

It seems to me that the right of full and free debate on the floor of the Senate is one of the greatest guaranties we shall ever have that our democracy will continue.

If the majority leader wishes to change rule XXII, he has a right to move to change it; and in that event I shall be one of those to speak on that question.

Mr. KNOWLAND. Mr. President, the Senator from Louisiana misunderstands me. I am not proposing that rule XXII be changed—the rule providing that after a petition signed by 16 Senators has been filed, 2 calendar days must elapse before the vote will be taken on the question to which the petition relates. I am not proposing that that rule be changed.

I merely suggest that those who drafted that rule recognized—although they placed very heavy limitations upon invoking it—that under certain circumstances the Senate would be justified in following the rule which requires two-thirds of the entire membership of this body to take affirmative action to shut off debate. Of course, it was realized that it might or might not be possible to obtain the favorable votes of two-thirds of the entire membership. On the one hand that protection was provided in the rule. But they recognized that the Senate itself might be driven to the point of desperation, and that the only way by which it would then be possible to con-

duct the public business would be under rule XXII.

Mr. LONG. Mr. President, I wish to assure the Senator from California that I am not a partisan in this matter. As a matter of fact, the first week's debate on this measure occurred over the point of who was to build a powerplant. The Senator from California will recall that I voted with him on that question. I thought the Dixon-Yates contract would be all right. However, I respect the right of other Senators to take a different view.

The Senator from Minnesota has a very important amendment. It involves the right of the Federal Power Commission to say how power generated from atomic energy shall be distributed, and whether it shall be controlled by the Federal Power Commission. That amendment is very important, and the entire bill is very important. It is much more important that we do the right thing regarding this bill, than that we adjourn on July 31. I think that the distinguished majority leader will agree with me as to that.

Mr. KNOWLAND. Mr. President, let me say I think we should conduct the public business. I had hoped that, because of the Legislative Reorganization Act—of which the distinguished junior Senator from Oklahoma [Mr. MONRONEY], then a Member of the House of Representatives, was one of the authors; and that act includes what appears to be, upon reading a mandatory provision that the Congress adjourn sine die, except under unusual circumstances, on the 31st of July—but let me say that in the hope of reaching an agreement, suppose we agree to increase the proposed two hours to four hours. In that event, two hours would be under the control of the Senator from Minnesota [Mr. HUMPHREY] and two hours would be under the control of the Senator from Iowa. Would such an arrangement cause the Senator from Louisiana to change his point of view?

Or, in the utmost of reasonableness, how about providing for 6 hours, with three hours to be controlled by the Senator from Minnesota and three hours to be controlled by the Senator from Iowa?

It seems to me that would be going to the extreme, under all the circumstances which have been recited, including the great amount of proposed legislation pending, waiting for consideration after the disposal of the bill now pending—and in that connection I may refer to the farm bill, in which I know the distinguished Senator from Louisiana has great interest.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous consent agreement?

Mr. LONG. Mr. President, it seems to me that at this time of the night, after the Senate has been in session, around the clock, for the better part of 2 days, the Senate will not give this amendment the benefit of good judgment, but will only give it the benefit of the Senate's weariness and wrath. For that reason, I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. HUMPHREY. I shall not take much more time, because I understand Senators wish to be heard on the bill in its major sections. I should like to say that I think much of this trouble could have been avoided had we simply proceeded to discuss the amendments. But I have been much impressed by the argument which has been made about the heavy backlog of legislation before the Senate, and the apparent lag in the legislative program, due to what is considered by some to be the long debate on the atomic energy bill.

I shall again state the facts. We have before us, as exhibit A, Senate bill 3690. That is a bill to amend the Atomic Energy Act of 1946, as amended, and for other purposes. The bill is 104 pages long, with innumerable cross-references, and with sections running, at least, up to No. 291, which is, of course, a section amendment to the existing act.

Mr. President, we have on our desks a report which is 138 pages long. We have also on our desks three volumes of hearings. When did these get to us? The hearings were available on July 9. The bill and the report were available on July 13. Discussion began on the bill on July 13. It does not appear to me that we have been at the job of debating the atomic energy bill for a long time.

Let me first review a little of what has happened. I am not ashamed of my limited participation, although I have been on the floor a good deal. I have in my hand the only speech I have made on this subject. It was made yesterday afternoon. That speech was prepared as an address of approximately 1 hour and 15 minutes' duration. Because of questions, it lasted 2 hours and 10 minutes, for which I make no apologies. On four other occasions I participated in the debate on the bill, once with the Senator from Alabama [Mr. SPARKMAN], and later with the Senator from Tennessee [Mr. GORE]. As of yesterday, I participated in the colloquy with the Senator from Colorado [Mr. JOHNSON]; and today with the Senator from Iowa [Mr. GILLETTE].

During the last 24 hours, because of the responsibilities which one has as a Member of the Senate, concerned about the proposed legislation, I have been here, save for 3 hours. I have been away from the Senate 3 hours since Wednesday. I feel all right about that.

But I wish to say that the bill before us deserves careful consideration. I say to the majority leader that there seems to be a terrible burning desire to have the Atomic Energy Act amended, when there are plenty of other things that could have been done.

Let me point out, for example, the Dixon-Yates contract. The Senate has settled that. Once an issue is settled that is the law. We know that. We have learned how to take defeat along with victory. But I will still continue to say that the Dixon-Yates contract, while it may be settled in the Senate, is still an issue which will be talked about over the land for many, many months.

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

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I wonder if the distinguished Senator would be willing to yield for one final unanimous-consent request?

Mr. HUMPHREY. I would later on.

Mr. KNOWLAND. May I state it, so that the Senator can be cogitating over it, that what I have in mind has not been written out, but I wanted to sound out the Senator, so that the Senate might be asked to enter into a unanimous-consent agreement that commencing at 12 o'clock noon tomorrrow the Senate would begin to vote on the bill and all amendments, with 2 hours of debate on the bill, and 1 hour of debate on each amendment, the time to be equally divided between the proposer of an amendment and the Senator from Iowa [Mr. HICKENLOOPER], and by the Senator from Iowa and the minority leader, in the case of the bill itself.

I say to the Senator from Minnesota that if that agreement were entered into, I would be prepared to suggest that the Senate then stand in recess until 12 o'clock noon tomorrow. That would enable some of the Members on this side of the aisle to have the same opportunity to rest as is being enjoyed by Members on the other side of the aisle, who have had the happy occasion to be able to get some slumber in something a little different from an Army cot.

It seems to me that then we might all start with a clear view of life, and I think we could almost assure a full attendance of the Senate. I am certain that it would be much more productive to the distinguished Senator, able debater that he is, if he had a full attendance of the Senate to talk to, than it would be to talk to an empty chamber.

I fully agree with the Senator from Minnesota that this is an important bill. I think it would be far better to have the kind of arrangement I have proposed, with full and free discussion, and then to come to a vote.

I should like to make this, as I have said, as one final offer, to see if by reasoning together on both sides of the aisle, it might not be possible to move along with the public business.

Following completion of action on the atomic-energy bill, I would propose to take up the foreign-aid bill. When that shall have been disposed of, I shall move to take up the farm bill, to be followed by the proposed social-security legislation, two big appropriation bills, and the conference reports.

Mr. HUMPHREY. I may say to the majority leader again that he knows that he is talking merely to one individual Senator in making this request.

Mr. KNOWLAND. I would be willing to suggest the absence of a quorum.

Mr. HUMPHREY. I am not the minority leader. I am not even on the Joint Committee on Atomic Enery. I am only one United States Senator. I am not speaking for anyone else here tonight but myself. If I have used the plural, it has been by inadvertence, not by design.

The distinguished Senator from Tennessee [Mr. GORE] has been one of the leaders in this debate, as have been the

Senator from Rhode Island [Mr. PASTORE] and the Senator from Alabama [Mr. HILL].

All I am trying to do is what a conscientious Senator should try to do. I have tried to offer some amendments. Then, all at once, it looks as though I am the leader. I am not willing to accept the title, because I do not think I quite deserve it.

If someone else could mobilize opinion so that these decisions could be made, and we could come to the point, that would be one thing; but I simply cannot. I think the Senator from Oregon [Mr. MORSE] is very much interested in the debate.

Mr. KNOWLAND. He was here earlier, but his sleep is no more important to him than is the sleep of Members on this side of the aisle, including two of the outstanding women of the Nation, the Senator from Maine [Mrs. SMITH] and the Senator from Nebraska [Mrs. BOWRING] who have sat around the clock. The Republican Party is proud of them.

Mr. HUMPHREY. So are the Democrats. We are proud of them, too. I have been casting glances toward the other side of the aisle for days, and it has not always been at the majority leader. [Laughter.]

Mr. KNOWLAND. Would the Senator from Minnesota yield, so that I might suggest the absence of a quorum, to determine if we could rally the brethren, so that one last, final effort might be made toward coming to a unanimous-consent agreement.

Mr. HUMPHREY. Since we have sisters present, I suppose we ought to rally the brethren. But before doing so, I should like to complete saying what I had in mind. If there is to be a quorum call, I imagine some hasty telephoning will be done, but I am not in any position to speak for my colleagues in this matter, as can the distinguished Senator from California, the leader of his own party.

Mr. KNOWLAND. The Senator would be surprised.

Mr. HUMPHREY. I want to pay the majority leader the tribute which I think he deserves. Sometimes he is such an effective leader that I find myself falling, almost, over on the other side of the aisle. I want to make certain that if he makes the proposal, he makes it to the right person. It seems to me he is not speaking to the right Senator on this proposal.

Mr. KNOWLAND. Would the Senator object to my suggestion?

Mr. HUMPHREY. I am not objecting to anything, because I have not as yet even agreed as to any possibility of division. I think I will proceed.

Mr. KNOWLAND. Then, Mr. President, as a privileged matter, I send to the desk——

Mr. HUMPHREY. I do not yield.

Mr. KNOWLAND. As a privileged matter——

The PRESIDENT pro tempore. The Senator from California desires to speak to a privileged matter.

Mr. KNOWLAND. Mr. President, I send to the desk a petition on cloture.

The PRESIDENT pro tempore. The Chair has received from the Senator from California a privileged matter entitled "Cloture Petition." Under the rules, the Chair will read the petition:

> We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the bill (S. 3690) to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

The petition is signed by the following: WILLIAM F. KNOWLAND, SAM W. REYNOLDS, E. D. MILLIKIN, EVA BOWRING, FRANK CARLSON, JOHN J. WILLIAMS, GEORGE D. AIKEN, BARRY GOLDWATER, W. A. PURTELL, FREDERICK G. PAYNE, HOMER FERGUSON, JOHN M. BUTLER, WALLACE F. BENNETT, EVERETT M. DIRKSEN, THOMAS H. KUCHEL, ROBERT W. UPTON, HENRY C. DWORSHAK, H. ALEXANDER SMITH, CHARLES E. POTTER, EDWARD MARTIN, HOMER E. CAPEHART, LEVERETT SALTONSTALL, ANDREW F. SCHOEPPEL, PRESCOTT BUSH, ROBERT C. HENDRICKSON, GUY CORDON, ARTHUR V. WATKINS, MARGARET CHASE SMITH, FRANK BARRETT, JOHN BRICKER, FRANCIS CASE, J. GLENN BEALL, RALPH E. FLANDERS, EDWARD J. THYE, B. B. HICKENLOOPER, I. M. IVES, W. E. JENNER, ALEXANDER WILEY.

Mr. KNOWLAND. Mr. President——

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. HUMPHREY. I thank the Chair.

I appreciate the spontaneity which we have just witnessed. I can plainly see that the matter of a cloture petition has come upon us suddenly, with all these names signed to it. This was just one of those flash of the moment thoughts. We have had the full arsenal of parliamentary procedure wheeled out this evening. I commend the leadership, because in politics, as in war, the objective is victory, and the majority leader has demonstrated great tactical knowledge. He has come armed, as we discuss the atomic energy bill, with political atomic bombs. He is dropping them hither and yon. But I assure him that his stockpile is going to be running out. He is going to drop one too many. I know the rule well enough to know that this cloture petition, which has just happened quickly, as one of the great legislative miracles of our time, which we shall be talking about as one of the miracles of the world, must lie on the desk for at least 2 days, or until at least Saturday. In the meantime, we shall have had an opportunity to discuss the measure before us. As I recall, a motion for cloture requires 64 votes. I am sorry about that. I have always been for a simple majority.

If the majority leader had helped the Senator from New Mexico [Mr. ANDERSON] and the Senator from Minnesota [Mr. HUMPHREY] some time ago, we could have had a cloture petition put into effect in 2 days with a simple majority. But it is going to be difficult to get 64 votes. I really believe that.

I remember the days when we had under discussion and consideration the Wherry resolution, named after our late beloved colleague, Senator Wherry of Nebraska. I recall a conference when there was some kind of coalition mobilized. Those who were on the receiving end of the coalition were immobilized. The Wherry compromise went through. Now we are seeing its application. It is like the sins of the father coming back to plague his children. Here are the sins of the father coming back to plague those of other generations, or of another day, because I am very doubtful whether there will be 64 of our brethren in the Senate, particularly some of our brethren who have fought so hard for the right of free speech, who will line up for a cloture petition.

But now that it is out of the way, I may say that I was quite surprised, since I am not so keenly aware and not so well disciplined to parliamentary tactics, that one who controlled the floor could suddenly lose it. But then it has happened. I gather it was a privileged motion; and when a privileged motion is under consideration, one is clearly outmaneuvered.

Mr. MONRONEY. Mr. President, will the Senator yield, so that I may propound a parliamentary inquiry?

Mr. HUMPHREY. I will yield, provided I do not lose my right to the floor.

Mr. President, I ask unanimous consent that, without losing my right to the floor, I may yield to the Senator from Oklahoma, so that he may propose a parliamentary inquiry.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the Senator from Oklahoma will state his parliamentary inquiry.

Mr. MONRONEY. Let me inquire, does the rule provide for 1 hour of debate for each Senator in the Chamber should the cloture motion be agreed to, and is 1 hour allowed only on the bill, or does the 1 hour extend to the bill and to any amendment pending before the Senate?

The PRESIDENT pro tempore. One hour is allowed to each Senator on everything.

Mr. MONRONEY. On any amendment?

The PRESIDENT pro tempore. Only 1 hour.

Mr. MONRONEY. As I read the rule, it seems somewhat vague, and I would like to quote it. It reads:

> Thereafter no Senator shall be entitled to speak in all more than 1 hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks.

The ruling is that the maximum time allowed would be 1 hour?

The PRESIDENT pro tempore. That is correct. According to the traditions of the Senate, it has been so interpreted.

Mr. MONRONEY. If the cloture motion were agreed to, the 2-day provision could not come into effect until 1 hour after 12 on Sunday. Is that correct?

The PRESIDENT pro tempore. It would come into effect 1 hour after the Senate came into session.

Mr. MONRONEY. On the second day following the adoption of the motion?

The PRESIDENT pro tempore. On the second day; yes.

Mr. MONRONEY. Which would be Sunday.

The PRESIDENT pro tempore. Whether it might be Sunday or not.

Mr. HUMPHREY. Mr. President, I think we should protest that.

Mr. MONRONEY. The Senate was in the session of Friday, when the petition was filed, so the time would be 1 hour after noon on Sunday, if the Senate shall be in session. I presume it would be 1 hour on Monday if it were going into effect on Monday. Then each Senator who spoke would be allowed 1 hour. Assuming that the 45 Senators who voted on the Johnson amendment wanted to speak, that would be 45 hours of debate. It would seem to me that we have not speakers who can possibly talk that long, but if there is a desire to bring up the cloture motion on Monday, I suppose the minority side will have to accept that decision of the leadership.

Mr. HUMPHREY. Mr. President, I had hoped that the majority leader would follow through with what he was suggesting. He was propounding a unanimous-consent request. I was informing the majority leader that while I was personally interested in the request, I could not speak for the 46 other Members on this side of the aisle, those who might be interested in this issue, on the same basis that applied on the other side of the aisle. It is one of those peculiar circumstances in which those of us who are here debating tonight are debating more or less on our own. There is no mobilization. We have not any captain of the ship who tells us what to do.

I proceeded this afternoon in good faith to start offering amendments, in the effort to get the legislative log jam of legislation broken up so that we could proceed, and I think we had pretty good luck. As a matter of fact, I am rather proud of it. We have adopted 3 or 4 amendments this afternoon and this evening, and now we find ourselves with the final weapon of a cloture petition. As I have said, in politics, just as in war, there are some of those who are willing to use their major weapons in a rather small skirmish, and I suggest that these tactics are wrong.

I am sure that once the petition is filed, if the majority leader desires to recall it, he will get the cooperation of all of us in recalling it, and when the opportunity arrives he will probably wish to decide about that.

Mr. President, what have we been debating? Certain Senators were vitally concerned about the Dixon-Yates contract. I was concerned about it, though not because we have TVA power in Minnesota. We do not have any public power in Minnesota. Minnesota is not what might be called a public-power State. I have been interested in the pending bill, and in seeing to it that private and public utilities could share equally.

Our State has excellent rural electrification. It has fine electric-light plants, and it has a fine system of generating electrical energy. Any sectional prejudice I might have was pretty well described in my speech yesterday.

There were those who thought that the Dixon-Yates contract was an unconscionable contract, that it was bad. There were those who felt that the law had been stretched. I became convinced, although I was not convinced in the beginning.

I never opened my mouth on this bill for 6 days. I listened to much of the debate, I read the RECORD, and I read some brilliant speeches and became interested in the bill. As I stated in the Senate, I read every line of the bill, I read the report, I read the RECORD, and I made up my mind that the proposed legislation was not in the public interest.

Just to mention a few phases of the contract, I find, for example, a $5 million investment, a $107 million plant, a 25-year guaranty by the Government, and guaranteed profits.

I find that the Atomic Energy Commission, or a majority of them, were against the contract. I find that the TVA never requested the contract. I find that the Federal Government would pay Federal, State, and local taxes of this private utility. I found a set of circumstances the equal of which I say no Senator in this body can produce, a set of circumstances and a contract such as have never been even approximated in governmental contractual relations. If the majority wants that contract on their backs, that is fine, but I say they have set a precedent that is going to be like an albatross on their backs.

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

Mr. HUMPHREY. I yield, without losing my right to the floor.

Mr. HICKENLOOPER. With that understanding I ask the Senator to yield. The Senator made a very strong statement just a moment ago, that the Dixon-Yates contract, which is to be performed in the future, is a bad precedent. I ask if he is aware of the controversy over the contractual habits of the TVA a few years ago, especially along about 1952. I call his attention to a 10-year contract which the TVA made for coal from a mine that had not yet been opened, and with a corporation that had just been formed coincidentally with the signing of the contract for the coal.

I only cite that as one example of a contract that TVA made along the line of the one here involved. I wanted the Senator to be aware that those practices had been put into effect by the TVA.

Mr. HUMPHREY. I appreciate the edification the Senator from Iowa has given to me.

Mr. HICKENLOOPER. I could give the Senator the names.

Mr. HUMPHREY. I should be delighted to have the Senator put anything in the RECORD he would like in order to further document his case, but I think there were 2 or 3 questions that might be asked. Was the contract the result of competitive bidding? There was none in the Dixon-Yates case. We presented telegrams in the Senate from investors and engineers who were denied even the opportunity to bid, and I say that is a very peculiar situation, when those who wanted to bid were denied an opportunity. Yesterday I read into the RECORD telegrams from investment houses and trust companies, and named individuals, who said they could save the Government of the United States millions of dollars on the contract, and they were begging the Members of the Senate to give them a chance to bid. They did not get a chance to bid, and I thought that in making Government contracts competitive bidding was at least a minimum standard of what we might call political ethics.

The Dixon-Yates contract has been argued and argued. My first participation in this debate was with the Senator from Alabama [Mr. SPARKMAN]. I recall that evening when I came to the Senate floor the Senator from Alabama was pointing out that it was not merely the TVA and Dixon-Yates atomic-energy matters that were concerned in the bill. What he thought was more important was the basic ethics of the proposed legislation. At that moment I entered the debate and suggested to the Senator from Alabama that I agreed with that judgment. I had read the bill. I had studied the report. I was visiting with my colleagues. I had listened to some of the debates, and I came to the conclusion that the bill was not proper legislation. As a result of that conclusion, I spent 2½ days gathering material, prepared a speech, and delivered the speech yesterday afternoon in a constructive vein.

All kinds of statements have been made of late. For example, this morning as I came to the Senate, after having been to my home for approximately 2½ or 2¾ hours, I listened to the radio, and heard an announcement to the effect that the chairman of the Committee on Agriculture and Forestry stated that this filibuster—in quotes—may very well prevent the Senate from taking action on the agricultural bill.

That was a calculated move of propaganda. That was to tell the country folks in Minnesota, who do not want the Eisenhower-Benson price-support political medicine, that our 90-percent parity bill for which we fought, and which we carried in the committee by a vote of 8 to 7, was not even going to have a chance to be discussed in the Senate. Many of those good citizens did not know that the Senate has nothing that would stop it from remaining in session until December if we decide to remain here.

Let me say to those on the other side of the aisle that I remember 1949 and 1950. I remember how Scott Lucas, the former leader, was kept here until October. Talk about harassment, talk about prolonged sessions. We had them. I am not angry about it. I admit that there was some of the cleverest and most astute political maneuvering on the part of the then minority, the Republican side of the aisle, I ever witnessed. In fact, I told some of my Republican colleagues that I had to admire the way they organized to apply tactics and strategy of confusion to the Democrats.

When I looked at the Presiding Officer this evening, the President pro tempore, the distinguished Senator from New Hampshire [Mr. BRIDGES] I recall that

he was one of the best of the opposition. And how I remember the great minority leader, Senator Wherry. He really knew how to keep things moving in the Senate—and not moving toward the objectives toward which the Democratic leader wanted them to move.

We had long sessions. How well I recall them. I could not help smiling tonight when I heard the majority leader complain that we will not be out of Washington by July 31. No one wants to get out of here more than does HUBERT HUMPHREY. I have good reason to want to get to Minnesota. The Republican Party in that State is well organized. There is a great campaign going on there. The year of decision is at hand, so far as I am concerned. I point that out to the majority leader and I wish he would just relax a little longer; we are going to be here a little while longer. [Laughter.]

The PRESIDING OFFICER (Mr. BENNETT in the chair.) The Chair advises those in the galleries that they are here as guests of the Senate, and this is not a show for their entertainment. The Senate has been in session nearly 40 hours, and I am sure our guests realize that the nerves of the men on the Senate floor are rather tired and strained, and the Chair must ask our guests to observe the rules of decorum or it will be necessary to clear the galleries.

Mr. HUMPHREY. Mr. President, I was merely pointing out what I considered to be some of the strategic accomplishments here in 1949, 1950, 1951, and 1952 of the Republican leader. I pay tribute to that leader. I remember very well the evenings I spent with our former Democratic colleague, Senator MCFARLAND, and how he would say, "If I could only move this program along. It is a heavy program." He would say, "We cannot do this, there is so much obstruction." That was said as we hear Senators talk in the Senate today, when things do not go as they want them to go, and point out what is wrong.

Mr. President, I respect the majority leader, the Senator from California [Mr. KNOWLAND]. I think he has done an admirable job as majority leader. In my opinion he has been eminently fair, and I have always felt that way, and I want this to appear as a matter of personal testimony in the RECORD. But I wish to say to the majority leader that any time bills seem to be delayed that are of such vital importance to the Nation, there is one way the delay can be corrected. We can lay aside all pending legislation for a period of time, and then proceed to consider the social-security bill or the farm bill or the foreign-operations bill, or any other bill that is ready from committee. I said earlier this evening that would not be unusual procedure. It has been done, Mr. President, 101 times. I could go back to the CONGRESSIONAL RECORD and show the Presiding Officer, and my colleagues, not once but 101 times, where we have laid aside the pending business to take up a matter of urgent necessity.

Now, what is so urgent about S. 3690? I say to you, Mr. President, that the requirements of the Atomic Energy Act have not even been fulfilled insofar as this legislation is concerned. I remind this august body that section 7 of the Atomic Energy Act imposes a duty, a mandate upon the Atomic Energy Commission to prepare a report of recommendations to the President, to be submitted by the President, to the Congress, before a legislative policy on the civilian use of atomic materials is inaugurated.

The burden of proof, it seems to me, rests upon those who circumvent or short circuit the mandate and that requirement. I repeat that it is not a matter of maybe preparing a report; it is a mandate to prepare a report. That report was never prepared.

There is a strange situation here. No one requested the Dixon-Yates contract, and in the Atomic Energy Commission there was not even a majority for it. The TVA did not require such a contract. The Atomic Energy Commission did not prepare a report as required, but we have S. 3690 before us, and all at once it becomes a matter of urgency.

Now, let me tell the Senate some other measures we could take up. We could take up the postal employees bill, for example, and their much needed cost-of-living pay increase. They could use it; and let me tell you, Mr. President, the money they would get under that bill would be spent a long time before any reactors are built under the terms of S. 3690 for the purpose of creating electrical energy. Our civil servants need some adjustments in their pay scale, Mr. President, and there are other matters of urgency, such as the housing problems of America, health problems, education problems, all of which we could take up in this Congress, and all of which are more urgent than the legislation before us.

What really happened was that the majority leader actually expected that S. 3690 would be brought up on July 13 and passed by July 15. The situation was such that it was thought we would get a 1- or 2-day treatment of a complicated bill, or at least not more than 3 or 4 days, and it would go through; and it almost did, save for the diligence and the vigilance of a few of our distinguished colleagues.

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

Mr. HUMPHREY. I yield for a question.

Mr. EASTLAND. The Senator has mentioned measures that we could consider. Does the Senator realize that I have pending an amendment to the Constitution to curb the power of the Supreme Court in segregation cases?

Mr. HUMPHREY. I surely do.

Mr. EASTLAND. And to preserve to the States full control of health and good order in the States?

Mr. HUMPHREY. I surely do.

Mr. EASTLAND. Does not the Senator think that it is of the utmost importance that this bill be laid aside to consider that proposed amendment?

Mr. HUMPHREY. I may say to my good friend, the Senator from Mississippi that there may be those in this body who do, and if they would like to speak on that subject, I would be more than happy to yield to them for a polite and, let me say, a short speech. Men have divergent points of view on such a great issue as has just been recalled by the Senator from Mississippi; but some of us stand firmly together here against S. 3690, as written.

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

Mr. HUMPHREY. I yield, gladly.

Mr. EASTLAND. Does the Senator realize that, before the night is over, an attempt is to be made to take away the rights of the Senator from Minnesota?

Mr. HUMPHREY. I thank the Senator. I appreciate his thoughtfulness. More consideration is being given tonight to the Senator from Minnesota than I have had for years. As a matter of fact, it is becoming so very obvious that I feel very much at home, very comfortable and relaxed in the situation in which we find ourselves.

Now, I want to draw my statement to a conclusion. Let the farmers of America know tonight that if the agricultural bill is delayed, it is not delayed because of the wish of the junior Senator from Minnesota. Let the farmers of America know tonight that we have set aside legislative bill after bill, to take up some resolution that some Senator wanted to have considered in the middle of an afternoon. I recall all too well some of those resolutions. We have laid aside important measures of public policy, to consider some special item of legislation that a particular segment of this body might want, and any time it is desired to bring up the agricultural bill, all it is necessary to do is for the majority leader to suggest that the pending business be laid aside and in lieu thereof the agricultural bill be substituted, and we are on the road to getting 90 percent of parity for our farmers. But let me suggest what will happen when we bring up the agricultural bill? The same administration that is trying to rush this bill through is going to be trying to rush through lower price supports and lower farm income. There is going to be another fight on that, and it will be a hot one, too, because this Senator does not intend to permit this administration to forget its promises. This Senator does not intend to have the administration ram through the Congress an agricultural bill which will seriously impair the farmers' income. It may be well to cogitate on that once in a while.

Mr. President, I, for one, have been witnessing the barrage of propaganda about stalling the President's program. I read newspaper headlines this morning, "Ike Has Victory on Atomic Energy Bill." What victory? The Dixon-Yates contract? He had that before we ever voted it. He ordered that contract, despite all the advice to the contrary. There seems to be some doubt as to whether he consulted with the Attorney General. In 1 week the Attorney General said he had never been consulted, and a little later the President said he got his advice from the Attorney General, or at least he cleared it with him. If that contract is a part of the administration's program, let them have it.

Now, what is the other part of it? S. 3690. What has that got to offer us? Well, we have made improvements in

some of it. The distinguished Senator from Colorado [Mr. JOHNSON] sponsored an amendment, which I think made this a much more desirable bill. I want to say that many features of the bill before us are desirable.

I, for example, listened to the radio reports this morning, and what did I hear? "Senate Democrats—a small band of Senate Democrats opposed to Atomic Energy Commission developing atomic energy through private industry for civilian purposes"; "Democrats opposed to the Atomic Energy Commission licensing private individuals to develop atomic energy for civilian purposes." I say that is a lot of hogwash. That is pure unadulterated bunk. It is glorified nonsense. We are for the Atomic Energy Commission permitting private contractors and utilities to utilize nuclear power for the purpose of creating electrical energy, but we are not for giving them the stockpile. We are not for permitting an individual corporation to have almost unlimited rights, without the proper regulations; and why should we? We insist on regulations on practically everything in this country. We have got regulations on the manufacture of cold cream and the shipment of it in interstate commerce, regulations on every prescription drug, regulations even upon maufactured items in the hardware stores. We have got a Bureau of Standards in Washington, D. C. that tests practically every commodity; but when it comes to the great treasure house, nuclear power or fissionable material and atomic energy, we are supposed to be in a hurry. Mr. President, I say to hurry on this policy may cost us dearly. Think what might happen if the Atomic Energy Commission should ever find itself in a position where there was doubt in the law as to whether or not it could supply power for all of its own purposes.

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

Mr. HUMPHREY. I yield for a question only.

Mr. LONG. Is the Senator aware of the fact that the American people have $12 billion of their funds tied up in the development of atomic energy?

Mr. HUMPHREY. Yes, we have, $12 billion of the taxpayers' funds tied up in the atomic-energy program.

Mr. LONG. Is the Senator aware of the fact that the amount invested in the development of atomic energy, as of the present time, represents about $300 for every family in America?

Mr. HUMPHREY. That is correct.

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

Mr. HUMPHREY. I yield to the Senator from Louisiana.

Mr. KNOWLAND. Mr. President, for a question?

Mr. HUMPHREY. For a question only.

Mr. LONG. Does the Senator realize that it is the responsibility of Congress to see to it that the funds of all the people of the Nation are adequately protected, and that the Congress of the country owes to the people a duty and an obligation to see to it that those funds will not be frittered away by ill-considered legislation?

Mr. HUMPHREY. That is correct. We have a very solemn obligation in this area. I repeat I have read the law, and the McMahon Act says that before the Congress legislates, or before any action is taken in regard to the civilian use of atomic energy, its application to peacetime and civilian use, the Atomic Energy Commission shall make a report—"shall make a comprehensive report." I read that language into the CONGRESSIONAL RECORD yesterday, and I say that has never been done.

In view of all the talk about how we have delayed and procrastinated, I think it is only fair again to repeat what I have said again and again: What a filibuster it is when four amendments are voted on. I have seen a filibuster in the Senate when I was on the losing end. I recall when our Republican colleagues joined in a filibuster to stop us from changing the rules. I recall that very well, in 1949. That was a real filibuster. There were no votes until the last vote—the one, only. When they had made arrangements for what we now call the Wherry compromise, the Wherry resolution, the only vote was the final one.

My feeling is that we should maintain a sense of balance and reasonableness about this bill. There are 4 or 5 other amendments in which I am particularly interested. I think there is much in this bill that is very desirable. I know that the section on international cooperation needs to be carefully examined, because there are Senators who have already spoken about it and want to look into it very carefully. I also understand that the provisions regarding patents and inventions and licensing need to be examined, and will be examined by some of our colleagues. Very definitely they should be examined. I have been in the city hall when aldermen have argued 5 or 6 weeks over the revision of a rule pertaining to the health conditions of restaurants, and they thought it was important, very important. We are talking about the licensing, not of restaurants, not of cafes; but we are talking about the licensing of one of the most miraculous sources of power and energy the world has ever known, or at least that modern science has ever unveiled or discovered.

Mr. President, let us have no more of this talk to the effect that we are delaying the farm bill. Let us not have any more talk that July 31 is the date we are supposed to adjourn. I would remind my colleagues that that law, the Reorganization Act, was in effect in 1949, it was in effect in 1950, it was in effect in 1951; and I recall very well that there were some very mighty good, long Republican speeches being made in the month of September, in some of those years. So this constant desire to fall within the pattern of the legislative reorganization act is slightly unbecoming. I remember that the late Senator Robert Taft felt that the sessions should be divided. He felt that Congress ought to meet in January, sit until about the middle of July, recess until September, and then come back—a sensible proposal, by the way, a very sensible proposal.

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

Mr. HUMPHREY. I yield for a question only.

Mr. MONRONEY. Is it not a fact, I may ask the distinguished Senator from Minnesota, that the July 31 date was put into the Reorganization Act specifically for the purpose of better spacing throughout the entire session, in connection with the workload of Congress, so that Congress could arrive at a July 31 adjournment without the usual rush of a heavy program, 90 percent of it, within the last few days or few weeks of the session?

Mr. HUMPHREY. That is correct; that is my understanding.

Mr. President, again I wish to say that I think the majority leader has done an admirable job this year in terms of handling the appropriation bills. I do not know of any year in which they have been handled in better fashion.

I wish to say that I do not know of a time when the Congress has been better informed, basically, about the work to be done. We have known what to expect and what bills would come up. The majority leader has been considerate.

However, from my point of view in connection with this matter, the calculations went a little astray. Perhaps some face-saving is involved in this instance. It seems to me there are indications at this time resembling a situation in which an irresistible force meets an immovable object. I have talked to some Members who say they will fight it out, but not in the way the majority leader wants to fight it out or fight it through.

The majority leader suggested that we reason together. I was willing to do that, amendment by amendment. Then we got into a hassle over procedure. I think it is completely obvious what happened. The majority leader was well equipped. He had resolutions in every pocket, and he had an extra resolution in an inside pocket. Finally he pulled out the latter resolution—the Big Bertha, the atomic cannon, so to speak—in short, the cloture petition. I hope that petition will not have to be used. But if we do use it, I predict there will be quite a few short of the 64 votes needed, unless some of my friends from down in the magnolia country have changed their minds in recent years.

Mr. LONG. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield for a question only.

Mr. LONG. Does not the Senator from Minnesota realize that there are many Confederates who say, "Although I disagree with what you say, I will fight for your right to say it"?

Mr. HUMPHREY. Mr. President, I always thought Voltaire was a Confederate. [Laughter.]

Mr. President, in fact I have the greatest affection for Confederates. In fact, I intend to make a rather short talk on Robert E. Lee.

However, Mr. President, before I speak further tonight, I withdraw the amendment.

The PRESIDING OFFICER. The amendment of the Senator from Minnesota is withdrawn.

Mr. KNOWLAND. Mr. President, it is now 1:20 a. m., on Friday, July 23. I move the Senate stand in recess until 1:30 a. m., on Friday, July 23.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Eastland	Martin
Barrett	Ferguson	Millikin
Beall	Flanders	Monroney
Bennett	Goldwater	Mundt
Bowring	Hendrickson	Payne
Bricker	Hickenlooper	Potter
Bridges	Holland	Purtell
Burke	Humphrey	Reynolds
Bush	Ives	Saltonstall
Butler	Jenner	Schoeppel
Capehart	Johnson, Tex.	Smith, Maine
Carlson	Johnston, S. C.	Smith, N. J.
Case	Kilgore	Thye
Clements	Knowland	Upton
Cooper	Kuchel	Watkins
Crippa	Langer	Wiley
Daniel	Long	Williams
Dirksen	Magnuson	Young
Dworshak	Malone	

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. DUFF] and the Senator from Idaho [Mr. WELKER] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Arkansas [Mr. McCLELLAN] are absent on official business.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from California that the Senate take a recess from 1:20 a. m., on Friday, July 23, to 1:30 a. m., on Friday, July 23.

Mr. KNOWLAND. Mr. President, on this question, I ask for the yeas and nays.

The PRESIDING OFFICER. The Chair calls the attention of the majority leader to the fact that it would obviously be impossible to complete the yeas and nays by 1:30 a. m.

Mr. KNOWLAND. Then, Mr. President, I modify my motion, so as to provide that the Senate take a recess until 2:00 o'clock a. m., on today, Friday, July 23.

The PRESIDING OFFICER. The motion of the Senator from California has been modified, so as to provide that the Senate now take a recess until 2:00 a. m., on today, Friday, July 23.

Mr. KNOWLAND. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Oregon [Mr. CORDON], the Senator from Pennsylvania [Mr. DUFF], the Senator from Wisconsin [Mr. McCARTHY], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Illinois [Mr. DOUGLAS], the Senator from Louisiana [Mr. ELLENDER], the Senators from North Carolina [Mr. ERVIN and Mr. LENNON], the Senator from Delaware [Mr. FREAR], the Senators from Arkansas [Mr. FULBRIGHT and Mr. McCLELLAN], the Senators from Georgia [Mr. GEORGE and Mr. RUSSELL], the Senator from Iowa [Mr. GILLETTE], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Arizona [Mr. HAYDEN], the Senators from Missouri [Mr. HENNINGS and Mr. SYMINGTON], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Washington [Mr. JACKSON], the Senator from Colorado [Mr. JOHNSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from New York [Mr. LEHMAN], the Senators from Montana [Mr. MANSFIELD and Mr. MURRAY], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. McCARRAN], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The result was announced—yeas 56, nays 0, as follows:

YEAS—56

Aiken	Eastland	Martin
Barrett	Ferguson	Millikin
Beall	Flanders	Monroney
Bennett	Goldwater	Mundt
Bowring	Hendrickson	Payne
Bricker	Hickenlooper	Potter
Bridges	Holland	Purtell
Burke	Humphrey	Reynolds
Bush	Ives	Saltonstall
Butler	Jenner	Schoeppel
Capehart	Johnson, Tex.	Smith, Maine
Carlson	Johnston, S. C.	Smith, N. J.
Case	Kilgore	Thye
Clements	Knowland	Upton
Cooper	Kuchel	Watkins
Crippa	Langer	Wiley
Daniel	Long	Williams
Dirksen	Magnuson	Young
Dworshak	Malone	

NAYS—0

NOT VOTING—40

Anderson	Hayden	McClellan
Byrd	Hennings	Morse
Chavez	Hill	Murray
Cordon	Jackson	Neely
Douglas	Johnson, Colo.	Pastore
Duff	Kefauver	Robertson
Ellender	Kennedy	Russell
Ervin	Kerr	Smathers
Frear	Lehman	Sparkman
Fulbright	Lennon	Stennis
George	Mansfield	Symington
Gillette	Maybank	Welker
Gore	McCarran	
Green	McCarthy	

So the motion was agreed to; and (at 1 o'clock and 34 minutes a. m., Friday, July 23) the Senate took a recess until 2 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 22 (legislative day of July 2), 1954:

COMPTROLLER OF CUSTOMS

Albert V. Becker, of Illinois, to be Comptroller of Customs with headquarters at Chicago, Ill., to fill an existing vacancy.

IN THE ARMY

Lt. Gen. John Ernest Dahlquist, O7120, Army of the United States (major general, U. S. Army), for appointment as chief, Army Field Forces, with the rank of general and as general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Col. Elmer William Young, O16298, Veterinary Corps, United States Army, for appointment as brigadier general, Veterinary Corps, in the Regular Army of the United States, under the provisions of title V of the Officer Personnel Act of 1947.

Maj. Gen. Henry Irving Hodes, O12845, United States Army, for appointment as commanding general, VII Corps, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Maj. Gen. John Howell Collier, O12388, United States Army, for appointment as commanding general, I Corps, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Maj. Gen. Charles Edward Hart, O15788, United States Army, for appointment as commanding general, V Corps, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. James Holden Phillips, O12331, United States Army.

Brig. Gen. Mark McClure, O14935, Army of the United States (colonel, U. S. Army).

Brig. Gen. Francis Marion Day, O15614, Army of the United States (colonel, U. S. Army).

Brig. Gen. Edward Joseph O'Neill, O15952, Army of the United States (colonel, U. S. Army).

Brig. Gen. Arthur Lawrence Marshall, O38593, Army of the United States (colonel, U. S. Army).

Brig. Gen. Robert Lee Howze, Jr., O16055, Army of the United States (colonel, U. S. Army).

Brig. Gen. Aubrey Strode Newman, A16099, Army of the United States (colonel, U. S. Army).

Brig. Gen. Frank Coffin Holbrook, O16654, Army of the United States (colonel, U. S. Army).

Brig. Gen. John Honeycutt Hinrichs, O17174, Army of the United States (colonel, U. S. Army).

Brig. Gen. Frank Schaffer Besson, Jr., O18662, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Gerald Edward Galloway, O16043, United States Army.

Col. Edwin Bascum Kearns, Jr., O16224, United States Army.

Col. Russell Thomas Finn, O16237, United States Army.

Col. Donald Dunford, O16267, United States Army.

Col. Benjamin Franklin Modisett, O39526, United States Army.

Col. Harry Warren Johnson, O16391, United States Army.

Col. William Jesse Deyo, Jr., O16449, United States Army.

Col. John Lawrence Ryan, Jr., O16451, United States Army.

Col. George Olaf Norman Lodoen, O16580, United States Army.

Col. Mason Harley Lucas, O16633, United States Army.

Col. Albert Gallatin Franklin, Jr., O16642, United States Army.

Col. Francis Anthony Kreidel, O39553, United States Army.

Col. Theodore Addison Weyher, O16738, United States Army.

Col. Bertram Arthur Holtzworth, O16804, United States Army.

Col. Olaf Helgesen Kyster, Jr., O16830, United States Army.

Col. Martin Joseph Morin, O16911, United States Army.

Col. David William Traub, O17110, United States Army.

Col. William Henry Hennig, O17122, United States Army.

Col. Garrison Barkley Coverdale, O17148, United States Army.

Col. William Mattingly Breckinridge, O17210, United States Army.

Col. Thomas Jahn Sands, O17521, United States Army.

Col. Ralph Robert Mace, O17578, United States Army.

Col. James Bernard Quill, O17673, United States Army.

Col. Fred Winchester Sladen, Jr., O17677, United States Army.

Col. Charles Greene Calloway, O17690, United States Army.

Col. Herbert John Vander Heide, O17754, United States Army.

Col. Sidney Clay Wooten, O18126, United States Army.

Col. Walter Bernard Yeager, O29464, United States Army.

Col. Miller Osborne Perry, O18427, United States Army.

Col. Louis Victor Hightower, O18502, United States Army.

Col. James Karrick Woolnough, O18709, United States Army.

Col. Floyd Allan Hansen, O18767, United States Army.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 22, 1954

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, in these days of crisis and ordeal may we be blessed with that divine insight and inspiration which will make us capable of the noblest thoughts and the most courageous actions.

Help us to understand that we cannot remain strong and steadfast amid all the pressures of fear and frustration, of cynicism and doubt, of self-seeking and personal aggrandizement that are continually playing upon us unless we have a vivid and vital sense of Thy presence and power.

Grant that we may be sensitive and attentive to the guidance of Thy Spirit as we seek to know what kind of legislation will be most helpful in lifting mankind to new and higher levels of peace and happiness.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ALLEN of Illinois. 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]

Abbitt	Fisher	O'Brien, N. Y.
Angell	Gamble	Patman
Bailey	Harris	Perkins
Belcher	Harrison, Wyo.	Powell
Blatnik	Hart	Regan
Brooks, La.	Heller	Rhodes, Pa.
Buckley	Hiestand	Richards
Camp	Jarman	Short
Celler	Kersten, Wis.	Sikes
Chatham	Long	Steed
Church	Lucas	Sutton
Coudert	McGregor	Thompson, Tex.
Curtis, Nebr.	Mailliard	Vinson
Dague	Martin	Vursell
Dawson, Ill.	Miller, N. Y.	Weichel
Dingell	Morgan	Wheeler
Ellsworth	Norrell	Willis
Fallon	O'Brien, Mich.	Yorty

The SPEAKER. On this rollcall 366 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON RULES

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RECESS FOR THE PURPOSE OF RECEIVING PRESIDENT SYNGMAN RHEE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, July 28, 1954, for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving in a joint meeting the President of the Republic of Korea, His Excellency Syngman Rhee.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SUPPLEMENTAL APPROPRIATION BILL, 1955

Mr. TABER. 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. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, 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. 9936, with Mr. ALLEN of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose on Tuesday, the Clerk had read down to and including line 13 on page 6. If there are no amendments at this point, the Clerk will read.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I rise to ask whether the rules and the precedents of the House in reference to the right of the chairman of the committee in charge of the bill to close debate are going to be followed today or whether or not those rules and precedents are going to be violated as they were day before yesterday. I just want to serve notice that if they are I shall make a point of order and, if I am overruled, I shall appeal from the decision of the Chair.

The CHAIRMAN. The Chair wishes to state that he will follow the rules of the House.

The Clerk read as follows:

Salaries and expenses, White House Police

For an additional amount for "Salaries and expenses, White House Police," $62,000, to be derived by transfer from such appropriations contained in the Treasury Department Appropriation Act, 1955, as the Secretary of the Treasury may designate.

Mr. DORN of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORN of New York: On page 7, after line 19, insert:

"Bureau of the Mint: For a medal for Irving Berlin as authorized by law, $1,500."

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. DORN of New York. I yield.

Mr. CANFIELD. Mr. Chairman, there is no question in the minds of the committee about the propriety and timeliness of this amendment. This medal is authorized by law. There should be no delay in appropriating the necessary funds. The committee is agreeable to this amendment and is prepared to accept it.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. DORN of New York. I yield.

Mr. ROONEY. Mr. Chairman, in behalf of the minority members of the Appropriations Committee, including the gentleman from Virginia [Mr. GARY], the ranking minority member of the Subcommittee on Treasury-Post Office Departments which is concerned with this particular matter, I should like to say that we have no objection to the proposed amendment and that we accept it.

We feel that Irving Berlin has done more over the years for the good of this country through his writing and composing of songs than many of our sages and philosophers. An immigrant to the United States from Russia at the age of 5, his God Bless America will live the life of this Nation.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia [Mr. GARY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GARY. Mr. Chairman, as the ranking minority member of the subcommittee to which this appropriation

would be referred, I take pleasure in supporting it. Irving Berlin is a great American and one of the outstanding song writers of all time. His tuneful melodies have made his name immortal and his patriotic songs have been an inspiration to our Nation during the stress and strain of this war-torn country. God Bless America will remain in the hearts and on the lips of our people as long as there is an America. This medal will be a well merited recognition of the contribution of Irving Berlin to our national life.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. DORN of New York. I yield.

Mr. JAVITS. Mr. Chairman, I should like to compliment the gentleman on his very timely amendment honoring a great American who has made such an outstanding contribution to our cultural heritage in music which has become folk music, and calling this matter to our attention in this very splendid way.

Also, I should like to express my appreciation of the action of the subcommittee; but especially I should like to compliment my colleague from New York.

Mr. DORN of New York. Mr. Chairman, I want to thank the Members for accepting this amendment. I appreciate the comments that have been made on both sides of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. DORN].

The amendment was agreed to.

The Clerk read as follows:

Surveys and planning for hospital construction

For payments to States for surveys and planning activities pursuant to title VI of the Public Health Service Act, as amended, $2,000,000: *Provided*, That such funds shall not be available after June 30, 1956.

Mrs. FRANCES P. BOLTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 9, immediately after line 8, insert "For an additional amount for salaries and expenses, Children's Bureau, $165,000."

Mrs. FRANCES P. BOLTON. Mr. Chairman, the problem of juvenile delinquency has grown to such proportions that it is not possible for us to set it aside as unnecessary in the matter of Federal interest; $165,000 added to the Children's Bureau fund would make possible the necessary additional personnel with which to give the advice and the encouragement to the different States which has proved of such potency in other programs.

On June 18 the President requested a supplemental appropriation for the Children's Bureau. Incidentally, Mr. Chairman, I would like to remind this body that the only future any country has is its children.

Significant developments in the field of juvenile delinquency, since the Bureau budget estimate for 1955 was under review last fall, led to the request for this supplemental appropriation.

The facts brought to light by the subcommittee of the Senate Judiciary Committee appointed to investigate juvenile delinquency point to the urgent need for more national leadership in this field. The statistics for 1953, which have just become available, show that the delinquency is continuing to rise in appalling proportions. The number of delinquent children coming from the juvenile courts in 1953 totaled about 435,000. This figure is an all-time high, and my understanding is that the 1954 figure is mounting even higher.

For 2 years the Bureau has had to rely on help from a privately financed project to carry forward work with communities in improving services for juvenile delinquents. The funds for this project will be exhausted in the very near future. It is for this reason that it is particularly important that this money be added to the Children's Bureau fund.

You see, the Bureau operates under two laws: The act of 1912, creating the Bureau, gave it broad responsibilities "to investigate and report upon all matters pertaining to the welfare of children and childlife among all classes of our people." Under title V of the Social Security Act of 1935, as amended, the Bureau has responsibility for administering grants to States for maternal and child health, crippled children, and child welfare services. Under these two laws, the Bureau has responsibility for providing a wide variety of services requiring a diversity of professional personnel. The Bureau cannot expand further its works in the field of juvenile delinquency without additional funds. It has had to absorb increases of salary, which means a reduction in force of 5 more people—from 229 to 224. Should further additional salary raises be made by this body, the Bureau will be so much more handicapped in what it can do.

Mr. Chairman, we vote untold millions for the protection of our natural resources, for reforestation and soil erosion and the like, what of our greatest resource and our only future—our children? The time has come to declare all-out war on juvenile delinquency. If you will read the committee report, I am sure you will feel it is important to add this $165,000—so little money for so great a work—to this appropriation.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. TABER. Mr. Chairman, I think at this time we ought to set a limit on debate on this amendment. I suggest that there be 1 more speech for 5 minutes in favor of the amendment, and 2 speeches against it—which would provide an equal division of the time on the amendment and which would be fair. Therefore, I ask unanimous consent with that in mind that the debate be limited to an additional 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, when the appropriation for the Department of Health, Education, and Welfare was before us, I offered exactly this amendment, which the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] is offering today. I am delighted she has seen fit to offer it, and it is quite appropriate that a lady of such distinction, who has children of her own should offer an amendment of this type. I would like to call our attention to a matter of the record in respect to this amendment, which I strongly urge upon the House. When I brought it up originally, the gentleman from Illinois [Mr. BUSBEY], who is chairman of the subcommittee handling that particular appropriation bill said, and I quote from the RECORD of that day's debate at page 8008, as follows:

Mr. BUSBEY. Mr. Chairman, we are all in accord with the objectives of the amendment offered by the gentleman from New York [Mr. JAVITS].

Over a month ago Dr. Eliot, head of the Children's Bureau, testified before our committee that this problem is being studied at a high level in the White House, and she thought that a supplemental request for this particular activity would be submitted to the Congress in the near future. I think we should wait until the proposition is submitted to us, because we will then have the benefit of their study and their findings. Then, we can consider their request in the regular, established manner, rather than at this time before we have any definite program to act on.

I now call the attention of the committee to the fact that by a communication from the President of the United States, House Document No. 438, he recommends that this appropriation be made though it is not included in this bill. He says as follows:

For an additional amount for salaries and expenses, Children's Bureau, $165,000. The additional amount is for establishment of a staff to study, gather facts, and consult with States on problems of juvenile delinquency. The purpose is to provide specialized knowledge and guidance to the States in order to aid them to improve services and facilities for dealing with delinquent children.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. JUDD. I want to associate myself with the gentleman. I cannot see any good reason why we should not put in this $165,000. I do not know any more worthy cause for which we could make an appropriation than this one. I hope the committee will accept the amendment.

Mr. JAVITS. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in support of the amendment.

On the last 3 days of June, over 450 specialists in the problems of delinquent children from all parts of the country—including judges, probation workers, psychiatrists, social workers, civic leaders, and others—met here in Washington on the invitation of Secretary Hobby. They met to pool their thinking about what can and must be done to curb the mounting juvenile delinquency reported in big and little cities.

With extraordinary unanimity, these experts agreed that the situation is serious. They agreed that measures must be taken both to build greater respect in youngsters for the law and to restore to

good social and emotional health youngsters who have got into trouble with the law. Over and over again, these delegates asked for leadership in meeting this problem. They can get such leadership from the Children's Bureau if it is staffed to give it.

Public and private agencies throughout the country want to push ahead, building better police services for handling young delinquents, providing better detention facilities, improving court handling, and modernizing training-school methods and facilities. Many communities are ready to go ahead in taking better measures to prevent delinquency.

Those of us who support the President's request for a supplemental appropriation are asking merely that the Federal Government increase its services for advising and consulting with States and local communities as to what are good practices, what are good facilities, and what are wise measures to take.

They can get such help from the Children's Bureau. The Bureau knows their problems, it knows what programs work efficiently, and it knows what children need if they are to have the chance to develop as responsible, socially useful, and happy human beings.

But this help can be forthcoming from the Children's Bureau only if it can add to its staff more specialists to gather essential facts, to provide guidance material, and to work with States and communities. This relatively small sum of $165,000 would be utilized by employing men and women skilled in dealing with the many aspects of juvenile delinquency, and ready to go to work on these problems.

As we build and maintain the defenses of our Nation, let us not forget that we are making life safer and happier, not just for us adults, but for our children, and for their children. Let us not, in anxiety over the cost, make our children the casualties of our efforts to economize. We run the risk of that when we neglect to give the Children's Bureau the means for helping our States and communities do their job of building a physically, socially, and emotionally sound new generation.

Mr. Chairman, while we are on the subject of appropriations for the Department of Health, Education, and Welfare, I should like to state that I have hoped to offer three amendments at this point. These amendments would have appropriated additional funds for cooperative research activities, for a White House Conference on Education and for the National Advisory Committee on Education. A total of $2,025,000 was requested by the administration for these purposes, but the Appropriations Committee struck out the entire amount.

Since the President has not yet signed the three bills authorizing these activities—the conference reports were only agreed to by this body yesterday—I understand that a point of order would have been sustained against these amendments. I do feel it advisable, however, to call to the attention of my colleagues the fact that adequate appropriations for these purposes will be necessary. I am confident that the Members of the other body will take appropriate action when this bill comes to them for consideration.

Mr. JAVITS. I appreciate the gentleman's support.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New York.

Mr. WAINWRIGHT. I would like to associate myself with the gentleman. I hope the amendment passes. All too often the technicalities presented to the Appropriations Committee blind them as to ultimate worth. On the other hand this committee must be commended on the way it has tackled the overall problem of conserving our money. The taxpayer has been saved many millions of dollars.

Mr. JAVITS. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. H. CARL ANDERSEN. I wish to associate myself with the gentleman in support of the amendment offered by the gentlewoman from Ohio. I believe this would be money well spent. There are many millions in this bill which I think are for purposes less deserving. We must do everything we possibly can in fighting against juvenile delinquency.

Mr. JAVITS. I thank the gentleman from Minnesota.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I likewise want to associate myself with the program of extended help in the problem of juvenile delinquency.

Mr. JAVITS. I thank the gentleman for his support.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MILLER of Kansas. Mr. Chairman, I rise to associate myself with the gentleman from New York, and I wish to support the amendment offered by the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON]. I do not know of any question more important before this House at this time than the one we are deciding here.

Mr. JAVITS. I thank the gentleman from Kansas.

Mr. HOWELL. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New Jersey.

Mr. HOWELL. Mr. Chairman, there is a great deal of interest in New Jersey, particularly in this appropriation for juvenile delinquency studies because, as I understand it, the special program which the Children's Bureau intends to set up has grown out of the excellent work in the field of juvenile delinquency done by a Senate subcommittee headed by the junior Senator from New Jersey, Mr. HENDRICKSON. This subcommittee has attracted to the problem of juvenile delinquency the national attention it deserves, and has brought into sharp focus the gaps in our organizational ability to cope with what is getting to be a worse problem every year.

The trouble with this appropriation item probably is that it was too small to start with, so no one takes it seriously. If it were $165 million instead of $165,000, it might have had a better chance in committee.

The Appropriations Committee, in knocking out the requested $165,000, said the Children's Bureau could find money for studying the juvenile delinquency problem by diverting it from other activities. Are we to assume that the agency got money this year from the Appropriations Committee for unnecessary activities? As the report of the committee shows, the Children's Bureau only got $1,525,000 altogether for all of its work, and much of it is in the field of industrial health and protection.

Here is the sort of thing which puzzles me sometimes in the appropriations process: In this bill we are appropriating $6,500,000 for forest roads and trails to enable logging outfits to get to some Government timber which is overmaturing.

Now that is all right, and probably good business on the Government's part. But the cost of just 1 mile or so of these wilderness logging roads that helps save some timber from going bad would also just about cover the cost of setting up this special staff in the Children's Bureau. I think it is a whole lot more important to save children from going bad, if that can be done with a modest appropriation like this, than to worry about the timber. Those trees may face a blight out there in Idaho and California, but I do not know of any blight worse than the human spoilage of juvenile delinquency. I think the Children's Bureau should be allowed to serve as the organizational spearhead for local, State, and National Government agencies in organizing the counterdrive against juvenile delinquency.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Illinois.

Mr. YATES. I, too, want to associate myself in support of the statement made by the gentleman from New York. I think the amendment is one that should be passed.

There is no question but that the fundamental cure for juvenile delinquency is a good home and good family life. This is a problem that must be handled primarily by the family and by the local community. The fact remains, however, that in many communities throughout the Nation, elements of the problem are the same, and it would be well if a coordinated effort could be made to deal with them by all such local communities.

In this respect the Federal Government can be of service, and that, I understand, to be the purpose of this amendment, namely, first, to establish a national clearing house of information on various aspects of the delinquency problem which could be made available to local groups and agencies; and, second, to provide methods for suggesting

standards and programs for training advisers and workers on a local level.

I think that for this limited purpose the amendment should be adopted.

Mr. JAVITS. I thank the gentleman from Illinois.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MILLER of California. I wish to associate myself with what the gentleman from New York has said. I know of no more important resource in this country than our children.

Mr. JAVITS. I thank the gentleman from California.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I shall be delighted to support the amendment.

Mr. JAVITS. I thank the gentlewoman for her support.

There are many States that have youth commissions dealing with this subject of juvenile delinquency. Among them are: Arkansas, California, Colorado, Connecticut, Kansas, Louisiana, Michigan, Minnesota, Mississippi, North Dakota, Oklahoma, Oregon, Washington, Wisconsin, and Wyoming.

This certainly is a national program. It is a very minimal expenditure which is being asked for and it is something that is recommended by the President of the United States; it is an administration program and it is certainly a desirable one.

Mr. YATES. Mr. Chairman, will the gentleman yield further?

Mr. JAVITS. I yield to the gentleman from Ohio.

Mr. YATES. I just wish to point out in connection with this amendment that this will in no way affect the obligation and the responsibility of the local communities in dealing with the problem of juvenile delinquency. All this amendment proposes to do, as I understand, is to try to integrate and help local communities in operating that program.

Mr. JAVITS. That is exactly correct. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, I will not take second place to any Member of this body in my concern with the problem of what is generally termed "juvenile delinquency," although I think it often should more properly be called parental delinquency. It was because of my anxiety over this problem that I introduced a narcotics bill, H. R. 8700, which provides that the sale of narcotic drugs to a minor shall be a criminal offense, punishable by death or life imprisonment.

I subscribe to everything the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] said in the well of this House a few moments ago concerning the problem of juvenile delinquency. But, that is not the issue before the House today.

You are being asked to appropriate money to set up an agency within a bureau that has had the authority to do work in this field for many years and has been doing so. When the regular appropriation bill was before the House and I made the remarks to which the gentleman from New York [Mr. JAVITS] referred, I was in hopes that the White House would appoint some commission or committee to study this problem and to present a plan for coordinating all the activities of the various agencies under one agency. I do not believe it is practical to appropriate money for this problem until such a plan is presented.

As it is to date, we have about 9 or 10 different bureaus, agencies, and departments of Government dealing with the problem of juvenile delinquency.

Mrs. FRANCES P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I will be very happy to yield in a minute.

If a study were made to coordinate the efforts of these various agencies and a program presented to the Subcommittee on Appropriations, I would be the first one not only to want to appropriate $165,000, but I would favor appropriating 10 times that sum, in order to get the program started in the correct way, if I was convinced proper study had been given to the problem and that the recommendation was a good one. This idea of appropriating money for this purpose under these circumstances is almost similar to putting a roof on a building before you even have the plans made, let alone the foundation in. I do not believe a vote against this amendment would be a vote against correcting juvenile delinquency. I will vote against it. I refer you to the hearings held in connection with the supplemental appropriations. Dr. Eliot, for whom I have the highest respect, has not made a case for this appropriation. The strongest statement that makes any kind of a case—but which, in my judgment, is a very weak one—is the third paragraph on page 1295 of the hearings, which reads as follows:

> The Juvenile Delinquency Division will collaborate with the existing Divisions of Social Services and Health Services, other constituents in the Department of Health, Education, and Welfare, other departments and national organizations working in this field. The Bureau through its other divisions already has many contacts with State departments of public welfare and health, and these will be utilized to further the work of the new division.

We have the Office of Education in this field, we have the Department of Agriculture in this field, we have the Department of Justice and the FBI, and we have the Department of Labor in this field. We have many more agencies, which do not come to my mind offhand, working on this so-called problem of juvenile delinquency. Why not let them get together and formulate a program and then come in here and say, "This is it; this is the amount of money we need to handle the program next year." I would be the first one to support it.

Mrs. FRANCES P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentlewoman from Ohio.

Mrs. FRANCES P. BOLTON. The Children's Bureau has several of its people working on juvenile delinquency. This does not set up a different bureau. It makes it possible for the Children's Bureau to do adequate work. A vote against this amendment is not against juvenile delinquency, but it would be against the children of this country who need the coordination that only the Federal Government can give to the various work of the agencies.

Mr. BUSBEY. Again I agree with the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] that the Federal Government should coordinate the activities in the field of juvenile delinquency; but I challenge the gentlewoman from Ohio, or anyone else, to show how the adoption of this amendment would coordinate or consolidate a single activity in this work.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. BUDGE].

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. BUDGE. I yield to the gentleman from New York.

Mr. TABER. Is it not true that the Children's Bureau has more people on this program than it did 3 years ago, yet the situation is more acute, proving that they have not gotten hold of the thing at all and that they are not the people to handle it?

Mr. BUDGE. I would say, certainly, that the appropriations to the Children's Bureau at the present time are in excess of what they were 3 years ago.

The chairman of the Committee on Appropriations has raised another interesting question which the members of the subcommittee were quite concerned about when he said that this is perhaps not the right Bureau to handle this problem. There is no question about the problem being there, but in this supplemental budget request from the Department of Health, Education, and Welfare we have 2 separate agencies within the 1 department, both of these agencies within the same Department asking in this budget request funds to study the very same problem. It seems to the committee, and I think it should to the Members of the House, that until the executive branch of the Government decides, at least, within just 1 department which bureau is going to make this study and make the recommendations the Appropriations Committee and the Congress would be somewhat lax in making an appropriation to a particular agency when the Department itself and the executive branch of the Government have not even concluded within the 1 department who they want to make this study.

Everyone recognizes that the problem exists, and that it is a serious one. It is one of concern in all areas of the country. For that reason, if for no other, the Congress should be satisfied that very real results will be obtained from the funds appropriated before they are provided. That is almost impossible for the Appropriations Committee and its staff to do in the limited time available

on a supplemental appropriation bill, particularly this late in the session.

Mr. Chairman, I think we should look into just what this $165,000 is intended to cover. It is solely for hiring and for the travel expenses of 53 new people in the Department of Health, Education, and Welfare, in the Children's Bureau; 53 additional people in the Washington office. Now, here are the types of people that are listed in the justifications that were given to the committee and the salaries which are connected with them. We have, first, a Director of the Division, and that is a new division now within the Bureau, at $10,800 per year. We have an Assistant Director of the Division at $9,600. We have 2 Chiefs of Branch, so apparently there will be 2 Branches within the new Division. Each of those people is to receive $9,600. We have a psychiatrist at $9,600. We have an after-care consultant—I am not sure just what that is—at a salary of $8,360. Then we come over here and we have 2 coordination and planning consultants at $8,360. We have an institutions consultant at $8,360. We have 2 training consultants at $8,360. The sole purpose of the appropriation is to start a new division in the Department in the Children's Bureau when the Department itself has not even decided whether it wants this office or the Office of Education to undertake the study.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. The Senate committee has been making a very exhaustive study of this problem. They have been holding hearings, and it is very likely that they will recommend basic legislation in the next Congress. Would it not be wise for the House to wait and cooperate with the Senate on basic legislation under a well-thought-out plan instead of going ahead now with a bill that might not do what is intended to be done?

Mr. BUDGE. I would certainly agree with the observation of the distinguished gentleman from New Mexico, particularly in view of the fact that the request for next year which the Children's Bureau has indicated they will make is exactly double the amount which they request in this appropriation.

Mrs. FRANCES P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentlewoman from Ohio.

Mrs. FRANCES P. BOLTON. The gentleman spoke of two divisions in the same Department. The Department of Education is entirely different from the Welfare Department work. They are two entirely different subjects.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

The question is on the amendment offered by the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

The question was taken; and on a division (demanded by Mrs. FRANCES P. BOLTON) there were—ayes 71, noes 77.

Mrs. FRANCES P. BOLTON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. FRANCES P. BOLTON and Mr. TABER.

The Committee again divided; and the tellers reported that there were—ayes 85, noes 90.

So the amendment was rejected.

Mr. HESELTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HESELTON: Page 9, line 7, strike out "*Provided*, That such funds shall not be available after June 30, 1956" and insert the following:

"Grants for hospital construction

"For an additional amount for 'Grants for hospital construction', to remain available until expended, $35,000,000, to be available for payments under part G, title VI, of the act, as amended, as follows: for diagnostic or treatment centers, $10,000,000; for hospitals for the chronically ill and impaired, $10,000,000; for rehabilitation facilities, $10,000,000; and for nursing homes, $5,000,000: *Provided*, That allotments under such part G to the several States for the current fiscal year shall be made on the basis of amounts equal to the limitations specified herein.

"Salaries and expenses, hospital construction services

"For an additional amount for 'Salaries and expenses, hospital construction services', $400,000, of which not to exceed $60,000 may be transferred to 'Salaries and expenses, Office of Vocational Rehabilitation', and not to exceed $5,900 may be transferred to 'Salaries and expenses, Office of the General Counsel, Health, Education, and Welfare'."

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I make the point of order against the amendment that it contains legislation and changes existing law.

The CHAIRMAN. Will the gentleman from New York please point out the matter he states is legislation?

Mr. TABER. These words in the last part of the amendment make it legislation "of which not to exceed $60,000 may be transferred to 'Salaries and expenses, Office of Vocational Rehabilitation', and not to exceed $5,900 may be transferred to 'Salaries and expenses, Office of the General Counsel, Health, Education, and Welfare'."

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. HESELTON. Mr. Chairman, I ask unanimous consent to strike those words from the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. HESELTON: Page 9, line 7, strike out "*Provided*, That such funds shall not be available after June 30, 1956" and insert the following:

"Grants for hospital construction

"For an additional amount for 'Grants for hospital construction', to remain available until expended, $35,000,000, to be available for payments under part G, title VI, of the act, as amended, as follows: for diagnostic or treatment centers, $10,000,000; for hospitals for the chronically ill and impaired, $10,000,000; for rehabilitation facilities, $10,000,000; and for nursing homes, $5,000,000: *Provided*, That allotments under such part G to the several States for the current fiscal year shall be made on the basis of amounts equal to the limitations specified herein.

"Salaries and expenses, hospital construction services

"For an additional amount for 'Salaries and expenses, hospital construction services, $400,000."

Mr. HESELTON. Mr. Chairman, let me make clear at the outset that this is not a personal amendment in a very real sense. This amendment has been authorized, I might say, by the Committee on Interstate and Foreign Commerce, which discussed this problem over the last 2 days. Consequently I am trying to present it objectively and in behalf of the committee which authorized the money involved in the amendment. You may recall, a few weeks ago the Committee on Interstate and Foreign Commerce reported to the House an extension of the so-called Hill-Burton Act, which should be called, incidentally, the Priest Act, and that the House passed it unanimously. It passed the other body and on July 14 it became a public law. That called for $60 million, but the administration submitted a request of only $35 million. I have here a chart showing the projects all over the country submitted by the State agencies. I do not have the time to indicate the extent of this, but let me just call your attention to it. There are 669 projects all ready to go with a total of 41,436 beds. That is divided into general, mental, tuberculosis, chronic diseases, public health centers, nursing homes, and training facilities and adjunct facilities. The estimated cost is a total of $681,673,000 and the Federal share for 1955 would be $270,082,000.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. DOLLIVER. Is it not a fact that the amount which the gentleman is suggesting in his amendment is approximately the amount which was authorized by the House in passing the extension of the Hill-Burton Act?

Mr. HESELTON. I do not think that is quite accurate. I think we authorized $60 million, but the administration only submitted a request for $35 million.

Mr. DOLLIVER. Actually, this money is to carry out the law passed in the House within the last few weeks; is that not correct?

Mr. HESELTON. Absolutely, there is no question about it.

Mr. DOLLIVER. May I comment, Mr. Chairman, that before the close of this session, we are going to be called upon to pass upon an appropriation which was authorized for foreign aid. There doubtless will be similar enterprises in that bill which amount to a good many millions of dollars. It seems possible to me that we might be willing to look after our own people in this matter of hospital construction by providing the modest amount that is suggested by the gentleman's amendment.

Mr. HESELTON. I thank the gentleman.

Mr. FULTON. Mr. Chairman, I want to associate myself with the gentleman.

Mr. HESELTON. I thank the gentleman.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. HALLECK. Do I understand that this amendment, which is being offered, involves supplying the money to implement the program which was just enacted a few days ago?

Mr. HESELTON. That is exactly correct.

May I point out that we have only 12 percent of the chronic-disease beds we need.

The $35 million requested is to implement the provisions of Public Law 482 approved July 12, 1954. The request, which is $25 million less than the law authorizes, would provide $10 million for chronic-disease facilities and $5 million for nursing homes. These two types of facilities are considerably less expensive to construct than general hospitals and can provide patient care at approximately one-third the cost of patient care per day which must now be given in more expensive general hospitals. It would free more general beds for patients with acute illness and permit more urgently needed facilities for chronic patients not in need of a full hospital regime.

Ten million dollars for diagnostic and treatment facilities to care for ambulatory patients. By emphasizing preventive medicine and care of the ambulant patient, the demands for general hospital beds will be reduced and the total cost to the patient will be less than the cost of hospitalization. This type of facility providing earlier diagnosis would prevent chronic illness and subsequent long-term hospitalization with its tremendous expenditure to the individual.

Ten million dollars for rehabilitation facilities. From an economic standpoint alone the return in taxes paid by rehabilitants is estimated to exceed the cost of rehabilitation. The 83d Congress has passed a bill to expand the number of patients rehabilitated. There is now a great shortage of adequate rehabilitation facilities for both patient care and training purposes.

The report by the House Appropriations Committee indicates that the committee is in sympathy with the new program but fearful that more harm than good will be accomplished by proceeding before any but the most sketchy plans are available. This statement completely overlooks the fact that at no time in the program are construction grant funds approved for expenditure without a comprehensive survey by the State, and approval by the Surgeon General of the State plans required under the survey and planning phase. The House committee based its refusal to approve this item on alleged vagueness of the program presented. However, it must be stressed that many States will complete the survey and planning phase of the program and be ready to embark upon the construction portion of the program during fiscal year 1955. Moreover, in the case of chronic-disease facilities, for which $10 million has been requested, all States could proceed almost immediately in view of the fact that this type of facility has been included under the original program and in the current State plans. Although the funds are available for a 2-year period the development of plans and the actual building construction in a community requires from 12 months to 24 months before the buildings are ready for occupancy.

It was emphasized in the testimony that unless the $35 million was appropriated there would be a delay of a full year in launching the new program in view of extreme reluctance on the part of the States to undertake a new activity unless funds have been appropriated by the Congress. In view of the record of uncertainty with respect to the amount of annual appropriations under the hospital survey and construction program it is not likely that the States would intensively launch upon the survey and planning activities with a mere authorization in the basic law for appropriations.

The full amount of $35 million would be all encumbered by the end of the 2-year period of availability on these grant funds.

For fiscal year 1955, $850,000 was appropriated for salaries and expenses to administer a program of $75 million in grant funds for hospital construction. This was $25,000 less than was appropriated for fiscal year 1954 when the program was at the $65 million level and $350,000 less than fiscal year 1953 when the program was last at the $75 million level. Mandatory salary increases will further reduce the level of finances for this item.

The appropriation request of the President and the Department for fiscal year 1955 for the $75 million program level was $950,000.

Under Public Law 482, 83d Congress, effective July 12, 1954, in order to carry out the additional work incident to the new amendments to the hospital survey and construction program a sum of $400,000 was requested as essential. This sum for salaries and expenses was included with an appropriation request of $2 million for survey and planning grants and $35 million for specified construction grants.

It is pointed out that regardless of whether or not Federal funds are appropriated for construction grants to the States the Public Health Service by the mandates of Public Law 482, 83d Congress, must develop basic policies, procedures, forms, and instructions pertaining to the survey and planning activities of the States in order to assure the uniformity of procedures throughout the Nation.

In addition the provisions of Public Law 482, 83d Congress, also require the Public Health Service with the approval of the Federal Hospital Council to develop and promulgate the necessary and essential regulations pertaining to the program covered by the new amendments. This entails an extensive workload and in the interest of developing the best possible program, consultation, and assistance from non-Federal groups with special knowledge in the health field. Some of these groups are the American Medical Association, the American Hospital Association, the nursing home and rehabilitation groups. The provisions of the new law provide a time limit of 6 months from date of enactment—July 12, 1954—for the completion of the new regulations. An extensive educational program is essential in order to assure the establishment of the program called for in Public Law 482, 83d Congress, on a firm and sound basis.

It is impossible to absorb the increased workload under the regular program with the current staff which is smaller than last year and then, in addition, undertake any of the activities called for under the new program.

If funds for construction grants are made available the additional $400,000 requested will permit an appropriate beginning of this phase of the new program.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(By unanimous consent, Mr. HESELTON was allowed to proceed for 3 additional minutes.)

Mr. HESELTON. This is a direct challenge to everyone of us who is interested in the problems of the ill, and the aged of this country. If it is desired to stop this program in its tracks then we should turn this amendment down. But if we do have the interest of those people at heart, if we feel that this Congress by unanimously authorizing this amount of money can take some action which should be carried out, honoring our unanimous vote, then I say to you this is your opportunity and perhaps your last opportunity in this Congress to do something constructive in behalf of the people of this country who need your assistance.

I beg you to give your support to this amendment.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Illinois.

Mr. JONAS of Illinois. As I recall the legislation that the gentleman is now urging for adoption, came to us first in the form of a message from the President.

Mr. HESELTON. The gentleman is right.

Mr. JONAS of Illinois. We then passed enabling legislation on the floor of the House.

Mr. HESELTON. We passed it unanimously.

Mr. JONAS of Illinois. The overt act that will destroy the measure now is for us not to appropriate money for carrying out the purposes and objectives of the act.

Mr. HESELTON. The gentleman is correct about that. There is only $2 million in the bill and that is provided for survey and planning.

There is not 1 penny in the bill for the construction of any of the facilities.

If you want this excellent program extended, if you want to carry out our recent commitment to the people in our districts, if you want to see that the serious deficit in health facilities is overcome as soon as possible, you should support the President's recommendation by voting for the amendment.

I am now including for the RECORD the tabulation to which I referred:

TABLE I.—*Summary of construction projects reported by State agencies to be eligible to share in Federal funds appropriated under Hill-Burton Act, fiscal year 1955*

[Source: State Agency Reports to the Public Health Service. Not an official schedule]

	Number of projects	Hospital beds added, by category					Other facilities			Estimated cost (thousands)	
		Total	General	Mental	Tuberculosis	Chronic disease	Public health center	Nursing homes and training facilities	Adjunct facilities	Total	Federal share, 1955
Total	669	41,436	31,398	4,533	1,863	[1] 3,642	109	30	25	$681,673	$270,082
Alabama	13	355	355				3			6,381	4,254
Arizona	4	79	55			24				542	271
Arkansas	8	380	280			100		2		5,680	3,786
California [2]	97	4,196	2,869	103	682	542	19	1	3	67,870	22,160
Colorado	11	920	920						1	14,061	4,358
Connecticut	10	787	392			395	1		1	11,205	3,119
Delaware [3]											
District of Columbia [4]											
Florida	51	2,477	2,330	72		75	9	4	1	35,087	16,571
Georgia	38	621	621				30		1	12,955	4,318
Idaho	5	107	95			12	2			720	360
Illinois	6	285	155	50		80			1	5,890	2,298
Indiana	10	663	663					2		9,400	4,700
Iowa	6	720	120	600			1		1	10,150	3,373
Kansas	8	551	451			100				7,565	3,026
Kentucky	8	156	156				2	1	1	3,730	1,865
Louisiana	8	743	543	200						10,503	4,315
Maine	4	353	353							5,350	3,051
Maryland	10	1,590	641	135		814	1	2	8	26,436	9,145
Massachusetts	25	1,455	1,455				1			32,310	13,552
Michigan	24	1,530	1,530				3	1		27,623	10,428
Minnesota	9	392	392				1			7,588	3,[illegible]
Mississippi	17	471	471				11			7,651	5,104
Missouri	12	881	220	248		413				19,940	8,970
Montana	4	46	46				1			1,172	469
Nebraska	11	365	365					1	2	5,200	2,080
Nevada [5]											
New Hampshire	5	198	198					1		4,100	1,367
New Jersey	30	2,366	2,285		81			3		35,193	14,077
New Mexico	8	1,972	122	1,800		50	1			6,323	2,486
New York	42	3,373	3,263	90		20	1			89,542	29,790
North Carolina	15	370	370				7	3		5,801	2,554
North Dakota [3]											
Ohio	13	1,225	1,035	90	100					23,700	7,894
Oklahoma	14	333	333							7,900	4,479
Oregon [2]	11	454	454				1			6,185	1,942
Pennsylvania	30	3,674	2,780	119		775		8	2	51,249	17,169
Rhode Island	1								1	300	100
South Carolina	7	160	160							2,213	1,745
South Dakota	2	84	84							1,700	850
Tennessee	13	946	546	400			1		1	9,862	5,128
Texas	14	1,800	1,000		800		2			18,880	9,390
Utah	12	695	695				4			17,685	7,879
Vermont	4	122	52			70				2,070	656
Virginia	12	590	390		200		5			8,460	4,653
Washington	3	384	354	30						9,225	3,690
West Virginia	2	110	35			75				1,013	618
Wisconsin	24	2,327	1,634	596		97	1	1	1	42,829	17,845
Wyoming	4	65	65							950	317
Alaska	2	30	30				1			700	200
Hawaii	2	35	35							784	264
Puerto Rico [3]											
Virgin Islands [3]											

[1] These 3,642 chronic disease beds would cost approximately 48 million and could use immediately 24 million in Federal funds.

[2] Projects pertain to 1955 through 1957 fiscal years. State agency did not list projects separately according to fiscal years.

[3] Information not supplied.

[4] No applications for funds anticipated for 1955 fiscal year since more liberal Federal aid under another law (Public Law 221, 82d Cong.) is available.

[5] No new projects.

I now wish to discuss an analysis of existing law.

ORIGINAL ACT

The Hospital Survey and Construction Act of 1946 authorized Federal grants to the States on a matching basis to pay part of the cost of constructing public and other nonprofit hospitals and related health facilities. Such facilities include general, mental, tuberculosis, and chronic hospitals and public-health centers. As a prerequisite to receiving such grants each State was required to survey its needs for these types of facilities, and develop and keep current a State plan which lists existing hospital and related health facilities in the State. The State plan and its mandatory annual revisions are reviewed and approved by the Surgeon General. In essence, the plan is a documentation of the State's existing hospital and related health resources as well as a coordinated program for the construction of the additional facilities needed.

SCOPE OF AMENDMENTS

The 1954 amendments to the Hospital Survey and Construction Act authorize appropriations for grants to the States for surveying need and for developing State construction programs to meet the need for four classes of projects: Hospitals for the chronically ill and impaired, nursing homes, diagnostic centers or diagnostic and treatment centers; and rehabilitation facilities. A limited authorization of $2 million is included to assist the States in the survey and planning phase. The States will survey their existing facilities in these classes of projects and development programs as supplements to their State plans for meeting these needs. This survey money will be matched, dollar for dollar, by the States. The minimum allotment to any State for survey and planning purposes will be $25,000.

The 1954 amendments also add to the Hospital Survey and Construction Act an authorization for appropriations to assist in paying part of the cost of construction of these facilities. Annual appropriations totaling $60 million are authorized for the construction and equipping of facilities by public and other nonprofit sponsors. These appropriations are authorized for the fiscal years 1955, 1956, and 1957, which coincides with the present statutory time limitation of the Hospital Survey and Construction Act. The

authorization of $60 million is in addition to the annual authorization of $150 million contained in the present law.

Several of the classes of facilities included by the 1954 amendments were eligible under the existing program, among them rehabilitation facilities and diagnostic or treatment facilities, where part of a hospital, and chronic disease hospitals. The purpose of including these types of facilities under the new and broadened program is to provide a greater stimulus for their construction by specifically earmarking funds for these classes of facilities. The 1954 amendments also authorize assistance for the construction of other classes of facilities not previously approvable under the hospital survey and construction program, namely, diagnostic centers, diagnostic and treatment facilities and rehabilitation facilities when not a part of a hospital, and nursing homes.

ALLOTMENTS TO STATES

The annual appropriations authorized by the 1954 amendments will be allotted to the States on the basis of the existing statutory formula, the controlling factors of which are the State's population and per capita income. Amounts authorized annually are as follows: (a) $20 million for diagnostic centers or diagnostic and treatment centers; (b) $20 million for chronic-disease hospitals; (c) $10 million for rehabilitation facilities; and (d) $10 million for nursing homes. The minimum allotment to any State is $100,000 for diagnostic or diagnostic and treatment centers, $100,000 for chronic-disease facilities, $50,000 for rehabilitation facilities and $50,000 for nursing homes. The minimum allotment under the existing law is a single sum of $200,000 to cover the four types of hospitals and public health centers eligible under that portion of the act. Thus the total minimum allotment including the amounts authorized by the 1954 amendments is now $500,000 to any State.

PROJECT ELIGIBILITY AND AMOUNT OF FEDERAL SHARE

As under the original law, project applications for construction grants must be of high priority, in accordance with State plans, and approved by the State and Federal agency administering the hospital survey and construction program. The States determine the amount of Federal participation for each project and several options are available to the States in making these determinations. Federal matching funds will be a minimum of 33⅓ percent of the cost of constructing and equipping the project. A maximum of 66⅔ percent will be available to project sponsors in the lower income States.

Projects receiving funds for construction will be subject to the same procedures and conditions as those presently prescribed. Some examples are the application of the minimum-wage rate determinations under the Davis-Bacon Act for the construction of the project, financial assurances as to the completion and operation of the facility, assurances as to rendering a community service, and assurances as to nondiscrimination on the grounds of race, creed, or color. Omitted however with respect to all new classes except chronic-disease hospitals, is the existing requirement that the State adopt, by legislation, enforceable standards for maintenance and operation. Instead there is required only assurance of compliance with such standards, if any, as the State may prescribe for such types of facilities.

ADMINISTRATIVE PROCEDURES

The 1954 amendments preserve the existing administrative organization and procedures. However, supplemental regulations will be issued within 6 months by the Surgeon General, subject to the approval of both the Federal Hospital Council and the Secretary of the Department of Health, Education, and Welfare. These will cover the classes of projects included by the 1954 amendments. No change in the composition of the Federal Hospital Council is provided for. However, the approval of the Secretary is required in addition to that of the Surgeon General on all projects for rehabilitation facilities.

No change in the administrative organization in the States is required by the 1954 amendments, except that the State agency must include on its advisory council a rehabilitation competency or else provide for consultation with rehabilitation organizations and agencies with respect to rehabilitation facilities.

In accordance with established procedures sponsors of eligible projects must apply to their appropriate State agencies for assistance under the program. The financing of projects serving interstate areas is facilitated by authorizing the transfer of a portion of an annual allotment from one State to another, where justified, for a specific project.

Mr. JONAS of Illinois. I associate myself with the gentleman from Massachusetts in support of his amendment.

Mr. HESELTON. I thank the gentleman.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY as an amendment to the amendment offered by Mr. HESELTON: Strike out on line 2 of the Heselton amendment "$35,000,000" and insert "$15,700,000"; and on line 4 of the amendment strike out "$10,000,000" and insert "$5,225,000"; and on line 5 of the amendment strike out "$10,000,000" and insert "$5,225,000"; and on line 5 strike out "$10,000,000" and insert "$5,225,000"; and on line 6, strike out "$5,000,000" and insert "$2,625,000."

Mr. FOGARTY. Mr. Chairman, ever since the Hill-Burton bill was enacted into law I have been appearing on the floor of this House in favor of the full amount of the authorization of that particular law to build hospital beds in this country. When the authorization was $75 million I was for the $75 million a year; when the authorization was raised to $150 million for the construction of hospital beds under the Hill-Burton Act I was for the $150 million to build hospital beds on account of the lack of beds at that time and at the present time. I do not think there has been a more consistent supporter of the Hill-Burton Act or this act that we have before us than I. But I do not want to see us appropriating money today that we have no guaranty will be expended in the next fiscal year.

This $15,700,000 will give a minimum allotment of $300,000 to every State and the 5 Territories, including the District of Columbia, which adds up to a total of $15,700,000. This would allow us to start the program, this would allow every State a chance to get some of this aid money and a chance to make surveys and come up with plans and applications so that next year we can look at this in a more realistic manner and come before the Members of Congress with a more definite plan than we have at the present time. There is no plan at the present time for the spending of this $35 million next year; in fact it was testified that in all probability it could not be spent in the fiscal year 1955 but would run over for a 2-year period into 1956.

I cannot see any sense at all in appropriating that amount of money when we know that it will not be expended; however, as a supporter of the program I want it to proceed.

What has been the history of it? The history of the new program when it was presented to us was a 3-year program of $60 million a year to provide more beds for the chronically ill and to provide more centers for rehabilitation of the elderly people of this country.

This amendment, Mr. Chairman, will allow every State $100,000 for chronic facilities, $100,000 for diagnostic and treatment centers, $50,000 for nursing homes, and $50,000 for rehabilitation facilities. Now, with that kind of a start, I am convinced that every State will be given a chance to come into the program. I agree with everything that has been said about the shortage of these facilities. There is no question about the shortage existing at the present time, but I do not want to see this program get off to a bad start. The President requested a program of $180 million for a 3-year period or $60 million a year.

Now, this year—and I think we should remember this and keep this in mind—they recommended a cut of $25 million in the Hill-Burton Act, with the idea that $60 million would be appropriated under this particular program. And, as the hour was getting late in this session of the Congress, they came before us with a supplemental of $25 million for Hill-Burton, and we finally ended up and passed that a few weeks ago, giving the full $75 million for the construction of hospital beds, mostly in the general hospital-bed category, which was the full amount that we have been giving in other years and $10 million more than we gave last year. Now, I am afraid that this is the beginning of the end of the old Hill-Burton Act; that this type of legislation is the type of legislation that will eventually replace the Hill-Burton construction funds.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. And, I do not want to see that happen, either, because in the 14 years that I have been a Member of this body, I have never seen a Government program work as well as the Hill-Burton Act. I do not believe any program in all of the communities in the States of this country has received more universal approval than the Hill-Burton Act, and I want to see this program go along, too, because I believe this is a good program. It will provide beds, as my friend from Massachusetts stated a short while ago, to the chronically ill. It will take men and women with chronic diseases out of hospitals at the present time and make room for those who are on the waiting list. But, I do not want to see this program get off on the wrong foot. We have had 1 or 2 or 3 bad examples under the Hill-Burton Act, but I must say that the percentage of bad examples under the Hill-Burton Act was infinitesimal as far as the amount of money that we have appropriated. I think some $600 million has been expended so far under the Hill-Burton Act, and we have only had 2 or 3 or 4 small projects that did not turn out right. I think that is a wonderful example of a good program, and that is why I am not for the $35 million that has been offered by the gentleman from Massachusetts, but I am offering this as a substitute of $15.7 million. I believe that this can be expanded, that the communities on the local level will meet this $15.7 million which will be expanded next year and we will get off to a good start on a good program.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman answered my question. I wanted to be sure what the total of the various figures in his amendment was. I understand it is $15.7 million.

Mr. FOGARTY. The total is $15.7 million, which makes a minimum of $300,000 for every State, including 4 or 5 Territories and the District of Columbia, with the exception of the Virgin Islands, which only receives under this amendment less than $100,000.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 2 speeches for the amendment and 2 against, each of 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair wishes to say that there have been only three requests to speak under the motion of the gentleman from New York [Mr. TABER] to limit debate on this amendment.

Mr. TABER. Mr. Chairman, in that event, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the time to be divided equally among three speakers.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JONAS of Illinois. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JONAS of Illinois. To which amendment is this agreement on limitation of debate to be applied, the amendment of the gentleman from Massachusetts [Mr. HESELTON] or the amendment of the gentleman from Rhode Island [Mr. FOGARTY]?

Mr. TABER. If I may answer the gentleman, it applies to both amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, it had been my intention to support the amendment offered by the gentleman from Massachusetts [Mr. HESELTON] for the full $35 million for this program. The gentleman from Rhode Island [Mr. FOGARTY] has offered a substitute in the amount of $15,700,000 which will guarantee to each State and Territory a minimum of $300,000.

The gentleman from Rhode Island [Mr. FOGARTY] is a member of the Appropriations Subcommittee handling this appropriation, and I believe he has made a very fair statement of the situation facing the Committee of the Whole at this time. I rise at this time to support the Fogarty substitute for the reasons which he so ably and logically presented to the Committee a few minutes ago.

I am very much interested in this program. It happened to be the first important bill reported by our committee during this session. We brought the authorizing legislation before the House early in the session. It passed some time ago, but without an appropriation all of that effort goes for naught. I was prepared to support the full amount of $35 million for this purpose, but I believe the gentleman from Rhode Island [Mr. FOGARTY] has given sound justification for his substitute of $15,700,000. If the committee will approve the substitute amendment, I believe it will enable the Department of Health, Education, and Welfare, cooperating with the States, to develop plans and to put the program on a sound footing in the very beginning.

It is a program in which I have been greatly interested, as all of the Members know, from the very inception of the original Hill-Burton Hospital Survey and Construction Act. I do not want to see anything done in that program that would in any sense retard it in the future. Therefore, instead of supporting the Heselton amendment, which I had intended to do, I am supporting the Fogarty amendment.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Minnesota.

Mr. JUDD. Will the gentleman tell us—or perhaps the gentleman from Rhode Island [Mr. FOGARTY] can—why the administration asked for $35 million if it did not yet have its program worked out under which it would use it? Would somebody explain that?

Mr. PRIEST. I should prefer to have the gentleman from Rhode Island [Mr. FOGARTY] answer that question, because he heard all of the testimony from the Department. I yield to him for that purpose.

Mr. FOGARTY. I think the most logical reason is that this legislation was asked for the first part of the year. The President signed this bill only a couple of weeks ago, on July 12, in fact less than a couple of weeks ago. Here we are already into the fiscal year and there have been no plans, no surveys in the various States that have been made. We do not have the applications for these funds at the present time. It is going to take about 6 months to get going, to find out what is needed, and then we will be into the next fiscal year.

Mr. JUDD. This request for $35 million came down when they were expecting the authorizing legislation to become law, early in the year?

Mr. FOGARTY. That is correct.

Mr. PRIEST. That is my judgment. It was a part of a broader program; and if it had been enacted into law earlier, I think a $35 million appropriation would have been fully justified.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. HESELTON. It is my understanding that the amount involved in my amendment would remain available for 2 years, the reason being that many of these facilities cannot be constructed in a 1-year period. Some are over a period of 24 months.

In addition, the tabulation I had there shows there are approved projects in the amount of $48 million. I agree with the gentleman from Rhode Island and with the gentleman from Tennessee. I do not want to do anything to hurt this program. But I cannot see why we cut it if we already have approved by the State agencies programs to that extent.

Mr. PRIEST. I did not have those figures available insofar as the State plans are concerned. I do know that in many of the States there are approvable projects now being considered, but insofar as their having been made a part of a State plan and approved as ready for action, I think that will not be the case until some time in the future.

I hope the House will support the Fogarty amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, let me state at the outset that I am for this program 100 percent, so that my remarks, I assure you, will not be directed at trying to scuttle the program, to delay it, or to hinder its operation in any way.

The gentleman from Massachusetts [Mr. HESELTON] admitted that the Subcommittee on Appropriations used good judgment—and I give full credit to the men who heard the testimony, because I was absent in Europe with the Kersten committee at the time—in allowing the full amount requested for surveying and planning, and in holding in abeyance

the actual appropriations for construction. The Heselton amendment proposes that the funds should remain available until expended. I call your attention to the language of the bill on page 9. If they are far enough along with their planning and surveying, and if they know what they are doing, the language ins the bill should be sufficient, because it states: *"Provided,* That such funds shall not be available after June 30, 1956." That gives them 2 years to spend the money for surveys and planning.

I do not believe they are ready for the construction money. I read from the statement of the gentleman from Massachusetts [Mr. HESELTON] where he said:

This statement completely overlooks the fact that at no time in the program are construction-grant funds approved for expenditure without a comprehensive survey by the State and approval by the Surgeon General of the State plans required under the survey and planning phase.

I spent quite a number of weeks and months last year surveying hospitals, among other things, in this country, and let me tell you this one thing: One hospital I surveyed was down at Denmar, W. Va., where we had provided a considerable amount of money to build a wing on a tuberculosis hospital. That wing had been completed over 3 years. The equipment is still unpacked to this day because of a delay in surveying and planning by the State of West Virginia, and because they had these Hill-Burton funds allocated to them before they were ready for them. It will take a full year to survey and plan this situation. It is an entirely new field. Many of the hospitals will not be ready for construction for at least 12 months from today. If they are to do a comprehensive job and really to know what they are talking about, instead of just spending money because it is available for these different chronic-disease hospitals without proper consideration, you will defer appropriating money for construction until the survey and planning have been completed. The gentleman from Massachusetts [Mr. HESELTON] also referred to the number of applications for beds for these chronic-disease hospitals. I have examined the tabulation, and I find that only 16 States out of the 48 States and the Territories have said, "Here we have some projects we would like to start building." There is no one in this Chamber that can prove they have made an adequate survey and completed adequate plans for these so-called chronic-disease hospitals. I think this chronic-disease hospital program is one of the most forward steps we have taken in hospital construction, in many, many years. Let us not be too hasty and do it without proper consideration, and then have regrets later; as we have in so many other instances where the appropriation has been pushed through on the floor of the House without proper consideration and by emotional appeals which have nothing whatsoever to do with the facts. The gentleman from Iowa [Mr. DOLLIVER] said it is high time that we look after our own people, and that we will have a foreign-aid appropriation bill before us within a few days. I agree with him that we should look after our own people. But by voting these amendments down, you will not hurt the people at all. You will help the people to get the adequate and proper treatment and care to which they are entitled.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Chairman, I should like to say at the outset that it is certainly not the intention of the Committee on Appropriations to attempt to delay or to destroy this program. This is the situation which confronted us, and I think our action was logical in view of the facts which were presented to us. This is a double barreled request. In the first place, the Department seeks $2 million to conduct a survey in all of the States and Territories and the District of Columbia to determine what facilities will be necessary. Now the other barrel says that in this fiscal year the Department wants $35 million to spend This is what they said about the way they were going to spend it. This is Dr. Cronin speaking, the man who administers this program in the Public Health Service, and so far as I am aware, qualified to administer it.

Dr. CRONIN. We have a fairly good idea in two areas of what the States can cover. It needs to be sharpened up. One area is chronic disease. The States have put 85 percent of the funds in general hospitals. The other area we have a fairly good idea is diagnostic or treatment centers, which will be built as authorized under this act. In the areas of nursing homes and rehabilitation facilities, we just do not know. We would not even attempt to guess in those two areas.

Now I ask you in all fairness what other course could the Committee on Appropriations take on the basis of that testimony, but to say, "All right, we will give you the full $2 million which you requested to prepare your plans to spend in the final analysis over $100 million of Federal money, but we want you to complete the planning and then come in and we will give you the money for the construction." That is certainly a reasonable approach, and the only thing which the Committee on Appropriations could have done on the basis of the testimony which was given to us.

As a matter of fact, they do not even claim that they can even guess how much of this money can be obligated. I call your attention to one other thing which I think is very important. The original request for funds in the Hill-Burton Act was $50 million. The Committee on Appropriations approved it in its entirety. We got a supplemental for an additional $25 million. We approved that in its entirety for the total program for this year for $75 million. On top of that, there is a carryover from last year's funds as of the first of July of $15 million, which the Department was unable to obligate in the fiscal year 1954.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield for a question?

Mr. BUDGE. In just a moment.

On yesterday we had a very splendid speech from the distinguished majority leader in which he referred to fiscal responsibility. That fiscal responsibility lies right in this Chamber. That is not something that we can blame upon the President, upon the other body, upon anybody else; that fiscal responsibility is ours. Whether we appropriate $17 million, or $35 million, or $15.7 million, when the people cannot even tell you how they are going to spend it and say they need $2 million in order to find out how to spend it, I say that we do not meet our obligation of living up to what we in this Chamber must meet, fiscal responsibility.

I think the course taken by the Appropriations Committee was the only proper thing which we could have done, and the only thing which in fairness to the program should be done at this time.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Illinois.

Mr. JONAS of Illinois. Will the gentleman tell us how he stands on the program with reference to either one of these amendments, or whether he is against the program in its entirety?

Mr. BUDGE. I would say I am completely in sympathy with the $2 million appropriation to conduct the surveys they say are necessary.

I would say that the substitute amendment is twice as good as the original amendment, in my judgment, although both should be defeated because funds should not be spent until the survey and planning is completed; otherwise we will have abuses which may well destroy the entire program.

Mr. DONOHUE. 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 Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Chairman, I rise in personal support, and to urge the support of all of you, of this amendment for a supplemental Federal appropriation to enable States to plan for and build diagnostic centers, hospitals for the chronically ill, medical rehabilitation facilities, and nursing homes because testimony from eminent and authoritative sources is convincing of their vital need.

Surely there is no better or more lasting investment than money spent to protect the health of our people. On the practical side, the productive loss to our economy caused by the protracted illness of individuals is staggering, not to mention the damage to the happiness and the spirit of so many citizens who unquestionably could be expeditiously returned to normal health if adequate medical facilities were available.

No one will question that the substantive Hill-Burton Act has been of continuing and immeasurable benefit to our national welfare, but it is as readily admitted fundamental deficiencies still exist.

While we know that approximately 70 percent of the need for general hospital beds has been met through construction undertaken with and without Federal assistance, the need has not been similarly met for other types of facilities such

as chronic disease hospitals and rehabilitation facilities for the physically handicapped. Nor does the existing program encourage the construction of diagnostic centers and rehabilitation facilities separate and apart from hospitals, and nursing homes were not included.

Expert committee testimony of record demonstrates that a great demand for chronic disease and nursing home facilities has inevitably arisen because of the tremendous increase in the population aged 65 and over. Unfortunately, this increase in the number of aged persons has likewise contributed to the incidence of the chronic and degenerative diseases. To date, only 12 percent of the need for chronic disease beds throughout the Nation has been met. By simple logical thinking, we are made to realize that nursing homes are essential to the development of comprehensive medical plans for the care of our aging population. It is obvious that the availability of additional chronic disease beds and nursing home beds will not only help meet the urgent need for those beds, but also tend to make more readily available, for acute patient care, those beds in general hospitals now occupied by the chronically ill or long-term patients.

The value of diagnostic centers is very easily appreciated by sensible reflection that their impact will be that of emphasizing the preventive aspects of modern medicine, therefore bringing about an ultimate decrease in the need for expensive inpatient care. Furthermore, there are, of course, communities, particularly in rural and remote areas, that are financially unable to plan, build, or maintain general hospitals. These communities will be eligible to construct diagnostic-in-treatment centers to make essential health services more readily available to their people.

From the preponderant evidence presented, none of us can have any doubt that we must adopt a comprehensive approach to the rehabilitation of our handicapped citizens and erect facilities for such purpose throughout the country. The United States is currently rehabilitating about 65,000 people each year, but there are about 250,000 capable of being rehabilitated. It has been testified by responsible officials and experts, year after year, that for every dollar of Federal funds appropriated for this purpose, the Federal Government receives $10 back; that is certainly and positively excellent economy. There is, then, no qualified reason in the world why we should not expand this program that actually is materially profitable as well as being a concrete demonstration of the Christian character of our Nation.

Medical experts tell us the cause and cure of such dreadful afflictions among others as cancer, multiple sclerosis, muscular dystrophy, cerebral palsy, arthritis, rheumatism, heart disease, and even blindness can be eventually found. With adequate facilities for continuing study and research they are confident of success. It is my own heartfelt conviction that Federal expenditures, for continuing medical research and health protection, pay for themselves a million times over—in the reduction of human suffering and in direct economic returns to individuals and the Nation as a whole. Even at a time when I well realize we must examine all Federal appropriations with critical scrutiny, I do not hesitate to ask you, in Christian charity and practical wisdom, to unanimously approve this amendment as a sound contribution to the national welfare.

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. FOGARTY) there were—ayes 80, noes 41.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Massachusetts [Mr. HESELTON] as amended.

The amendment as amended was agreed to.

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: Page 9, lines 5 through 7, strike out "For payments to States for surveys and planning activities pursuant to title 6 of the Public Health Act, as amended, $2,000,000."

Mr. BUDGE. Mr. Chairman, I think this amendment is obvious. The House in its wisdom has seen fit to expend a portion of the construction funds called for in the original proposal. If we are to proceed with the construction program, which we, of course, will do under the action which the House just took, I see no justification for leaving the $2 million in to conduct a survey to determine how the construction funds are to be spent. I hope the amendment will be adopted to save this $2 million to conduct a survey which obviously is not necessary if we go ahead and spend the money before we complete the survey.

Mr. FOGARTY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Idaho.

Mr. Chairman, I cannot believe that the gentleman from Idaho is sincere in offering this amendment to cut $2 million off. This $2 million that we allowed in committee was for planning and surveying, in other words, to make plans for this program. I am sure that the gentleman is not serious in offering this amendment because if the program is going to be run right you would have to have minimum standards in every community. You cannot allow firetraps to be built in this community or that community and have the program stand up.

If we come back here next year and are called upon to appropriate, as is authorized, $60 million for this new program next year, I think we ought to have the benefit of these surveys and the benefit of the plans in the States that have made them between now and the next fiscal year.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Idaho.

Mr. BUDGE. May I assure the gentleman that my amendment is offered in all sincerity. I do not feel that the survey should be conducted at the same time we are spending the money for the purpose for which the survey is being conducted. I am very sincere.

Mr. FOGARTY. Maybe the gentleman is sincere, but he knows, I think, that the States can already go ahead without surveys on some things, like chronic hospital beds. We know there is a backlog of $20 million for chronic hospital beds that can be met by Federal appropriation. Unless we have this money for surveying and planning you will not have a well-regulated program to vote on. You are going to have to get plans for next year when we come back, when the administration will probably make a request of the Budget Bureau for $60 million for this new program in 1956.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New York.

Mr. ROONEY. Is it not the fact that deletion of this $2 million for planning and survey activities, as proposed by the gentleman from Idaho, would do more harm to this hospital-construction program than failure to adopt the previous amendment?

Mr. FOGARTY. Certainly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The amendment was rejected.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: Page 9, line 9, after "$2,625,000", insert "Salaries and expenses hospital construction services. For an additional amount for salaries and expenses hospital construction services, $200,000."

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, the language in the bill has already been changed by an amendment and the gentleman's amendment is not in order at this time.

Mr. FOGARTY. Mr. Chairman, I thought this was regular procedure. I am offering it at the end of the amendment that was adopted to provide money for the salaries and expenses of this program.

The CHAIRMAN. The Chair may say to the gentleman that this amendment should have been offered to the Heselton amendment; however, if the gentleman desires to offer it as a separate paragraph, the gentleman may do so.

Mr. FOGARTY. Mr. Chairman, I offer it as a new paragraph.

The Clerk read as follows:

On page 9, preceding line 9, after "$2,625,000", insert "Salaries and expenses hospital construction services. For an additional amount for salaries and expenses hospital construction services, $200,000."

Mr. BUDGE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BUDGE. As I understood the Heselton amendment at the time it was read at the desk, it included an item of $400,000 for salaries and expenses. Now, would the effect of adopting the Fogarty amendment at this point be to reduce

the $400,000 to $200,000, or is this adding new money to the bill?

The CHAIRMAN. The Heselton amendment provided for $400,000, and this is an additional amount. The Chair believes the gentleman has a right to offer it.

Mr. BUDGE. I do not quite understand the Chair's ruling.

The CHAIRMAN. The Heselton amendment provides for $400,000, and this amendment provides for $200,000. The new amendment provides for $200,000 additional.

Mr. BUDGE. Is it in lieu of the $400,000 or is it in addition to it?

The CHAIRMAN. It is in addition to. This is a new paragraph.

Mr. TABER. That means that the total sum would be $600,000.

The CHAIRMAN. That is for the committee to determine, not for the Chair. But, the Chair would state that if the amendment is adopted, it would be $600,000. It is a new paragraph for $200,000 additional.

Mr. RAYBURN. Mr. Chairman, is this not the situation? The gentleman from Rhode Island has offered an amendment which has been adopted. Now he is offering another amendment in order to carry out the provisions of that amendment by making the money available to carry it out. That, to me, seems to be the situation.

Mr. FOGARTY. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FOGARTY. It was my understanding that my amendment offered to the Heselton amendment did not carry any provision for salaries and expenses. I thought that, when the Heselton amendment was adopted with my amendment, there was no provision for salaries and expenses. Is that not right?

The CHAIRMAN. The Heselton amendment as amended carried $400,000. Now this is a new paragraph which provides for $200,000 as stated in the amendment.

Mr. FOGARTY. In addition?

The CHAIRMAN. Additionally.

Mr. TABER. In addition to the $400,000.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent that I may withdraw my amendment and offer an amendment to cut the $400,000 to $200,000.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

Mr. HESELTON. Mr. Chairman, reserving the right to object, I make the further parliamentary inquiry as to what the net result of the request would be moneywise.

The CHAIRMAN. The gentleman from Rhode Island will have to explain that.

Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follow:

Amendment offered by Mr. FOGARTY to the amendment offered by Mr. HESELTON: Under the item "Salaries and expenses, hospital construction services," strike out "$400,000" and insert "$200,000."

Mr. FOGARTY. Mr. Chairman, I do not believe this needs much explanation. The original request for salaries and expenses was $400,000, with an appropriation of $35 million. We have already, by action of this committee, appropriated $15,700,000. I think that 50 percent of the amount that was originally requested or $200,000 will be all that will be needed to run this program under an appropriation of $15,700,000.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. BUDGE. I merely want to say that the provision certainly seems to be equitable, so far as the members of the committee on this side are concerned, we are happy to accept it.

Mr. PRIEST. Mr. Chairman, will the gentleman yield for one question?

Mr. FOGARTY. I yield.

Mr. PRIEST. This has not been clear to me but I am sure it can be made clear. Was the $400,000 that was suggested in addition to the $35 million in the Heselton amendment?

Mr. FOGARTY. Yes.

Mr. PRIEST. It was not included in the $35 million?

Mr. FOGARTY. No.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. HESELTON. I feel that the gentleman is proceeding absolutely in the proper way. However, there was included in my amendment a provision for transfers in the amount of $48,000 and $5,500. I withdrew that upon a point of order. Does the gentleman's amendment provide for any transfer authority?

Mr. FOGARTY. No transfer authority, just $200,000 for salaries and expenses.

Mr. HESELTON. The gentleman does not think the transfers are necessary?

Mr. FOGARTY. I think it can be worked out all right; or it may be that it can be worked out in the other body.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. WOLVERTON. Mr. Chairman, I regret exceedingly that an engagement before the Committee on Rules prevented me, as chairman of the Committee on Interstate and Foreign Commerce, from being present during this entire debate. I wish at this time to present my views with respect to the necessity and the propriety of increasing the amount that has been allotted to this important work by the Committee on Appropriations. In my opinion, that committee has totally ignored the great need that exists in this country of ours for the particular facilities for which the Appropriations Committee has made such drastic cuts. Adequate appropriations for those facilities were approved by the President and by the budget. The House just recently, by a unanimous vote, provided the authority to make the appropriations requested by the President and the Budget Bureau. It seems to me there has been a total disregard of the actual needs of the case by the Appropriations Committee. I am glad that there has been some increase made but I wish a greater step forward had been taken.

While I appreciate the interest that has been taken by the gentleman from Rhode Island [Mr. FOGARTY] with reference to an increase in the appropriation appearing in this bill for the construction of chronic-disease hospitals, nursing homes, diagnostic and treatment centers, and rehabilitation facilities, yet I must speak frankly and say that the increase advocated by the gentleman was, in my opinion, far too little. It does not begin to be adequate. If we can spend billions to rehabilitate Europe and other parts of the world, why should we pinch our pennies when it comes to doing something for our own people? Within a few days we will be asked by this same Appropriations Committee to spend $3 or $3½ billion for foreign aid, and yet the same committee endeavors to cut down help for the sick and handicapped in our own country. I can see no justification for such a course.

The Committee on Interstate and Foreign Commerce, as I have already said, made a study of this whole subject that covered months. Our hearings developed the fact that a great need exists. It was because of this that the committee reported the legislation. It was because of this that this House unanimously passed the bill. The Senate did likewise. The President signed the bill. It thus became law. And now, when it comes time to make it effective, the Appropriations Committee tries to stop it by refusing funds to carry out these laudable objectives. Certainly our country has not become so poor that it cannot adequately take care of our sick and handicapped by making the necessary appropriation of funds to carry out the desire and intent of Congress.

On January 18, 1954, the President submitted to the Congress a message containing certain recommendations to improve the health of the American people. Among his recommendations was one proposing that that program be expanded to include additional assistance for the construction of public and other nonprofit hospitals for the care of the chronically ill, as well as to include assistance in the construction of public and other nonprofit nursing homes, rehabilitation facilities, and diagnostic or treatment centers. He also recommended grants to the States for surveying their need for such facilities, in order to provide a sound basis for Federal assistance authorized by the expanded program. The Appropriations Committee responds only to the latter. I am glad that the House has already shown a willingness to do more than that by providing at least approximately $15 million.

Current State plans indicate that at the present time about 70 percent of our national need for general hospital beds has been met both through construction under the Hill-Burton Act and through construction undertaken without the assistance of Federal funds.

However, in the case of certain other types of facilities now authorized under title VI, namely, chronic-disease hospitals, out-patient departments in hospitals, for diagnosis and treatment of ambulatory patients, and rehabilitation

facilities for the physically handicapped, the need has not been similarly met.

CHRONIC DISEASE BEDS AND NURSING HOMES

Beds for the chronically ill may be made available either in chronic-disease hospitals or in nursing homes depending on the degree of medical and nursing care required by the patients. To date, only 12 percent of the national need has been met for beds in chronic-disease hospitals. Information as to the extent of the need for nursing home facilities in each area and community in the country has also been shown.

The availability of additional chronic-disease beds and of nursing-home beds would not only help to meet the great need for these beds on the part of the chronically ill, but would also tend to make more readily available, for acute-patient care, beds in general hospitals now occupied by chronically ill or long-term patients. It is important to note that beds in chronic-disease hospitals and in nursing homes are less expensive to build than general-hospital beds. Thus, with such Federal funds as will be available, more chronic-disease and nursing-home beds can be constructed for every dollar expended than is the case with general hospital beds.

Furthermore, the cost of maintenance and operation of chronic-disease hospitals and nursing homes is considerably lower than the cost of maintaining and operating general hospitals. Testimony before our committee indicated that long-term-patient care in chronic-disease hospitals averages $6.63 per patient-day as compared with the average operating cost of $18.35 per patient-day in short-term general hospitals. This lower cost of operation and maintenance would reduce considerably the financial burden borne by chronically ill patients and by States and local governments and nonprofit organizations in the operation and maintenance of facilities for long-term patient care.

The great demand for facilities for the chronically ill has been brought about by the tremendous increase in the old-age group of our population in relation to the rest of the population. The national population has doubled from 1900 to 1950. During the same period, however, there has been a fourfold increase in the number of people aged 65 years or over—from 3 million to 12 million persons. This increased number of aged persons has contributed to the incidence of chronic disease, such as cancer and heart disease. Testimony before your committee brought out the fact that those 65 years of age and over require twice as much hospital care on the average each year as do persons under 65 years of age.

FACILITIES FOR AMBULATORY PATIENTS

Diagnostic and treatment clinics are essential to a complete medical service in the community. By emphasizing the preventive aspects of modern medicine, this type of facility helps to decrease the need for the much more expensive in-patient hospital bed care.

There are communities, moreover, which presently do not have hospitals and where the likelihood of hospitals being constructed is remote because the communities in question are financially unable to build and maintain hospitals. It is expected that in those communities the construction of diagnostic or treatment centers will make more readily available health services that otherwise would be available only in urban centers far removed from such communities.

REHABILITATION FACILITIES

Rehabilitation of disabled individuals is important not only because of humanitarian considerations but also because of the resulting economic benefits. Rehabilitation of an individual to the point where he can at least care for himself is an important step in relieving the economic burden on families and the patient load in hospitals and nursing homes. Rehabilitation for employment has a direct effect in reducing governmental relief expenditures in those instances where disabled persons have been carried on the public assistance rolls. Furthermore, disabled persons returning to work contribute to the support of Federal, State, and local government by payment of taxes.

The committee study shows that additional rehabilitation facilities are needed for the following reasons: First, services provided in a rehabilitation facility are in many respects an extension of the treatment and services provided in a hospital. Second, it is both logical and economical to utilize the established administrative machinery and experience of the Public Health Service and of the State agencies now administering the facilities. Third, rehabilitation facilities have many construction features, and render some services comparable to those of hospitals and related health facilities. Fourth, the construction of additional rehabilitation facilities is a factor which will tend to reduce the demand for hospital and nursing-home beds.

SURVEY AND PLANNING

Following the precedent of title VI of the Public Health Service Act as originally enacted, the bill authorized an appropriation for grants to assist the States in surveying the existing facilities in the categories covered by the bill and in developing revised State plans and construction programs. The aggregate amount so authorized to be appropriated is $2 million, and any amount appropriated would remain available until expended. The amounts appropriated would be allotted among the States on a population basis, but the minimum allotment for any State would be $25,000. The State would be required to match these funds on a dollar-for-dollar basis.

The importance of this survey and planning provision cannot be too strongly emphasized. The surveys made under the present law have contributed greatly to the success of the program.

I am strongly of the opinion that there should be adequate funds provided for the purposes I have outlined.

Mr. FOGARTY. Mr. Chairman, I want to say this to my good friend from New Jersey [Mr. WOLVERTON], that the Committee on Appropriations was not totally to blame for this. If the gentleman will take the time to read the hearings, to read the testimony presented to us in justification of the $35 million request, I believe he would hesitate to approve that request.

Mr. WOLVERTON. I would say to the gentleman that I have felt that if the Committee on Appropriations would take the time to read the testimony before our committee, taken over a period of months, that that committee would have come to a different conclusion.

Mr. FOGARTY. The Committee on Appropriations was the last committee before which this group appeared. It is the same group that appeared before the gentleman's committee. We had the most up-to-date information, the last minute information that was available. I think the record speaks for itself.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. GARY. As I understand it, the question that was before the Committee on Appropriations was not the advisability of appropriating that amount for the program, but the advisability of appropriating it at this time?

Mr. FOGARTY. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY] as modified.

The amendment was agreed to.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent that all Members participating in the debate today have permission to revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FRIEDEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRIEDEL: On page 9, after line 8, insert:

"Social Security Administration, Bureau of Old-Age and Survivors Insurance

"None of the funds available to the Bureau of Old-Age and Survivors Insurance shall be used to pay any costs, direct or indirect, of moving any group of employees of the Bureau from Baltimore, Md., to Washington, D. C."

Mr. FRIEDEL. Mr. Chairman, the Social Security Administration and its various agencies is located throughout the city of Baltimore in many office buildings. For the purpose of efficiency and economy, the Congress appropriated $25,370,000 to construct a building to bring all the branches of the Social Security Administration in and around Baltimore under one roof. The employees of the Administration number about 5,200. During consideration of this authorization, it was brought out in the Appropriation Committee hearings that the building had ample space for 6,000 employees.

An official departmental memorandum, dated August 11, 1953, informed the employees that in obtaining the new building, there would be space for all employees of the Bureau in Baltimore.

Enclosed is a photostatic copy of this memorandum:

OFFICE MEMORANDUM, UNITED STATES GOVERNMENT

AUGUST 11, 1953.

To: All Bureau employees in Baltimore.
From: Robert M. Ball, Acting Director.
Subject: Location of the new Bureau Building.

On July 31, when President Eisenhower signed our 1954 appropriation bill, we passed another important milestone toward obtaining a new building with space for all employees of the Bureau in Baltimore. Arrangements had been made for the General Services Administration to set about acquiring a site immediately after the bill was signed.

On August 6 the first advertisement for proposals to sell or donate land for the site appeared in the Baltimore newspapers. They specify that the site shall be in Baltimore or its vicinity. The advertisement will continue to be run in the Baltimore newspapers until August 26, when all proposals received will be opened in the Baltimore office of the General Services Administration.

We hope that a number of proposals will be received in order to permit a wide choice in selecting a site. After the proposals are opened, the General Services Administration will make appraisals and preliminary site recommendations, working in conjunction with Bureau and Administration staff so that a selection recommendation may be made for the Department of Health, Education, and Welfare. We are going to try to have a site finally decided upon by the end of September.

In situations of this kind, of course, a variety of rumors and reports arise respecting the favoring or selection of sites. I assure you that no choice nor any determinations leading to a choice have been made. The selection is wide open, as the advertisement indicates, and will be made only after all proposals have been received. I know that the location is of deep interest to all of you. I will keep you informed of our progress in determining the building location as well as of any other important matter relating to the new building.

ROBERT M. BALL.

I wish you would pay particular attention to the fact that the memorandum clearly states "all Bureau employees in Baltimore."

On the basis of this memorandum many of the employees bought homes in Baltimore and quite a few have large mortgages outstanding.

Nine months later, on May 11, 1954, another memorandum was issued to all Bureau employees advising them that 450 members of headquarters staff of the Bureau of Old-Age and Survivors Insurance would be transferred to Washington.

Subsequently, in the supplemental budget of the Department of Health, Education, and Welfare which we are considering today, a request was made for $130,000 for the purpose of transferring these 450 employees to Washington and funds were to be diverted from the OASI trust fund to pay per diem to these people. This request was refused by the Appropriations Committee. I would like to quote the language on page 17 of Report No. 2266, accompanying H. R. 9936:

The committee expressly denies the requested authority to use funds from the OASI trust fund to pay per diem to the 450 employees proposed to be moved to Washington from Baltimore and seriously questions the advisability of such a move.

I would also like to submit, at this point, a letter I received from the Honorable FRED E. BUSBEY, chairman, Labor, Health, Education, and Welfare Subcommittee on Appropriations, and call your particular attention to his statement that "the $25,370,000 authorized for the construction of a building in Baltimore was based on the estimated cost, including space for the 450 employees in question."

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 17, 1954.

Hon. SAMUEL N. FRIEDEL,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: This is in reply to your letter of June 21, to which was attached a copy of a letter you sent to Senator BRIDGES, concerning the proposed transfer of approximately 450 employees of the Bureau of Old-Age and Survivors Insurance from Baltimore to Washington.

As you no doubt know, there was no language in the regular 1955 appropriation bill, or the report thereon, concerning this matter. The subject did arise in connection with supplemental requests recently considered by the House Appropriations Committee. The committee's report, which was issued yesterday, covers this subject on page 17. The first paragraph of that page is directly pertinent, and I believe you would be interested in the fact that the $25,370,000, authorized in the second paragraph for the construction of a building in Baltimore, is based on the estimated cost including space for the 450 employees in question.

With best wishes, I am

Sincerely yours,

FRED E. BUSBEY,
Member of Congress, Chairman, Labor, Health, Education, and Welfare Subcommittee on Appropriations.

My amendment, which reads, "None of the funds available to the Bureau of Old-Age and Survivors Insurance shall be used to pay any costs, direct or indirect, of moving any group of employees of the Bureau from Baltimore, Md., to Washington, D. C.," is a very simple one. It merely expresses the intent of the Appropriations Committee as indicated in the above-mentioned report. Further, it will not cost the taxpayers a penny, but will, in turn, be a great saving.

I would also like to bring to your attention the serious effect such a move will have on Baltimore City, already a surplus labor area. Our shipbuilding and labor industry have been hard hit. Over 2,000 employees have been laid off in the past year. Before the year is out Baltimore will lose another 2,000 employees as a result of the transfer of the Baltimore Signal Depot to Tobyhanna, Pa.

You can readily see what an additional blow it would be to the economy of the great city of Baltimore should these 450 employees be transferred.

For the reasons which I have outlined, I urge you to adopt this amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. As far as I am personally concerned, I do not think there is any objection on this side of the Committee on Appropriations to the gentleman's amendment. I think it would be very foolish to bring more such groups back into this city, overcrowded as it is.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Maryland.

Mr. DEVEREUX. The new social-security building is in my district. I concur in the statement of the gentleman from Maryland [Mr. FRIEDEL]. It seems foolish to put up this huge building, which can amply take care of the employees of the Social Security Administration, and then have them bring some of those people over here to Washington, where we are already so crowded.

Mr. FRIEDEL. I thank the gentleman.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Idaho.

Mr. BUDGE. The Department sought funds to pay per diems for a short period for these 450 employees they intended to bring from Baltimore to Washington. The employees have been in Baltimore for some 13 years. The committee has recommended the erection of a building there for their use, at a cost of some $26 million. It would seem that the committee thought the proper place for them to be working is in Baltimore. We have no objection to the gentleman's amendment.

Mr. FRIEDEL. I thank the gentleman.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from New York.

Mr. ROONEY. On behalf of the gentleman from Rhode Island [Mr. FOGARTY], who is in charge of this phase of the bill for the minority side, and all the minority members of the committee, let me say that the gentleman's amendment is agreeable and that we accept it. I suggest that there be an immediate vote on this amendment.

Mr. FRIEDEL. I thank the gentleman very much.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. FRIEDEL].

The amendment was agreed to.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask the chairman of the committee regarding the $3 million for inpatient care in the Veterans' Administration. My understanding is that that is the supplemental request of Mr. Higley for money to start the hospitals, that he neglected to ask for in the other bill. Is that not correct?

Mr. PHILLIPS. If the gentlewoman will yield, if she wishes to say that he neglected to ask for it, I probably would not take too much exception to the word, but the fact of the matter is that the Veterans' Administration made a very firm and conclusive justification for the amount which was given them in the regular budget. We gave them the entire amount. We made changes in the method of handling the money which would be to their advantage. We

showed them methods of saving, which they recognized, that would amount to say $5 million or more.

In the interval between the passage of the regular bill and the consideration of the supplemental bill, it was discovered that the Veterans' Administration had permitted the number of occupied beds to go above the authorization by about 2,000 beds. Consequently the subcommittee, recognizing that the situation would be very difficult for the Veterans' Administration said, "Well, you had no authorization to do this. We believe that you did it perhaps through an error or a misunderstanding on your part, or"—whatever the word the gentlewoman used was—"miscalculation. We will go along with you and give you the additional money." Under those circumstances, what the gentlewoman chooses to call it is a matter of her own choice.

Mrs. ROGERS of Massachusetts. Perhaps he did not understand or he did not realize. Of course, Mr. Higley, I think, has been operating under some difficulty because he is new and he has had various investigators going about investigating those who have the functions of the Veterans' Administration and making suggestions as to cuts in personnel. Mr. Higley, as Administrator of Veterans' Affairs, has one of the most difficult positions in Government. There have been so many investigations of the Veterans' Administration, I wonder how it can function at all.

Mr. PHILLIPS. If the gentlewoman will permit me, I think the greatest difficulty he is working under in this particular is probably the failure of the head of the Medical Department to give him accurate figures.

Mrs. ROGERS of Massachusetts. I know insofar as Brockton Hospital is concerned, since no more money is appropriated, they have had to close down certain wards.

Mr. PHILLIPS. No; no; the gentlewoman must use the correct word. The VA did not close down anything; they just decided they would not open additional beds. The gentlewoman is right in the fact that there was no excuse for Brockton, because testimony in the subcommittee indicates that the beds we need are in NP hospitals, and Brockton is an NP hospital.

Mrs. ROGERS of Massachusetts. Yes; but they did plan to have a certain number of surgical beds eliminated. They closed them down and now they were not allowing them to expand.

Mr. KARSTEN of Missouri. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. KARSTEN of Missouri. I might say that in St. Louis recently we completed a 500-bed hospital there, but 175 of the beds are not being used because of inadequate funds.

Mr. PHILLIPS. No; no; that is not correct.

Mr. KARSTEN of Missouri. That is the information that I received from the Veterans' Administration.

Mr. PHILLIPS. I beg pardon for taking the gentlewoman's time, but no money was asked for them. That is a general medical and surgical hospital. No money was asked for those beds. We are now told that we have appropriated inadequate funds. We did not—that is not the case. We appropriated exactly the amount that was to have all the beds occupied, which could be properly occupied. Furthermore, we changed the formula from the beds activated to the beds occupied. Furthermore, we put together hospitals, domiciliaries, and the contract beds so that the accounting would be easier to handle. Remember we are not talking about service-connected veterans, we are talking about non-service-connected veterans' cases.

Mr. KARSTEN of Missouri. We are talking about hospital beds, if I remember what the gentlewoman said. We are talking about empty hospital beds. I just wonder whether or not there are any funds in this bill to enable the Veterans' Administration to use those beds.

Mrs. ROGERS of Massachusetts. The Committee on Veterans' Affairs is going to make certain surveys just as soon as the Congress adjourns, and we may have some further information regarding the hospitals and secure added funds.

Mr. KARSTEN of Missouri. It is ridiculous to build a hospital and not use it.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the gentlewoman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. YATES. May I state, I think the chairman of my subcommittee, the gentleman from California, will agree with me on this that our committee, our appropriations subcommittee has given the Veterans' Administration all the funds it has requested for the care of the veterans. But the difficulty seems to be with the Bureau of the Budget.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I cannot yield further on that because I want the additional time myself. It is not always the fault of the Bureau of the Budget. Take the case of the $8 million recommended by the Veterans' Administration and heartily endorsed by the Budget Bureau that the Senate placed in the independent offices bill and which later the conferees cut to $3,500,000. The Budget Bureau told me emphatically that they believed this Veterans' Administration facility could not function properly without the full $8 million.

Mr. ROONEY. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. May I remind the gentleman from California that when the additional $8 million asked for the additions to the Long Beach facility was provided for, I was heartily in favor of that. The Senate put it in the bill and the House agreed to it.

Mr. ROONEY. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I will be glad to yield to the gentleman if I have the additional time.

Mr. ROONEY. I wish to point out with regard to the Veterans' Administration hospital at Fort Hamilton in Brooklyn, N. Y., that that facility is only four-fifths occupied, that there are about 200 vacant beds which could be used, and should be used, but no funds have been provided for them because the Veterans' Administration has not asked for the money. I thank the distinguished gentlewoman for yielding for this observation.

Mrs. ROGERS of Massachusetts. A survey is being made of the Fort Hamilton hospital, may I point out to the gentleman.

Mr. YATES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time only to complete the statement I was trying to make before, and that is that our Appropriation Subcommittee has granted every dollar the Veterans' Administration has asked of us for medical care. Much of the difficulty seems to be in the Bureau of the Budget, which cuts down the requests made by the Veterans' Administration. When the VA gets to our committee, in complying with the rule of the Bureau of the Budget, it can request only the amount the Budget Bureau allows.

Mr. KARSTEN of Missouri. Does the gentleman mean that the Bureau of the Budget places its judgment above the judgment of the Congress in withholding that money; could the gentleman tell us that?

Mr. YATES. Apparently. I, for one, would like to see the Bureau of the Budget take a more sympathetic approach to this problem than it has taken in the past.

Mr. KARSTEN of Missouri. It is not the intention of the Department, but that is exactly what this body is doing in withholding these funds.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Has the gentleman from Illinois any hope that the Bureau of the Budget would extend sympathetic consideration?

Mr. YATES. With the passage of time there is always hope that those who are remorseful will be able to mend their ways.

Mr. PHILLIPS. If the gentleman will yield, I have very high regard for the gentleman. I think he is attempting to cover the subject well, but that he overlooked something, and that is that both last year and this year our committee, disregarding the request of the Bureau of the Budget, asked the Veterans' Administration to give us a figure for the number of beds which they could occupy and for the amount of money that the Veterans' Administration needed to take care of that additional bed capacity. Thus, disregarding the Bureau of the Budget, we took the actual statement, which appears in the hearings, from the Veterans' Administration and which

they said they needed, and we gave them that amount.

This $3 million to which the gentlewoman from Massachusetts calls attention is in addition to that, and in addition to the money which the Veterans' Administration itself said they needed when they came before us.

Mr. YATES. The gentleman is correct; we provided all the money the VA requested. However the gentleman will recall that when we held hearings on the supplemental appropriation bill there were two people present from the Bureau of the Budget who tried to justify their action in cutting down the request made for medical care, they said they were trying to hold medical care to the minimum.

As the gentleman will recall, I pressed them as to why they proposed to hold medical care to the minimum rather than give the veterans the same good medical care they had been receiving.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I am not going to make any statement that appears to be in controversy of the subcommittee, because I remember well what the gentleman from California said, and I am not forgetful of it. I received indications recently from the Veterans' Administration Hospital in Brockton, Mass.—probably the gentlewoman from Massachusetts [Mrs. ROGERS] did also, as well as others—that there was a certain part of the hospital that could not be used due to the lack of help and the failure to appropriate money to hire the help.

Mr. YATES. As far as I am concerned, the VA was completely wrong in its handling of the Brockton situation.

The Clerk read as follows:

For an additional amount for "Forest Roads and Trails," $6,500,000, to remain available until expended.

Mr. GAVIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GAVIN: On page 9, line 14, after the word "expended", insert "$150,000 of which shall be allocated to Allegheny National Forest, Pa."

Mr. GAVIN. Mr. Chairman, this amendment does not increase the appropriation; it merely allocates a certain part, $150,000 of the $6,500,000 appropriation, for forest roads and trails in the Allegheny National Forest in Pennsylvania.

I would say that in the Allegheny National Forest with an area of some 750,000 acres, that is used extensively by millions of people, there has been for some time evident need for roads and forest trails. It qualifies under this category of funds for access roads in these national forests and the necessity for roads where overmature timber needs harvesting. I certainly hope that the chairman of the subcommittee, with whom I have fully discussed this matter, will take a favorable attitude toward this amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I may say that the gentleman from Pennsylvania did approach me on this matter and that I agreed not to oppose it.

Mr. GAVIN. Well, I understood when I talked to the gentleman that he would accept the amendment.

Mr. H. CARL ANDERSEN. I told the gentleman I would not enter any objection to it, and I stand by that.

Mr. GAVIN. My original request, I may say, was for $300,000 and the gentleman said if that were brought down to $150,000 he would accept the amendment.

Mr. H. CARL ANDERSEN. At no time did I say I would accept the amendment, to the best of my remembrance. I said I would not object to the amendment if the gentleman would reduce the amount to $150,000.

Mr. GAVIN. The fact is this is not asking for an additional appropriation. Merely that $150,000 of the $6,500,000 be designated for roads and trails in the Allegheny National Forest.

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from California.

Mr. HAGEN of California. What justification does the gentleman present for this exact amount of money? It is that so many employees have to be hired?

Mr. GAVIN. Definitely not. Why should the gentleman from California be concerned? California is receiving, according to the hearing, $4 million. Permit me to continue. I feel this great Allegheny National Forest area in Pennsylvania is in need of forest roads and trails. In view of the fact that in the hearings it is all specified where the money is to be allocated, the appropriations to the various States, it is my opinion, my amendment was very much in order. I note that California, Oregon, Washington, Idaho, and Montana are specified and also that Minnesota is specified definitely for $300,000 of the $600,000 allocated to the eastern part of the United States.

Mr. H. CARL ANDERSEN. That is an incorrect statement and I am sure the gentleman is making it unintentionally. He does not understand the situation correctly.

Mr. GAVIN. That is what it says here.

Mr. H. CARL ANDERSEN. May I say to the gentleman it merely brings out the tentative allocation as to where the Forest Service might use this money provided that the entire $13 million was made available. They have indicated that $300,000 would be made available to the lake States.

Mr. GAVIN. Yes. That is correct.

Mr. H. CARL ANDERSEN. That includes Michigan, Minnesota, and Wisconsin. They have also indicated that if they had the full $13 million made available to them they would make $300,000 available also for the entire eastern part of the United States. That is the situation. I would not want the gentleman to place me in the position of trying to earmark anything for Minnesota because there is not anything in here earmarked for Minnesota.

Mr. GAVIN. I do not know except what I read. It states $300,000 would be made available in the Lake States, mainly Wisconsin and Minnesota. Now, I do not know whether that indicates $300,000 is for Minnesota. It states—and I quote—page 523, about $300,000 of that would be in Lake States, mainly in Superior country and Minnesota.

Mr. H. CARL ANDERSEN. Remember that the committee did not allow this additional $6½ million. Consequently, even that $600,000 we are now referring to may not even be available.

Mr. GAVIN. Now, just a minute. I have the floor, Mr. Chairman. I want to be patient with the gentleman; however, he is talking on my time.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. May I again say to the gentleman that the allocation upon which this was based—that is, tentatively—is upon the fact that the Appropriations Subcommittee would give the full $13 million for this purpose; but we only actually gave the $6½ million. I doubt whether there will be $300,000 available for the Lake States or $300,000 available for the eastern United States. I do not object personally, however, to the gentleman's amendment.

Mr. GAVIN. I may say to the gentleman that I am rather surprised at the turn of the debate here because of the fact I talked to the gentleman from Iowa [Mr. JENSEN] about the allocation of $150,000 for the Allegheny National Forest, and he acquiesced; I talked to the gentleman from Minnesota, and he acquiesced. I talked to the gentleman from Mississippi [Mr. WHITTEN], and he acquiesced. Now, all we are asking is that a great forest area in Pennsylvania that provides recreation facilities for millions of people from New York, Pennsylvania, and Ohio be allocated $150,000 for this area so that this forest area may be properly utilized.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. Is the gentleman ready to accept the amendment?

Mr. ROONEY. I am in this position, I will say to the gentleman from Pennsylvania. I was called to answer a telephone in the cloakroom and now find that he is about to do something in regard to funds in the Treasury, and I wonder whether or not that Punxsutawney groundhog was heard from. Is there anything in this request to keep that hog alive until next year?

Mr. GAVIN. I might say to the gentleman I am glad he brought up that matter of the Punxsutawney groundhog, that great world-renowned prognosticator of the weather.

Mr. ROONEY. I wonder how he would prognosticate as to the outcome of this amendment.

Mr. GAVIN. Knowing the temper of the House, I believe it would be inadvisable for me to expatiate in extenso

on this world-renowned meteorologist at this time.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Ohio.

Mr. BENDER. The gentleman is to be congratulated on his statement. We, in Ohio, enjoy this forest and need this additional facility, and I want to say that since the gentleman is being so tranquil and agreeable and so gentle, I am sure there is no opposition and I do not know why we should continue this debate. Why not grant him this request?

Mr. ROONEY. Mr. Chairman, if the gentleman will yield further, I must admit that his oratorical outburst has convinced me of the worthiness of his proposed amendment, and I have no objection to it.

Mr. GAVIN. I want to thank my distinguished friends, because there are times, when these various legislative proposal are before the House, that one must rise with statesmanlike qualities to meet the issues, and I am glad to know the gentleman from New York will accept the amendment.

Mr. LAIRD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our committee went over this bill very thoroughly and recommended an additional $6.5 million, which makes the full authorization of $22.5 million available to the Forest Service for forest roads and trails in our national forests in fiscal year 1955. I think it is bad precedent here on the floor to start earmarking these funds to specific forests without any real justification and without testimony being presented as to the need in a particular forest for roads and trails. The funds made available here are made available largely for the construction of access roads to harvest overmature and insect-infested timber which does exist in many of our national forests throughout the country. It is important from the standpoint of the economy of our country and for good forest management to harvest this timber as it matures or becomes infested with insects. It certainly seems to me that we should go along with the judgment of the Forest Service in using these funds in the places where they are most needed. I sincerely hope that the House will not go along with the principle of earmarking these funds for a particular forest in a particular State where there has been no justification brought to our committee and no justification established in our hearings that this particular forest should take precedence in the construction of roads over some other forest where there may be mature timber. I oppose this amendment without prejudice to the particular forest involved. It is entirely possible that some of the funds available in fiscal year 1955 will be expended in this forest.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I would like to concur with my colleague from Wisconsin and say it substantiates the fact that not one word has come up from the Forest Service or the Bureau of the Budget expressing the need for roads and trails in this specific area. We have acted on the recommendation of the Forest Service, and in acting that way we have tried to make funds available to them that will take care of the situation. Now, as to the funds made available, testimony was presented to us that the Federal Government, over a 4-year period, is going to get back $1.50 for each dollar that they are spending on these roads.

There is not one bit of substantiation of the claim that any such situation exists in the Allegheny National Forest. We, in our committee, are interested in all of the forests. But if we get to the point in this House of trying to earmark little dabs here and there all over the country, for forest roads and trails, it will be an unending process. I want the House to know that we, on this side of the aisle, do not like that kind of legislative procedure, and I hope that the committee will see fit in its wisdom to reject the amendment offered by the gentleman from Pennsylvania [Mr. GAVIN].

Mr. LAIRD. Mr. Chairman, I thank the gentleman from Minnesota [Mr. MARSHALL] for his statement. I concur in it. I do feel we would be setting a very bad precedent in earmarking these funds for forest roads and trails to specific national forests throughout the country. The funds are limited when compared to the vast job which must be done. Let us direct the Forest Service take care of the areas of greatest need.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GAVIN].

The question was taken; and on a division (demanded by Mr. GAVIN) there were—ayes 34, noes 45.

So the amendment was rejected.

The Clerk read as follows:

For an additional amount for "Contruction," $3,900,000, to remain available until expended, and the limitation under this heading in the Interior Department Appropriation Act, 1955, on the amount available for personnel services is increased by $1 million.

Mr. RHODES of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RHODES of Arizona: On page 10, line 7, strike out "$3,900,000" and insert in lieu thereof "$6,900,000"; and on page 10, line 8, after the word "expended" insert the following: "which sum is composed of $3 million to provide financial assistance to public school districts, including advance payments, for the construction and equipment of public school facilities for Navaho Indian children from reservation areas not included in such districts, and $3,900,000 for payments under contracts or other obligations entered into pursuant to section 6 of the Federal Aid Highway Act of 1954 (38 Stat. 73)."

Mr. NORRELL. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Arizona desire to be heard on the point of order?

Mr. RHODES of Arizona. I would say that I disagree with the gentleman from Arkansas [Mr. NORRELL]. I do not believe it is legislation on an appropriation bill. The purpose of the amendment is to carry on work which is in furtherance of the Navaho-Hopi Rehabilitation Act.

If I may be heard for just a moment, I have an opinion from the Solicitor of the Interior Department, to which I should like to refer.

Mr. NORRELL. Mr. Chairman, I think the entire amendment is subject to point of order, especially that language in the amendment reading, "including advance payments for instruction or equipment." There is no authorization like that anywhere in the law. Therefore, I ask that the entire matter be deleted.

Mr. RHODES of Arizona. May I be heard further, Mr. Chairman?

The CHAIRMAN. Can the gentleman cite the law applying to this particular question?

Mr. RHODES of Arizona. Section 1 of the Navaho-Hopi Rehabilitation Act of April 19, 1950 (64 Stat. 44, 25 U. S. C. 631), provides as follows:

The Secretary of the Interior is authorized and directed to undertake, within the limits of funds from time to time appropriated pursuant to this act, a program of basic improvements for * * * the supplying of means to be used in their rehabilitation, whether on or off the Navaho and Hopi Reservations. Such programs shall include the following projects for which capital expenditures in the amount shown after each project * * * are authorized to be appropriated. * * *

(12) School buildings and equipment, and other educational measures, $25 million.

The CHAIRMAN. The point before the Chair is the provision "including advance payments." Where in the law is that phrase shown, "including advance payments"?

Mr. RHODES of Arizona. Mr. Chairman, I ask unanimous consent to strike from the amendment the words "including advance payments."

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. NORRELL. Mr. Chairman, I hate to object, but I am so strongly opposed to the amendment, feeling that it is entirely out of order, that I am going to have to object.

The CHAIRMAN. Objection is heard.

The Chair is ready to rule.

In the opinion of the Chair, the words "including advance payments" are legislation, since there is no provision in law for them. The Chair sustains the point of order.

Mr. RHODES of Arizona. Mr. Chairman, I offer a further amendment:

Page 10, line 7, strike out "$3,900,000" and insert in lieu thereof "$6,900,000."

Page 10, line 8, after the word "expended", insert the following: "which sum is composed of $3,000,000 to provide financial assistance to public-school districts, for the construction and equipment of public-school facilities for Navaho Indian children from reservation areas not included in such districts, and $3,900,000 for payments under contracts or other obligations entered into pursuant to section 6 of the Federal Aid Highway Act of 1954 (38 Stat. 73)."

Mr. NORRELL. Mr. Chairman, I make the point of order against the

amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Will the gentleman point out where in the modified amendment is the language to which he refers as legislation?

Mr. NORRELL. Mr. Chairman, there is no law anywhere that I have been able to find authorizing the Interior Department to take this amount of money, $3 million, and do what they are proposing to do under this amendment, to wit, assist the schools throughout certain areas in making improvements on the physical property in order the Indian children may come there and go to school in the years to follow. There is money to help rehabilitate the Indians and the Indian children, but there is no authorization anywhere which would give the Indian Service the authority to make the kind of a contract which it is proposed to make by this amendment to improve physical properties so that the Indians may go to school there in the years to come. There is just no law in the statute books as far as I have been able to find to warrant that kind of appropriation.

Mr. BUDGE. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BUDGE. Mr. Chairman, may I invite the attention of the Chair to the language in the proposed amendment which relates to payments to school districts. The original act, which the gentleman from Arizona has cited as being authority for his amendment so far as I have been able to find does not provide anything about the United States Government making payments to school districts. So for that reason, I think the amendment is obviously legislation on an appropriation bill.

Mr. RHODES of Arizona. Mr. Chairman, may I also call the attention of the Chairman to the fact that the Johnson-O'Malley Act authorizes the Secretary to carry out this authority under the educational provisions of the Navaho-Hopi Rehabilitation Act by appropriate contracts with State agencies. I cannot see that this would be any different matter than the matters authorized under the Johnson-O'Malley Act which comes under the Navaho-Hopi Rehabilitation Act. In other words, there is authority in the Navaho-Hopi Act to contract with the States, and certainly, in my opinion, the Navaho-Hopi Rehabilitation Act contains ample authority for the amendment which I have offered.

Mr. NORRELL. Mr. Chairman, may I be recognized further on the point of order?

The CHAIRMAN. The gentleman is recognized.

Mr. NORRELL. Mr. Chairman, I have examined the law under which we are operating here. There is no authorization whereby the money can be paid to a district as is proposed by the amendment. It has never been done. We have never established such a practice. They have never asked for such a law. I say it is not in the organic law or any other law that I have been able to find. There is no authority in the law for the school districts to make these payments.

The CHAIRMAN (Mr. ALLEN of Illinois). The Chair is ready to rule. The Chair has examined the Rehabilitation Act of the Indian tribes and feels that it is broad enough to cover the amendment. In title 25 of the United States Code, where the Navaho and Hopi Rehabilitation Act is codified, section 631 authorizes a broad program of rehabilitation, expressly including "school buildings and equipment, and other educational measures" and funds appropriated for such purposes are authorized to be available "for all other objects necessary for or appropriate to the carrying out of the provisions of this section." Section 452 of title 25 of the United States Code authorizes the Secretary of the Interior to contract with States or subdivisions thereof for the education of Indians. Therefore, the appropriation set forth in the amendment in the opinion of the Chair is authorized by law, and the point of order is overruled.

Mr. RHODES of Arizona. Mr. Chairman, I have offered this amendment at this particular time because of the press of time to complete what will probably be the largest program of educating Indians ever undertaken in the United States. May I state here and now I am personally grateful to the members of the subcommittee and the Committee on Appropriations for the fine attitude which they have had, and for the money which they have appropriated to carry this program along thus far. There is money in the act for the program, but there is not enough by $3 million. That is the reason for this particular amendment. We find that there were some 14,000 Navaho children of school age who are not in school at the present time. This is in spite of the fact that over the last few years we have spent several million dollars to provide educational facilities for Indian children on the Navaho Reservation. After we had spent the money there were actually more children out of school than there were before we began to spend those large sums of money.

So Mr. Carl Beck, a resident of Arizona, now employed by the Indian Bureau, Mr. Orme Lewis, Assistant Secretary of the Interior, also a resident of Arizona, and Mr. Glenn L. Emmons, the Director of the Indian Bureau, from the State of New Mexico, men who understand the Navaho problem, came up with this idea of bringing real education to the Navaho children, rather than trying to give those children the lush but ineffectual program which had been launched before.

The Navaho Reservation is the largest Indian reservation of any in the country; it is larger than many of our Eastern States. The Indians wander over the reservation. Therefore if a child is near a school he goes to the school, but if the child's family, at the time the particular school is in session, is in another part of the reservation, then the child does not go to school.

The first element of the program, therefore, was to take trailer schools to these Indian children; to the habitat of the parents of the Indian children. This program has been launched. It will result in the education of some 3,000 or 4,000 of these Indian children who would not otherwise have schooling.

This, however, is not the answer to the whole problem. The communities surrounding the Navaho Reservation were asked, and they agreed to admit Indian children to white school systems provided some help can be given them to take care of this increased impact on their schools.

Many of these cities are small. The city of Winslow, Ariz., has a population somewhere around 4,000 to 5,000 people. The city of Flagstaff, Ariz., has a population of around 10,000 people. The city of Gallup, N. Mex., has a population of under 25,000. To take this many children and put them in these school systems would cause hardship which those communities could not afford to bear. It therefore becomes necessary for the Federal Government to step in and help these communities meet this problem.

Why should we do it? Because, Mr. Chairman, we have a solemn obligation to the Navaho Indians, to educate those children. We have promised by treaty down thrown the years to provide education for the Navaho children. This solemn obligation of the United States Government has never been met, and this is one way to meet it.

These communities are now willing and able to construct these additional facilities and to take the Navaho children. A year from now they may not be so willing and able to do it.

These plans are ready to go into operation and are ready to go into operation now: in fact, I may be so bold as to say there have been some commitments made which might be embarrassing to a lot of well-intentioned people if this particular money is not made available.

We are at the crossroads in this Navaho picture. We are either going to go forward now or we are going to go backward for several years.

The answer to the Indian problem—and I do not like to call it a problem—it is a problem of all Americans, because the Navahos and all Indians are some of the finest Americans that we have. This problem will be settled only by educating the Indian children. We must take the Indian children into the schools and give them the type of education which will allow them to fit themselves into the civilization with which they are now surrounded but of which they are not a part. The best way to do it is to bring these children into the white schools so that they will be able to rub elbows with your children and my children; and, believe me, I think the experience will enrich not only the Indian children, but also the white children, because the Indians not only have a lot to receive but also a lot to give.

Mr. JENSEN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Arizona [Mr. RHODES].

Mr. Chairman, I am not going to enjoy one bit the responsibility of opposing the amendment offered by the gentleman from Arizona because I know of his great and sincere interest in the Indians and the Indian problem, particularly in getting these Indian children into schools. Every member of the committee that

deals with appropriations for the Department of the Interior has worked diligently and we have leaned over backward in appropriating money for Indian education, especially during the present session.

We have $11 million in the regular bill for the education of Indian children. I am happy to report that about half of the Indian children who have been out of school, in fact have never been in school, will be in school during the fiscal year 1955. That may be a rather broad statement because of the fact that a $3 million appropriation might have been considered when Mr. Emmons, Commissioner of Indian Affairs, gave us the facts and figures at which time he said that he would put half of the 13,000 Indian children who are not in school, in school in the fiscal year 1955.

Mr. Chairman, here is the thing that disturbs the committee. It is not only the fact that we are here embarking into strange fields because of the fact that never before has a Congress seen fit to appropriate money to build school facilities outside of Indian territory and in public-school districts for the education of the Indians. It is true that the Congress has on an occasion or two passed specific bills for this purpose. But it is rather out of the ordinary to ask for $3 million for this purpose. Just where we would end up is questionable. There are many other Indian reservations that might say: We would like to have some money appropriated to build a school right outside of our territory where our children can go to school.

So you just do not know where the end is when you start a thing of this kind.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Is it not true, however, that under this particular amendment the only authorizing legislation is the Navaho-Hopi rehabilitation bill and if the other tribes desired to come in under this type of formula it would be necessary for them to have the same sort of authorizing legislation passed by the Congress?

Mr. JENSEN. That is true. But the fact is that we are attempting to do something that is very questionable in the minds of the attorneys on the committee as to whether it is authorized by law and whether or not this is legislation on an appropriation bill.

The question is a difficult one to square with your heartbeat when you want to do everything you possibly can to get the Indian children in schools and on the other hand avoid doing something that is not authorized by law, something that might result in a flood of requests that would not be good for the Indians or anyone else.

Mr. NORRELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I dislike very much to oppose my very able friend the gentleman from Arizona [Mr. RHODES], a man whom I have learned to admire a great deal since he has been here with us. I also hate to oppose this amendment because of the good it would bring to a number of school districts in the West. There are 9 districts all told that will benefit if this amendment is adopted: 1 in Colorado, 3 in New Mexico, 1 in Utah, and 4 in Arizona.

But the proposal here is this: They want to begin this program by expending $3 million on schools now that are owned and operated by the people in these several States outside of the Indian reservations. We have never done that. The committee has tried to go along with these Indian schools in every conceivable way down through the years. I have been on this subcommittee now for probably 15 long years, and there has never been a time when our committee was not anxious, ready, and willing to do anything and everything possible for the benefit of the Indians. The record will show that. But to present a program like this in a supplemental budget that will start a new and entirely different program from what we have had down through the years is not the way to do it, when we have heretofore allowed every dollar that the Indian Service requested for Indian education in the regular budget estimates. This money, if allowed, will start a new program that, if started, will run into millions and millions and millions of dollars. Who knows whether or not the Indian children can even then attend these schools? I say we ought not to go into this program hastily. You ought not to go into it in opposition to the subcommittee that has been so good, I believe, and so generous and so interested in the welfare of the Indians.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I gladly yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I would just like to say to the gentleman from Arkansas that I agree with him in everything that he has said concerning the treatment the Indians have received from his subcommittee. I cannot be too high in my praise of his subcommittee for the way they have attempted to carry on this program. But I am sure from what the gentleman has said that he agrees with me that this is a very vital part of the program and that the only disagreement between us is a very honest difference of opinion as to the legal authorization of this appropriation.

Mr. NORRELL. That is substantially true, I will say to the gentleman. But, may I say this? This is a question that is so big, it is so important, it is so far reaching, that you ought to have a bill introduced to this effect. The legislative committee ought to hold hearings. It ought to decide what the policy should be. The legislative committee should come in then with a bill to do what they honestly and sincerely think should be done after mature consideration, and the Congress then can consider the bill, and enact a law and authorize the expenditure of money, and when that is done your Committee on Appropriations can recommend the money, and the Congress can then decide what should be done. But, to start it without the authorizing legislation, when it eventually may run into millions and millions of dollars, is not the way to do it. I say we ought not to launch a program of such magnitude without additional study. And I say it in all kindness to the Indians and to the gentleman from Arizona.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. RHODES].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 21, noes 37.

So the amendment was rejected.

The Clerk read as follows:

For an additional amount for "Construction and rehabilitation," $1,707,000, to remain available until expended, and the limitations under this heading in the Interior Department Appropriation Act, 1955, on the amount available for personal services and travel are increased by $2,500,000 and $200,000, respectively: *Provided*, That no part of this appropriation shall be used to initiate construction of the Helena Valley unit, Montana, until a repayment contract has been executed.

Mr. YOUNG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG: On page 10, line 15, after "rehabilitation" strike out "$1,707,000" and insert "$1,807,000, of which $100,000 shall be for construction of a sewage plant at the Boulder Canyon project."

Mr. YOUNG. Mr. Chairman, my amendment would appropriate $100,000 for the construction of a sewage disposal plant at Hoover Dam.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. JENSEN. Mr. Chairman, this is a fair request. I have no objection to this amendment.

Mr. GAVIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty-two Members are present, a quorum.

Mr. JENSEN. If the gentleman will yield to me, as I stated, Mr. Chairman, I have no objection to this amendment. I think this is a worthy cause. This is for a very necessary facility in Boulder City. At the time the committee had its hearings the committee had not heard about this sewage problem at Boulder City. The gentleman from Nevada [Mr. YOUNG] came to me and explained the situation and I took the gentleman's word for it, as he is a fine, a truthful, and an honorable gentleman. I certainly have no objection to this amendment.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. CANNON. As I understand the gentleman from Iowa [Mr. JENSEN], he is accepting this amendment. I should like to ask if he speaks for himself or if he speaks for that side of the aisle.

Mr. JENSEN. I said that I had no objection. I am speaking for myself. But I have not heard a single person over on this side that knows about this matter that has objected.

Mr. GAVIN. Here is one that wants to be heard.

Mr. JENSEN. Except the gentleman from Pennsylvania [Mr. GAVIN], that had that disappointment a minute ago, for which we are very sorry; but those things happen. So I am sure the gentleman from Pennsylvania [Mr. GAVIN] would not take his spite out on the fine gentleman who offered this amendment. I do not want to shut off debate or consideration of this amendment, but I stated before that I felt this amendment was really justified for the purpose for which it is intended. As far as I know, no member of my Committee on Interior Appropriations has any objection to the amendment.

Mr. CANNON. If the gentleman will yield, was this question brought before the subcommittee and the whole committee which reported out this bill?

Mr. JENSEN. No.

Mr. CANNON. It is a proposal to insert an amendment here on the floor without hearings, without consideration and without the approval of either the subcommittee or the whole committee?

Mr. JENSEN. No, it did not just come right out of the blue sky. It is one of these things where, after the committee had considered its regular bill and the supplemental bill, this condition arose in Boulder City.

Mr. CANNON. Did the Department ask for this?

Mr. YOUNG. Yes, the Department of the Interior did request this, for $100,000.

Mr. CANNON. Was it included in the budget?

Mr. YOUNG. It was not included in the recommendation of the Bureau of the Budget.

Mr. CANNON. I take it for granted the gentleman from Iowa speaks for the chairman of the committee, the gentleman from New York [Mr. TABER]?

Mr. TABER. Frankly, I know nothing about this proposition. For my own part, I would not want to favor a matter that had not been brought before the committee and had had hearings.

Mr. CANNON. I should think that would be conclusive, Mr. Chairman.

Mr. JENSEN. May I say that under the Boulder Canyon Act all expenditures of this nature are in an account and every 3 years, I think it is, the rates are raised to pay all of these expenditures which Congress makes that go into a certain category, this being one of them.

The CHAIRMAN. The time of the gentleman from Nevada has expired.

(By unanimous consent (at the request of Mr. JENSEN) Mr. YOUNG was allowed to proceed for 2 additional minutes.)

Mr. YOUNG. I yield further to the gentleman from Iowa.

Mr. JENSEN. So we are not spending a dime of the taxpayers' money that will not be reimbursed. I do not think I can be accused of being a spendthrift or of being liberal with the people's money.

Mr. KIRWAN. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Ohio.

Mr. KIRWAN. I do not think we should agree to amendments as a committee or as the House. What is the matter that they did not take it up? Here is a supplemental appropriation bill. This item was not in the supplemental bill and it was not in the regular bill. Why should they come up here today and want to put it in the supplemental bill on the floor of the House?

Mr. YOUNG. I might explain to the distinguished gentleman that I had hoped it would be inserted on the other side of the Hill. I did not want to impose on the Subcommittee on Appropriations for the Interior Department. As soon as the consideration had been completed on the other side of the Hill, I contacted the subcommittee clerk in an effort to appear and testify, and was notified that the hearings had been terminated.

Mr. KIRWAN. The gentleman from Nevada does not mean to tell me that if this thing was so urgent, the great Department of the Interior would not have had a bill in asking for a supplemental appropriation. Just think of what we are doing. We not only passed the regular bill, but we are letting them come up and putting in everything that they think they need whenever they want it.

Mr. YOUNG. It had been submitted by the Department of the Interior, but it was deleted by the Bureau of the Budget.

Mr. KIRWAN. No matter who deleted it, this is the first time that we know anything about it. The chairman of this committee said that he found out about it yesterday. I, as ranking minority member, did not find out about it until the gentleman from Nevada went down into the well of the House and spoke about it. I again say, if it was so important, surely the Department of the Interior or somebody connected with that Department would have told either the chairman of this committee or me that this thing was needed down at Hoover Dam because that is a great dam. But nobody said a word about it. I do think it could wait until next year.

The CHAIRMAN. The time of the gentleman from Nevada has expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. If the gentleman would yield, I would like to read to the committee the language in the conference report with reference to the Interior Department regular appropriation bill, Boulder Canyon project, Arizona-Nevada:

> The attention of the committee has been directed to an unsanitary condition at Hoover Dam, resulting from the lack of adequate sewerage disposal facilities. The committee urges that this matter be looked into with the view in mind of presenting a budget estimate to correct the situation in the fiscal year 1956.

Is it not a fact that a study has been made and the Department of the Interior has now recommended that this money be made available to repair this sewerage system?

Mr. YOUNG. The gentleman is absolutely correct.

Mr. FENTON. Mr. Chairman, I ask unanimous consent that the gentleman be given 5 additional minutes so that he can explain the project in which he is interested. I, as a member of the committee, know nothing about it, and I would like to hear the gentleman explain it. If it is a worthy project, I want to be for it. I certainly do not want anything to happen here as just happened when the gentleman from Pennsylvania [Mr. GAVIN] offered an amendment a while ago. I ask unanimous consent that the gentleman may have 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. YOUNG. I thank the gentleman from Pennsylvania.

Mr. Chairman, this amendment would appropriate $100,000 for the construction of a sewage-disposal plant located in the Boulder Canyon project. When Hoover Dam was constructed, it represented, perhaps, the outstanding reclamation achievement up to that time. But there was one serious omission. It did not include a sewage-disposal system. As a consequence, the raw, untreated sewage from the restrooms and facilities at Boulder Dam is discharged directly into the Colorado River and into Lake Mohave, the upper region of which extends to the tailraces of Hoover Dam. At the time the dam was constructed that was not a serious problem. But since that time the Lake Mead recreational area has become one of the greatest attractions in the national park system. It ranks third on the basis of the number of visitors who come there each year. Nearly three times as many people as live in the District of Columbia visit Lake Mead recreational area each year. It is estimated that between 1 million to 1,500,000 visitors come annually to the dam. Of that figure, it is estimated that one-third take the conducted guided tour through the dam itself. There have been reports for a number of years on the stream of pollution that is resulting therefrom. The Public Health Service and the Federal Government investigated. It has been brought to the attention of the Arizona State Health Department and the Nevada State Health Department. It violates the laws and regulations of both States. It also contravenes an Executive order of the Federal Government which directs Federal agencies to cooperate with States in controlling interstate pollution in streams such as this.

We have received several complaints from those who visit and use the recreational facilities in that area, particularly in what is called Lake Mohave. Last year nearly 100,000 people used this rather narrow lake for the purpose of fishing and boating.

Since 1951 monthly tests have been made by the National Park Service in conjunction with the State health departments of Nevada and Arizona which

indicate that in the vast majority of cases the water is polluted.

It is necessary that something be done at the earliest possible date to abate this potentially serious menace. It is difficult to spend money. I think we should, however, bear in mind the fact that Hoover Dam has been one of the finest investments which the Federal Government has ever made. It returns approximately $800,000 a month to the Federal exchequer. By 1951 it had returned some $65 million. By 1987 it will have returned $130 million on the original investment plus $130 million in interest. After that time it will undertake the somewhat unusual task of paying back some $25 million which was allocated to flood control benefits.

Within this national recreation area are located a number of concessionnaires. The Government imposes rather strict conditions upon the sewage disposal facilities of those concessions. Unfortunately, however, the same standard does not apply to the dam itself.

It is estimated that the sewage which is untreated going into Lake Mohave is the equivalent roughly to that of a city of some 1,500 people. I feel that this proposal should not be delayed, because a serious health menace exists.

I urge the House to adopt this amendment.

Mr. KIRWAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Interior Subcommittee on Appropriations I object to this amendment. When this dam was constructed Mr. Hoover was President of the United States, and they have just now discovered down there that they need better sewage facilities—after all those years.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. YOUNG. The gentleman must realize that tourists have increased to the extent that today 2½ million come to this area. When the dam was constructed there were relatively few who were attracted to the vicinity.

Mr. KIRWAN. Let me tell the gentleman he has not seen anything yet. We have a six-State pact along the Ohio River where the sewage of all those great cities goes into the Ohio River from not 1 but from 6 States. They are going to try to do something to clean up that situation.

Mr. YOUNG. Mr. Chairman, will the gentleman yield further?

Mr. KIRWAN. I yield.

Mr. YOUNG. Have those cities paid $800,000 a month into the Federal Treasury such as is the case with Hoover Dam?

Mr. KIRWAN. That is all right. States along the Ohio have put up their money, the taxpayers' money, to have help.

A supplemental bill is not the place to add new items of this type. That can be taken care of in the regular bill.

I will say to the everlasting credit of Calvin Coolidge that he was firm in his desire to save money. An Army general told me that when he first came to Washington he served in the capacity of a captain and had occasion to go to the White House when Calvin Coolidge was President. Coolidge asked him what the Army engineers needed to take care of them for the next year and then told him that he would take care of them, but that unless something like an act of God or the breaking of a dam or something like that occurred for them not to go near Congress in the coming year or if they did it would be the end of them.

Now, this item is brought here in the form of an amendment to a supplemental bill, coming here as a new item. The place where that should be taken care of is in the regular bill.

We will never get through if item after item is sought to be added to supplemental bills which must be brought up in the closing days of Congress—and we are now in them. This is not the place for such an item.

Mr. YOUNG. This is in the nature of an emergency.

Mr. KIRWAN. An emergency? It has been down there for about 30 years.

Mr. YOUNG. That is true.

Mr. KIRWAN. We have six States up here where there is something like fifty million. It is an emergency that we have.

Mr. YOUNG. That is not a responsibility of the Federal Government.

Mr. KIRWAN. It is not a responsibility of the Federal Government? Who does the gentleman think controls the Ohio River except the Federal Government?

Mr. YOUNG. Is that not a responsibility of the States involved? Hoover Dam is a Federal responsibility. If it were a State problem, I would not be here.

Mr. KIRWAN. It is a responsibility of the Federal Government and the six States. They all have a piece of it. If they can stand it down there in Arizona or Nevada for all this time, they can surely stand it until we come back into session again.

Mr. YOUNG. We probably will put off a lot of appropriations until that time; but this is an urgent matter. We have received protests from the Arizona State Health Department, the Nevada State Health Department, and the Public Health Service of the Federal Government. It is a direct responsibility of the Federal Government. This is located entirely within a Federal reserve area.

Mr. KIRWAN. If they can stand it all of these years they can stand it a little longer. I have been down there to the Hoover Dam and I am telling you it is nothing at all like the river that goes through my town or any river up North here, or to the South or anywhere in the country. The Hoover Dam has 50 miles of water backed up there, it has a 600-foot depth up against that dam. Why they could almost purify half of the water of the United States.

Mr. YOUNG. This is not Lake Mead.

Mr. KIRWAN. I understand about Lake Mead and all that. I am trying to tell the gentleman that the water he has there is purified.

Mr. YOUNG. But we do not have the money.

Mr. KIRWAN. This is not so urgent, it is not needed right now. It will surely last until next year. As a member of the subcommittee, I will be happy when the Department comes in front of the committee and states this is needed to consider it. They have never done that. So it cannot be so urgent or they would have done that long ago.

Mr. YOUNG. They have requested it.

Mr. KIRWAN. But they never got it in front of the committee.

Mr. YOUNG. I think they were restricted from doing so.

Mr. KIRWAN. It did not get in front of the committee and if it is urgent it will get there.

Mr. GAVIN. Mr. Chairman, I rise in support of the pending amendment and ask unanimous consent to proceed out of order for an additional 4 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Chairman, getting back to the matter of allocation of funds for Allegheny National Forest, I might state to the gentleman who preceded me that I was almost in the same position that he is in. The only thing I did that he did not do was that I conferred with the gentleman from Iowa [Mr. JENSEN] and fully discussed this matter, in view of the fact I had not had the opportunity to appear before the committee. And I might say that the committee members look after themselves very well as it concerns their States. If some of us Members were apprised that these hearings were being held we would have had an opportunity to go before the committee to present our case, but it is difficult with the many matters before us to get to committee hearings; especially when we do not know when the hearings are to be held.

So I spoke to the gentleman from Iowa. As a matter of fact, I spoke to the gentleman from New York [Mr. TABER] first, then to the gentleman from Iowa [Mr. JENSEN]. He suggested that I talk to the gentleman from Minnesota [Mr. H. CARL ANDERSEN]. Both of these gentlemen are here, so if there is any mistake in what I say, just rise and I will yield.

I said: It looks as though this $22,500,000 is pretty well allocated. I noted there was only $600,000 out of the $22,500,000 going to the eastern part of the country and out of that $600,000 that great State of Minnesota, and it is a great State—the gentleman from Minnesota [Mr. H. CARL ANDERSEN] is here—got half of it, $300,000. So immediately I was concerned about the eastern part of the United States and what States were to participate in the $300,000 unallocated.

In my district we have the Allegheny National Forest consisting of 750,000 acres with no roads, no trails; practically no improvements in roads and trails for years. Millions of people use this area. They are from the States of New York, Ohio, and Pennsylvania, and other States of the Union.

So, I got to thinking, "Well, we are entitled to something out of the $22.5 million when my State pays between 8 and

10 percent of the tax. This appropriation costs my State some $2 million. We have a great forest, and it needs roads and trails." In reading the report it states on page 523, "So we would propose to obligate about $4 million in California." I presume that Oregon and Washington and Idaho and Montana would receive balance with the exception of $600,000 for eastern United States. Some of these States I believe have about the same population in their whole State as I have in my district. It is all right for Pennsylvania to put up the money, to furnish the money, to make these programs possible, so once in a while I like to think "Well, maybe they will be reasonable and give us just a little bit." So I made request of $300,000 to be allocated for Pennsylvania. I thought that was small to help develop this great recreational area, the Allegheny National Forest. But, Ben [Mr. JENSEN] said, "Cut it down a little. Make it $250,000." I cut it down as he recommended. So I went to Mr. H. CARL ANDERSEN, and he said, "No. I would suggest $100,000 but no more." Then I sweated it out for 24 hours and I went back to Mr. H. CARL ANDERSEN requesting another $50,000, and he said "$150,000 will be all right. I will agree to that." So I said, "I will agree to $150,000. That will be satisfactory." But he said, "You have to see WALT HORAN, and if he [Mr. HORAN] and Ben agree, there will be no argument about it at all. We will accept it." That would have given to the Allegheny National Forest $150,000 out of $22,500,000, and my State pays $2 million of it. So we would be getting back $150,000 which, though not satisfactory, I agreed to. But, the boys from the Northwest and the West say, "Oh, no. You have got to give it all out here," although my State has 10 million people and there are millions of people using this forest area, and we would like to participate in these programs. But they say, "Oh, no. We have got to get this mature timber out, and we have to develop roads and trails out here in California and the Rocky Mountain States." So, all right. Then, after I was all set on that side, I thought I would go over and have a talk with the Democrats about it. So, I went to see my good friend, the gentleman from Ohio, MIKE KIRWAN, and he is my good friend, a great American and a great conservationist who believes unselfishly in building and protecting the great national forests, our waterways and streams, and protecting our wildlife—and he said, "I concur with you. I think you are right; but I am not chairman of the subcommittee." He said, "You go and see the gentleman from Mississippi [Mr. WHITTEN]." Well, I thought I would do this preliminary work, and I saw Mr. WHITTEN and he said, "Oh, sure. Certainly." He is here, and if I make a mistake, please say so, because I do not want to be misquoting, and that goes for you gentlemen, too. So. Mr. WHITTEN said, "I will interpose no objection." So, Mr. WHITTEN was not here and Mr. ROONEY was in charge, and I told Mr. ROONEY what Mr. WHITTEN had said, and I did not anticipate any trouble about my proposal. But then, evidently somebody gave the cue to the young gentleman from Wisconsin who just came into Congress to get up and vigorously object, which he did, so the result was that those that I talked to failed to arise to support the amendment even though they had given me the assurance it was acceptable. What was the gentleman's name that just preceded me?—Mr. YOUNG, and he made a very fine statement and I want to compliment him, but, Mr. YOUNG, you did better than I did, because I could not get Mr. JENSEN to arise in behalf of my amendment. And Mr. H. CARL ANDERSEN, who agreed with me and was going along for $150,000, he would not rise, either. They were all hogtied down there. Something held them down. So, the amendment was turned down.

Now, the only thing I have to say is this: I think the subcommittee handling this bill—and most of them are from the Northwest, or the extreme West—occasionally ought to pass the folks back East just a little bone to chew on, you know, to keep us quiet. That is why I am disturbed, because in the final analysis, my State has to pay 8 or 10 percent of the taxes and some consideration should be given to the forests in the eastern part of the United States. So, I sit back when these legislative proposals are before us and say, "What do we get out of it?" If there is a $472 million civil functions bill, we get $1.9 million for Pennsylvania and we are taxed $45 million or $50 million. So I am getting to a point where I am a bit irritated as I see these boys from out West, from California and the Rocky Mountain States, Oregon, Washington, Idaho, and Montana—why they just sit down and they carve up the pie to suit themselves. They do just about what they like, and when somebody from the East or from a great State like mine comes in and says "Now, boys, why not be nice? Just give us a small bit as we have a great forest back East as well as the West—we would like to have just a few forest roads and trails; we would like to take out the over-mature timber;" why it is thumbs down. That is the story. You can take it and digest it any way you want to. This is an example of the splendid support and cooperation given me by my Republican colleagues.

Mr. JENSEN. Mr. Chairman, I move that debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nevada [Mr. YOUNG].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 54, noes 60.

So the amendment was rejected.

The Clerk read as follows:

For an additional amount for "Administration of Territories," $47,000.

Mr. D'EWART. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to ask the chairman of the Subcommittee for the Department of the Interior for an interpretation on the application of the highway-road program, section 6, which says in part that the funds allocated shall be immediately available for contract. Further on in the same section it says that—

The Secretary of the Department charged with the administration of such funds is hereby granted authority to incur obligations, approve projects, and enter into contracts under such authorizations and his action in doing so shall be deemed a contractual obligation of the Federal Government.

My question is, Does that apply to Park Service roads, Indian roads, carried in the Department of the Interior appropriation bill, as well as funds authorized under the Highway Act? I yield to the gentleman for an answer to the question.

Mr. JENSEN. That is right; it does.

Mr. D'EWART. Is it applicable to park access roads as well as roads inside the parks?

Mr. JENSEN. It is.

Mr. D'EWART. In other words, the funds appropriated in this measure and in the Department of Interior appropriation bill, which are about half of those that have been authorized, will be available for contract immediately, and they can contract the rest of the authorization, which will be met by a future appropriation?

Mr. JENSEN. That is right. Under the act which Congress passed early in the session for roads and trails in the Park Service, and in the Indian Service, and in the Forest Service——

Mr. D'EWART. And approach roads?

Mr. JENSEN. Yes; that bill authorized the respective agencies to which it applied not only to contract for the road-building program, but also to pay for such contracts, because of the fact that that act in effect was not only an authorizing act but it was an appropriation act. It gave the agencies the power to spend the money; and, as we say, to write the checks to pay the bill. It is under the same kind of law as the Rural Electrification Administration. For instance, when the Congress votes to give the REA a certain amount of loaning power, the REA then goes out and allocates it to the different REA cooperatives, and they not only make the loan but they pay the bill. So the gentleman is exactly right, and the answer to all his questions is "Yes."

Mr. D'EWART. I thank the gentleman very much.

Mr. Chairman, I note that the supplemental appropriation bill includes funds for the construction of roads in the national parks which added to the amounts already appropriated will cover all of the authorizations for national park roads through the current fiscal year. If I am not correct in my interpretation, I trust that a member of the subcommittee will give me the proper information.

I am concerned today with the future program of national-park roads, and particularly with the action of the Senate and House conference committees on the use of Federal national-park funds on access roads not within park boundaries. Members will recall that the House committee report on the regular appropriation bill forbade the use of any of these funds on roads outside the parks.

The Senate committee struck out this restriction. The committees in conference agree to leave out the restriction but with the provision that the Secretary of the Interior make efforts to arrange other maintenance of the roads and report next spring.

We have in Montana two examples of park approach roads outside the boundaries of the national parks which may be affected by this committee action. One of them is the famous Cooke City entrance to Yellowstone National Park. The other is the so-called Blackfeet Highway which runs along the eastern boundary of Glacier National Park, outside the park, but is the only means of access to the many beautiful attractions in eastern Glacier Park. It is also the highway that connects Glacier Park with the parks to the north in Canada.

This road runs primarily through the Blackfeet Indian Reservation, and therefore might be eligible for Indian highway funds. However, it is doubtful that the Indian Service is primarily interested in the road.

It is not a part of the regular Federal-aid system, and I do not see how the State of Montana can afford to devote much money to it.

Therefore, it remains for the Park Service, to whom the road is primarily of value, to maintain and reconstruct this road, if anyone is going to do it.

I note that the new Federal-aid highway act provides that the Secretary of the Interior may contract for the full amount of the $12,500,000 authorization for park roads for the fiscal years covered by the new act. Inasmuch as the present law authorizes the expenditure of funds for approach roads, I think it is clear that the restriction attempted to be imposed by the Appropriations Committee does not in any way affect the right of the Secretary to contract and obligate these funds for the Blackfeet Highway and the Red Lodge-Cooke City road, or any other approach road covered by the act of June 31, 1931, as amended.

Mr. Chairman, I include in my remarks a letter:

GLACIER PARK TRANSPORT CO.,
EAST GLACIER PARK, MONT.,
July 17, 1954.

Hon. WESLEY A. D'EWART.
Hon. LEE METCALF.
Hon. JAMES E. MURRAY.
Hon. MICHAEL J. MANSFIELD.

GENTLEMEN: I am sure you are all aware of the danger that confronts the Blackfeet Highway which is the road which runs north and south in the Blackfeet Reservation along the eastern boundary of Glacier National Park and gives access to all the Glacier Park entrances from the east side. In other words, if there were no Blackfeet Highway there would be no way for visitors to enter or leave Glacier Park except by West Glacier (Belton).

The menace to the future of Glacier National Park lies in what appears to be a policy on the part of the Department of the Interior and/or the Congress not to assume the future maintenance of approach roads to national parks. This policy, if effective, would throw the maintenance of the Blackfeet Highway and the Redlodge Highway back on the State of Montana.

I enclose a copy of a letter dated July 13, 1954, to Mr. Horace M. Albright, president of the United States Potash Co., 30 Rockefeller Plaza, New York, N. Y. Mr. Albright, as you all know, was Assistant Director of the National Park Service from its beginning in 1916 and succeeded Director Mather in 1930. I am writing him because he, as Assistant Director of the Park Service, was probably more responsible than any other person for the establishment of the policy of Federal maintenance of the approach road to Glacier National Park, which we know as the Blackfeet Highway. I call your special attention to this letter because I think it is important for all of us to know about this past policy and to make a vigorous effort to maintain it.

I do not know exactly how this present agitation developed. I have heard a rumor that the policy of refusal of future maintenance of approach roads to national parks originated in the Office of the Secretary of the Interior, but the wording of the conference report, as quoted in my letter to Mr. Albright, seems to indicate that both Houses are serving notice that Federal maintenance will be refused after this fiscal year.

I do not see how a State as small in population as Montana can afford to maintain the Blackfeet Highway, which is used primarily in the summertime by the inhabitants of the other 47 States. Then, too, our future strategy must always comprehend the fact that this Blackfeet Highway runs over Federal land in the Blackfeet Reservation.

I have been studying national park problems, first in Yellowstone and later in Glacier, for 47 years. The Western States which contain most of the national parks were outmaneuvered 20 years ago during the Ickes regime, when the Park Service took over the direction of the expenditure of millions of dollars for parkways in the Southeast such as the Blue Ridge Parkway and the Natchez Trace. Beginning at that time the amount of money annually appropriated for these Southeast parkways was about the same amount as the amount appropriated for the western national parks. I presume that this was brought about because Senators from the Southeastern States were in command of most of the committees. At any rate, the Natchez Trace, which memorializes Andy Jackson's route from Nashville to New Orleans, and the Blue Ridge Parkway have no more national significance than the route of Lewis and Clark, but there is no hope that the Federal Government will ever build a road across the Northwest to commemorate the matchless expedition of Lewis and Clark.

I predict that it is going to take a lot of effort on the part of all citizens of Montana and their Representatives to maintain the historic status of the relationship between the Federal Government and Glacier Park on the Blackfeet Highway.

The aim of this letter is to call to your attention the concern which those of us who are connected with Glacier National Park view the future. This road for many years has been in very poor condition and the maintenance today is of a low order on account of the lack of funds. Indeed, it is not too much to say that the Blackfeet Highway today is the poorest road in the State of Montana. The Great Falls Tribune and other papers have carried critical comments about this road as reported by 1954 visitors.

Yours truly,

HOWARD H. HAYS.

Mr. D'EWART. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include a letter.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read as follows:

CHAPTER VII

INDEPENDENT OFFICES

Commission on Intergovernmental Relations

Salaries and Expenses

For an additional amount for "Salaries and expenses," $414,000: *Provided*, That said appropriation shall be available for the hire of passenger motor vehicles and shall remain available until March 1, 1955: *Provided, further*, That the limitation under this head in the Second Supplemental Appropriation Act, 1954, on the amount available for expenses of travel, is increased to "$222,000."

Mr. DOLLIVER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the first item under the heading of "Independent offices" concerns the salaries and expenses of the Commission on Intergovernmental Relations. With some other Members of this body, I have the honor to be a member of that Commission. The subcommittee on appropriations in this bill cut down the requests which were approved by the Bureau of the Budget from $460,000 to $414,000.

At this time the House members of that Commission are not going to ask for a restoration of that $46,000. We will try to get along. However, I think it is only due to the House to let the Members know that this Commission is actively at work. We have been meeting constantly and consistently month by month from the beginning of the naming of the Commission. And we are making very excellent progress.

I have here in this envelope a preliminary report on the principles of the Federal-State relationship in this country, which will be the basis of our report. We have a schedule of operations set up which will, we believe, result in the finishing of our work within the allotted time, that is, by March 1, 1955.

May I say to the Subcommittee on Appropriations for the Independent Offices that if by the 1st of January we find that these funds are not sufficient because of the deletion of the $46,000, we shall be back before the subcommittee asking for sufficient funds to complete our work.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield to the gentleman from New York.

Mr. OSTERTAG. I want to associate myself with the statement the gentleman from Iowa has just made. As a member of this Commission, I feel I can state that all the Members of the House who are participating in the work of this Commission highly applaud the activities and program of the Commission to date and the ultimate results this Commission will achieve in serving the principles of intergovernmental relations. I would ask that we be permitted at this point in the RECORD to insert a joint statement which will detail the principles and the work of the Commission up to this time.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield to the gentleman from Arkansas, a member of the Commission.

Mr. HAYS of Arkansas. I have asked the gentleman to yield only to subscribe to what he has said about the importance of the Commission's work. I hope we can complete our studies on the amount that has been allocated. I agree that there would be no point at this stage in asking for a further amount.

I do not know when I have been as much impressed by the work of an advisory commission, and this is more than an advisory commission, as I have by the work of this Commission. I had some reservations about its importance and its potentialities when I went on the Commission, but I am convinced that it is rendering a great service. I hope the material the gentleman from Iowa will insert in the RECORD will be read by the Members, because it is our hope that we will bring to the House a report that will have value, that it will not be a political document. I think if the Members could see the way the Commission goes about its work they would be convinced that there will be some constructive ideas that will mean a saving of money to the Federal Treasury and an improvement in the efficiency of both the State and Federal governments.

This is due partly to the fact that the Commission is representative of both Federal and State Governments and of both political parties. It will be recalled that the minority was assured substantial representation by an amendment to the resolution setting up the Commission offered by the gentleman from Texas [Mr. RAYBURN] and concurred in by the gentleman from Indiana [Mr. HALLECK]. The chairman of the Commission, Mr. Kestnbaum, is doing a remarkable job and it is a delight to work with him and other members in exploring the complexities of our Government. I am confident that we will be able to supply some ideas for a better functioning and appreciation of local, State, and National Governments. I am sure the gentleman from Iowa shares that feeling.

Mr. DOLLIVER. Mr. Chairman, I appreciate the comments made by my colleagues, the gentleman from New York and the gentleman from Arkansas, both of whom are members of the Commission. I appreciate their comments. At this point in the RECORD, I ask unanimous consent to revise and extend my remarks and include a joint statement as to the progress of the Commission up to this time.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DOLLIVER. Mr. Chairman, as part of my remarks, I include this joint statement on the part of Mr. OSTERTAG, Mr. GOODWIN, Mr. BROOKS HAYS, and myself:

LEGISLATIVE HISTORY OF THE ESTABLISHMENT OF THE COMMISSION ON INTERGOVERNMENTAL RELATIONS

The Commission on Intergovernmental Relations was established by Public Law 109, enacted by the 83d Congress on June 27, 1953, and signed by President Eisenhower on July 10, 1953.

This legislation was the culmination of many years of effort on the part of many Members of the Congress to provide for a reexamination of the philosophy, the basic structure, and the operation of the American Federal system. Concern had been expressed in many quarters even before the Second World War about the need for reinvigoration of American federalism. After the close of the war, bills were introduced in every Congress by Members of both major parties providing for the establishment of a commission charged with the task of studying the Federal system and recommending concrete measures designed to strengthen it.

The first such bill appears to have been Senate Joint Resolution 90, 1st session, 80th Congress, sponsored by Senator Herbert R. O'Conor, of Maryland. Similar proposals were made in each subsequent Congress by several Members, including Senator ROBERT C. HENDRICKSON, of New Jersey, Senator HUBERT HUMPHREY, of Minnesota, and Representative HAROLD C. OSTERTAG, of New York, all of whom were appointed to membership on the Commission on Intergovernmental Relations at the time of its establishment.

The first Hoover Commission authorized a study of Federal-State relations of a general nature and received a report on the subject prepared by the Council of State Governments. This Commission, however, recognized the need for a more intensive study of the current problems of federalism and made relatively few recommendations for alterations in our Federal system. Perhaps its major recommendation was one calling for "a continuing agency on Federal-State relations to be created with primary responsibility for study, information, and guidance in the field of Federal-State relations."

The establishment of the present Commission was requested of the Congress by President Eisenhower in a special message on March 30, 1953. Observing that "the present division of activities by the Federal and State Governments, including their local subdivisions, is the product of more than a century and a half of piecemeal and often haphazard growth," the President emphasized the fact that a study of American federalism was urgently needed. The legislation which became Public Law 109 was introduced in the Senate by Senator Robert A. Taft, of Ohio, and in the House by Representative CHARLES A. HALLECK, of Indiana.

THE SCOPE OF THE COMMISSION'S WORK

In essence, Public Law 109 charged the Commission on Intergovernmental Relations with the tasks of making recommendations about a division of labor between Government at the national level and government at State and local levels, and about methods of financing the activities appropriate to these various levels. The preamble of the law, defining the general field of study given to the Commission, reads as follows:

"Because any existing confusion and wasteful duplication of functions and administration pose a threat to the objectives of programs of the Federal Government shared in by the States, including their political subdivisions, because the activity of the Federal Government has been extended into many fields which, under our constitutional system, may be the primary interest and obligation of the several States and the subdivisions thereof, and because of the resulting complexity to intergovernmental relations, it is necessary to study the proper role of the Federal Government in relation to the States and their political subdivisions, with respect to such fields, to the end that these relations may be clearly defined and the functions concerned may be allocated to their proper jurisdiction. It is further necessary that intergovernmental fiscal relations be so adjusted that each level of government discharges the functions which belong within its jurisdiction in a sound and effective manner."

The Congress charged the Commission particularly with responsibility for an examination of the present system of Federal aid to States and their subdivisions. The Commission must evaluate the existing system of Federal aid and consider alternatives to it which might foster a more vigorous federalism than does the Federal system.

THE COMPOSITION OF THE COMMISSION

The Commission on Intergovernmental Relations is composed of 25 members—5 Members of the Senate appointed by the Vice President, 5 Members of the House of Representatives appointed by the Speaker, and 15 public members appointed by the President.

The present membership of the Commission is as follows:

Chairman, Meyer Kestnbaum, president, Hart, Schaffner & Marx Co.

Vice chairman, Hon. Alfred E. Driscoll, former Governor of New Jersey.

Hon. Alice K. Leopold, secretary of the Commission and Director of Women's Bureau, Department of Labor.

Hon. Oveta Culp Hobby, Secretary, Department of Health, Education, and Welfare.

Mr. John E. Burton, vice president, Cornell University.

Mr. Lawrence A. Appley, president, American Management Association.

Dr. William Anderson, professor of political science, University of Minnesota.

Hon. Sam H. Jones, former governor of Louisiana.

Hon. Charles Henderson, former mayor of Youngstown, Ohio.

Hon. Clark Kerr, chancellor, University of California.

Hon. Marion B. Folsom, Under Secretary of the Treasury.

Gov. Allan Shivers, of Texas.

Gov. Dan Thornton, of Colorado.

Hon. John S. Battle, former governor of Virginia.

Hon. Val Peterson, Federal Civil Defense Administrator.

Senator Robert C. Hendrickson, Republican, New Jersey.

Senator Andrew F. Schoeppel, Republican, Kansas.

Senator Guy Cordon, Republican, Oregon.

Senator Hubert M. Humphrey, Democrat, Minnesota.

Senator Alton Lennon, Democrat, North Carolina.

Representative Angier L. Goodwin, Republican, Massachusetts.

Representative James I. Dolliver, Republican, Iowa.

Representative Harold C. Ostertag, Republican, New York.

Representative John D. Dingell, Democrat, Michigan.

Representative Brooks Hays, Democrat, Arkansas.

The Commission is assisted by an executive director. Until recently this position has been filled by Mr. Dudley A. White, but it is now vacant.

The Commission's Research Division is headed by Dr. George C. S. Benson, president of Claremont Men's College, Claremont, Calif.

DURATION OF THE COMMISSION'S STUDY

The statute establishing the Commission provided that its final report was to be submitted to the Congress and the President by March 1, 1954. Because of the enormity of the field of study, the 2d session of the 83d Congress recognized the impossibility of meeting this deadline and extended the life of the Commission to March 1, 1955. The Commission's final report is due no later than that date.

PROGRESS OF THE COMMISSION

The Commission has been meeting for 1 or 2 days each month since its initial meeting in September of 1953. The early meetings were devoted to the planning and the organization of the work to be undertaken. More recent sessions have been occupied chiefly with study and discussion of information relevant to the problems on which the Commission must make its recommenda-

tions. The Commission has not yet arrived at the stage of making decisions on issues or of formulating recommendations.

The Commission has adopted three major methods of securing the information required for objective judgments on the problems which it must consider: (1) The central research staff provides information gained by original research and channels to the Commission the information obtained from other groups, whose assistance has been enlisted in special studies made for the Commission. (2) The Commission has further established a number of advisory committees, comparable to the task forces of the Hoover Commission, from whom information and recommendations have been requested. Each one of these committees is engaged in a study of one functional area of Federal-State relations. (3) Finally, certain Government agencies and private research organizations have conducted special studies for the Commission under contract.

The following committees have been established to make reports to the Commission:

Federal Aid to Welfare: Chairman, Dr. Robert W. French, vice president, Tulane University, New Orleans, La.

Federal Payments in Lieu of Taxes and Shared Revenues: Chairman, Arthur E. B. Tanner, president, Waterbury Foundry, Waterbury, Conn.

Federal Responsibility in the Field of Education: Chairman, Dr. Adam S. Bennion, vice president, Utah Power & Light Co., and former chairman of the Utah Public School Survey Commission.

Federal Aid to Agriculture: Chairman, R. I. Nowell, vice president, Equitable Life Assurance Society, New York, N. Y.

Conservation and Natural Resources: Chairman William S. Rosecrans, chairman, California Board of Forestry, and past president of the American Forestry Association.

Federal-State Participation in Natural Disaster Relief: Chairman, Alfred E. Driscoll, former Governor of New Jersey and president of Warner-Hudnut Corp.

Federal Aid to Public Health: Chairman, Dr. Franklin D. Murphy, chancellor of the University of Kansas, Lawrence, Kans., and former dean of the School of Medicine, University of Kansas, and former vice president of the Association of American Medical Colleges.

Advisory Committee on Local Government: Chairman, Sam Jones, former Governor of Louisiana.

Federal aid to highways: Chairman, Clement D. Johnston, president, United States Chamber of Commerce, and former chairman, project for adequate roads.

Administration of unemployment compensation and employment offices: Chairman, Ernest F. Eberling, professor of economics, Vanderbilt University, chief of research, Tennessee department of employment security.

The Committee on Federal Aid to Highways has already submitted a report to the Commission, as has the Committee on Federal-State Participation in Natural Disaster Relief. A report is expected in the near future from the Committee on Federal Payments in Lieu of Taxes and Shared Revenues. Most of the other committees will report to the Commission no later than October 1, 1955.

Three committees have been constituted composed solely of members of the Commission. The Committee on Projects and Organization, under the chairmanship of Mrs. Alice K. Leopold, has had the responsibility for the concrete planning of the research work undertaken for the Commission. The Committee on Historical Development and Principles of the American Federal System has prepared a draft statement of the evolution of American federalism and has identified some abiding principles governing Federal-State relations that appear in our history. Mr. Lawrence A. Appley is chairman of this committee. The committee on grants-in-aid is engaged in a study designed to formulate general principles governing the extension of financial assistance by the Federal Government to States and their subdivisions.

State impact studies: Because the existing system of Federal aid to States and their subdivisions can be properly assessed only after an investigation of its effects within the States themselves, the Commission engaged five private research organizations to make studies of the impact of the system on selected typical States. Such studies were conducted in Connecticut, Kansas, Michigan, Mississippi, South Carolina, Washington, and Wyoming.

Reports from these firms on their findings have all been received by the Commission and are being analyzed by the Commission and its staff.

Similar studies are being made on a voluntary basis by qualified groups in the States of California and New York.

The Commission has further solicited information and recommendations regarding some of the most difficult issues presented by the grants-in-aid system from State commissions on intergovernmental relations which exist in 21 States and from unofficial commissions established under private auspices in 23 States.

HISTORICAL DEVELOPMENT AND PRINCIPLES OF THE AMERICAN FEDERAL SYSTEM

A basic report presenting the philosophy of the American Federal system has been prepared for the Commission by its committee on principles and historical development of the American Federal system. This report is divided into three major sections:

1. The development of American federalism from the adoption of the Constitution to the present.

2. An analysis of the forces tending to centralization versus the forces making for decentralization at the present time.

3. A statement of the historic principles governing Federal-State relations which are appropriate to the present day.

This document has been submitted to 15 distinguished scholars and practicing attorneys—all specialists in constitutional history and constitutional law—for critical comment. After criticisms have been received from this panel of experts, the Commission is expected to take final action on this report.

Clearly, the identification of the historic principles of the American Federal System is a prerequisite to the Commission's work in determining the proper sphere of Federal activity and the proper sphere of State-local activity in the areas which the various levels of government occupy at the present time. The opinions so far received from the critics to whom the document on the principles and the historic development of our Federal system has been submitted indicate endorsement of the general tenor of the statement which the Commission has under consideration.

FUTURE PLANS

The bulk of the research activity required as a basis for the decisions which the Commission will have to make will be completed during the month of October. The last 3 months of this year will be devoted to consideration of the information which has been assembled for the consideration of the Commission. During this period the Commission will reach its decisions on the major questions of policy on which it must pass. The first 2 months of 1955 will be given to the preparation, criticism, and revision of the Commission's final report.

CONCLUSION

No more important task has been undertaken by any of the study commissions which have been established for the guidance of the Congress in recent years than that assigned to the Commission on Intergovernmental Relations. The subject matter with which this Commission deals is concerned with the very fundamentals of our Federal system of representative self-government. The recommendations which it will make will bear upon the maintenance of the very structure of the historic American system of government. The Commission is performing its duty with keen awareness of the grave responsibility which it bears. It confidently hopes to submit to Congress and the President a report which will point the way toward revitalization of federalism in the United States.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the pro forma amendment, to assure the gentlemen who have spoken and all others interested, that I know, speaking for all of the subcommittee, there is no opposition and no antagonism whatever on the part of the subcommittee to either of these Commissions. I will take them both together and save the committee's time. The Commission on Organization of the Executive Branch of the Government, familiarly known as the Hoover Commission, and the Commission on Intergovernmental Relations, formerly known as the Manion Commission and now known as the Kestnbaum Commission. I want to say for my part, and speaking for all of the subcommittee, that Mr. Kestnbaum made an outstanding and very real impression upon our committee. We just thought, and I say this in a semi-serious way, that you appointed us to consider the actual amount of money needed by an agency It appeared that there were certain areas of duplication. It appeared that time elements were involved; that is, the amount of money that could be spent within a certain time. I think this particular agency, the Committee on Intergovernmental Operations, is doing an excellent job. So we in the subcommittee simply took 10 percent off of each of those 2 Commissions. I personally believe they will get along all right with the money appropriated. If they do not, the gentleman from Massachusetts has suggested a way to amend the situation.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. Very willingly.

Mr. DOLLIVER. I certainly appreciate the comments that have been made by the chairman of the Subcommittee on Independent Offices, and I appreciate his offer of cooperation with our committee.

Mr. PHILLIPS. We would like to say, Mr. Chairman, that we would like to get a few more people down here like the present chairman of the Committee on Intergovernmental Relations.

The Clerk read as follows:

For expenses necessary for alteration of Federal buildings to provide facilities for additional Federal judges as authorized by the act of February 10, 1954 (68 Stat. 8), and additional court personnel, and for expansion of existing court facilities, including costs of moving agencies thereby displaced from space in Federal buildings, $3 million, to remain available until June 30, 1956.

Mr. CEDERBERG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CEDERBERG: On page 12, line 21, after "1956", insert *Provided*, That none of the funds herein appropriated shall be used for providing facilities at Flint, Mich."

Mr. SHAFER. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation on an appropriation bill.

Mr. CEDERBERG. Mr. Chairman, this is a limitation upon the appropriation bill rather than legislation.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Michigan is definitely a limitation. The point of order is overruled.

Mr. CEDERBERG. Mr. Chairman, this is probably one of the few notes for economy to be struck here this afternoon. The reason I offer this amendment is that it is known that the request for additional courtroom facilities at Flint, Mich., in which to hold court in the eastern district of Michigan is entirely unnecessary. At the present time the court is held in Detroit, Mich., and in Bay City, Mich. We have adequate facilities there without the expenditure of $179,400 more to put an additional court at Flint. Flint is located 45 miles from Bay City and approximately 60 miles from Detroit. In Bay City we have complete facilities for a Federal court, and I can say that the courtroom in Bay City is probably not used over 50 percent of the time. There is no excuse for not requiring the courts to be held where they are at the present time. Therefore, I definitely believe that the limitation should be placed in here. And I might say that my colleague the gentleman from Michigan [Mr. CLARDY], who represents the city of Flint in the Congress, is entirely in agreement with it.

I shall take up no further time of the Committee.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. PHILLIPS. I think I may say, Mr. Chairman, no member of the subcommittee on this side is opposed to economy. We are glad to accept the suggestion of the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, I yield back the balance of my time.

Mr. CLARDY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is an idea quite generally believed that Congressmen are always in favor of economy provided that it does not affect their district. Well, today I hope to prove that this is not always true. I have not presented a single measure to this Congress seeking a single dollar of appropriation for my district. I have not voted to increase any of the appropriation measures, and I have voted consistently to reduce them. I am just as much opposed to the unnecessary expenditure of money in my own district as I am at any other point in the Nation, or abroad.

When the basic legislation was before us seeking the addition of many more judges, I tried to make the point that we were saddling the taxpayers with a great deal more expense than some people seemed to think. Now the chickens are beginning to come home to roost. We are asked to spend a tremendous sum to provide each judge with a new courtroom and all that goes with it. But out in my district we are really going hog wild.

We have created the new judges. Now we propose to spend nearly $200,000 at one place to construct suitable quarters. In so doing they plan to oust a number of people already on the payroll and place them in rented quarters elsewhere in the city of Flint. How much added yearly cost this will bring I do not think anyone can estimate. And, of course, this endless chain will bring yet other and additional expenses as the story unfolds.

When the original measure was before us, I was the only member of the Michigan delegation who stood out in opposition to the whole idea—trying vainly to point out that we were saddling the taxpayers with a permanent additional cost that meant well up into the millions every year. Well, that bill was passed and now we are stuck. But I cannot see any need in going completely crazy in trying to carry out and finish off the mistake we have already made. Why on earth we have to build new courtrooms at new places just because we have new judges is beyond me. Does anyone suppose that all of the litigants to be served by these new courtrooms will come from the city where those courtrooms are located? Anyone who has ever practiced law knows that that simply is not the case. But even if we are going to build new courtrooms, for heaven's sake, let us be as economical and tightfisted as we can. It would be infinitely cheaper to try to rent space, but if we must build let us draw a tighter rein.

When the original legislation was before us I vainly tried to point out that the House was making yet other mistakes in my own district. This bill does not provide any money for courtrooms in Mason, the county seat of my home county, yet it is one of the places where court is supposed to be held. Do you know why no money is provided in this bill? Well, strange as it may seem, it is because the bureaucratic planners made a sad mistake. They actually succeeded in picking a point where there is no Federal building they could alter or change to make over into a courtroom—and so they are stymied. When I made that point when the original measure was before us I was laughed out of court. Now they have to admit I was correct. But that is not all. Mason is a lovely, but rather small county seat. It cannot possibly furnish hotel accommodations for lawyers and litigants. I tried to make the point that the State capital, Lansing, should have been selected. There it would probably have been possible to rent quarters in existing or in some of the new buildings the State and the city are erecting.

Over in the district of my good friend, PAUL SHAFER, the bureaucrats are stymied once more. We have named Kalamazoo, but they cannot find a building to remodel into a courtroom—and so this bill makes no provision for funds for that purpose. I have no way of knowing, but I am willing to wager that the same extravagance and probably the same mistakes will be found repeatedly throughout this program. The whole idea ought to be junked and given an entire going over at the next session.

A few days ago I listened to Members plead for a huge addition for airport construction. Last year we thought we had nailed down the lid on that program. Now we have opened Pandora's box—we have set the stage for ever-increasing demands for more and bigger handouts. We heard Member after Member ask us to vote for that additional money because there was an airport in their district that needed attention. Only Uncle Sam can do anything about it apparently. I came away from that session with a decided impression that many of us believe that we will not return to the House if we do not bring home the bacon in the way of projects for our own district. But you know I have the crazy idea that voters and taxpayers are the same people. And I have the further idea that they are a great deal more interested in our protecting their pocketbook than they are in voting concrete monuments to forever publish to the world how successful we have been in getting something out of the public Treasury for our own district. I may be wrong, but I think the folks back home are a lot smarter than we sometimes give them credit for being. I hope the amendments I am supporting will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CEDERBERG].

The amendment was agreed to.

Mr. LANTAFF. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this opportunity to address certain questions to the chairman of the subcommittee with reference to this appropriation. On page 771, part 2 of the hearings appears the request for funds needed to provide certain facilities for the Federal courts at Miami, Fla. A breakdown of how those funds are to be expended appears on page 773 and 774 in exhibits.

I feel sure that the committee is well aware of the critical need for further Federal court facilities in Miami, the extremely heavy and congested docket in the southern district of Florida, and the fact that with the confirmation of our new Federal judge, Emmett Choate, which has been recommended by the Judiciary Committee of the other body, the already critical space situation there will be further aggravated. In reducing the total appropriation request of $4,800,000 to $3 million, was it the intention of the committee to disapprove any of the additional courtroom facilities requested for Florida on page 771 of the hearings?

Mr. PHILLIPS. May I explain the situation. This came to us in a supplemental bill as an amount of money needed to make alterations, remodeling, provide air conditioning, furniture and equipment, to pay the expenses of moving and to pay the costs of design and supervision and to allow for contingen-

cies. We did not go into the individual desirability of these things. We thought that had been settled. We simply took the list, looked it over and said that on the basis of the costs of doing these things already known to the Federal Government, the estimates were high. Certainly an estimate of more than a quarter of a million dollars for contingencies that were unknown, the cost of alterations and repairs higher than we usually pay, and particularly, Mr. Chairman, the furniture and equipment, in which we said rather lightly perhaps in our report we thought justice could be dispensed just as well from a chair costing $100 as from one costing $275. The cost of furnishing these judges' chambers and courts are away beyond anything for Cabinet officers, for Senators, or for Congressmen. We thought the amount of money we took off did not result in any reduction, in elimination or any specific reduction. I might mention to the gentleman that certainly a Member from Florida and a Member from southern California will join in saying we would hardly want to reduce air conditioning.

Mr. LANTAFF. That rumor was prevalent, may I say to the gentleman from California, that the subcommittee was frowning on air conditioning in these courtrooms. I am pleased to hear the chairman say that no funds were eliminated for that purpose.

Mr. PHILLIPS. The only time we frown upon air conditioning is when Congress stays in session past July 31, then we begin to hope that the air conditioning will go wrong.

Mr. LANTAFF. Then am I correct in saying that the funds for air condioning the courtroms in Miami have been provided in this bill?

Mr. PHILLIPS. The gentleman is correct.

Mr. LANTAFF. The reductions were based on what was determined to be an excessive cost per foot for construction, excessive moving costs and items of that type rather than to reduce the facilities requested?

Mr. PHILLIPS. The gentleman is correct with respect to furniture and such details.

Mr. CLARDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLARDY: Page 12, line 12, strike out "$3 million" and insert: "$2,820,600."

Mr. CLARDY. Mr. Chairman, all I need to say on the amendment is that you have adopted the major amendment which eliminated Flint. If you do not adopt this amendment you may just as well not have adopted the other one because you will have left in the bill the money that the bureaucrats will spend somewhere else. Therefore I ask that the committee agree to this amendment so that the total amount will be reduced accordingly to prevent them from spending it where the Congressman from the district agrees it should not be spent on the basis of $200,000 for 1 courtroom for 1 judge.

Mr. LANTAFF. Mr. Chairman, will the gentleman yield?

Mr. CLARDY. I yield to the gentleman from Florida.

Mr. LANTAFF. Is the figure that the gentleman has used in his amendment based on the total amount requested for the facilities at Flint?

Mr. CLARDY. It is the exact amount.

Mr. LANTAFF. In view of the statement just made by the gentleman from California that in making this reduction the committee did not eliminate funds for any particular facility but reduced it on a square footage basis for all, would not the total amount of the gentleman's cut have the effect of affecting all of the other courtroom facilities provided for in this bill?

Mr. CLARDY. As I said, there are seven courtrooms for which the language is used that they do not know where they are going to put them. They are undetermined as to where they are going to locate them. I do not think we are far wrong if we cut off a few thousand dollars. If the gentleman can tell me how much has actually been cut off I will be glad to accept an amendment to my amendment that will revise it.

Mr. LANTAFF. I think the subcommittee could possibly best state that figure in those areas where they were not ready to have facilities. The committee took that into consideration in making the reduction.

Mr. CLARDY. There is nothing to indicate they have taken out the entire amount at the other seven places. I hope they have.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CLARDY].

The amendment was agreed to.

Mr. CLARDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLARDY: On page 12, strike out lines 14 through 21, inclusive.

Mr. CLARDY. Mr. Chairman, now I am giving you the works. What I am proposing by this amendment is to strike out every red cent that you are appropriating for new courtrooms in order that there may be a more careful study and more time given to what you are doing. Do you realize that out of the 30 new courtrooms you are providing, that if this document is correct, there are 7 of them in which it is said, "Location undetermined."

May I point out that the total amount that it comes to for those seven is some $383,400 before the committee made any reduction. I do not know what they did, but that, to a country lawyer, is a whale of a lot of money. It seems to me when you are spending somewhere between $125,000 and $150,000 to provide 1 courtroom for 1 judge in the various offices throughout the country, we ought to stop, look, and listen. This costs money, and you are going to not only spend this amount as the capital amount, but you are going to add additional employees. Out in Flint, for instance—and I did not mention this before, because I did not have the time—do you know what they are trying to do? And they are doing it all over the country. They are going to throw people out of the post office in order to have rooms remodeled, which means that those people are going to have outside offices leased and furnished at Government expense from now on until perpetuity, as long as the Republic exists. I do not know how many hundred million dollars a year this is going to cost us, but unless we start out making some small savings—probably the way we are spending billions of dollars—this $300,000 is chicken feed. But to me it is a lot of money, and it seems to me we would be wise to put this off at least until the next session, until we have time to know where, for example, they are going to locate the 2 out in California, 1 down in Louisiana, I do not know—I will probably step on somebody's toes, which may defeat the passage of the amendment, but here is North Dakota, South Dakota, Texas, and West Virginia. Just imagine—in all of those places they managed to figure out that they are going to require $146,500 to remodel buildings that they do not even know where they are going to locate or find. Then there is air conditioning, $54,500, for buildings that they do not know anything about; $87,450 for furniture; $18,300 to move something—I do not know what—and for other things which come under the general heading of design they have got $102,500, and the contingencies amount to something like $71,000, contingencies for places they do not know anything about. It seems to me it is time we struck the entire item out, and I ask that the amendment be adopted.

Mr. CANNON. Mr. Chairman, as far as this side is concerned, we are glad to accept the amendment offered by the gentleman from Michigan. Apparently it is designed to bring about a much-needed retrenchment in several strategic sections of the country. We cannot go far wrong in maintaining the status quo in the locations indicated.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

The situation is this: The Congress of the United States has already decided that there shall be certain of these new judges and certain places provided for them to sit. The job of the Committee on Appropriations was to provide the money. That we have done. I do not see offhand how we can go back on the action of the Congress by adopting an amendment, to deny all the money, offered on the floor without previous consideration.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Indiana.

Mr. HALLECK. The opportunity does not often present itself for me to speak on any matter that is of particular interest back in my district, but it just so happens that Indiana has gotten along with two judges, for 4 million people, for years and years. We were assigned 2 new judges, under an arrangement providing for a session of court to be held in Lafayette, Ind.

A post office building was built there some years ago with appropriate rooms for a court. There are certain other expenses incident to the establishment of

that court that will have to be met. I cannot quite understand the reason for undertaking to strike from this bill all of the funds that would be needed to meet the situation which, as the gentleman from California [Mr. PHILLIPS] has said, we have created by the legislation we enacted establishing these courts, and which are to be staffed by judges and the other necessary personnel.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. BELCHER. If we are going to hire a judge, are we not going to have to provide him a courtroom in which to hold court?

Mr. PHILLIPS. I was about to make that statement in closing, that having provided for these judges, we must buy them something to sit on.

Mr. CLARDY. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan.

Mr. CLARDY. Would the gentleman have any objection to an amendment that would make it necessary for judges to sit where courtrooms already exist, eliminating only those where you are going to provide new courtrooms at tremendous expense, which will call later for expansion?

Mr. PHILLIPS. May I correct the gentleman? I have a good deal of sympathy for his position on this matter. May I say that the amounts of money which the gentleman named for such things as air conditioning and other purposes are not the amounts which appear in this bill. Those are the amounts that were submitted to the subcommittee, but when the subcommittee got through, they were reduced.

Mr. CLARDY. I stated that I did not know how much the committee had reduced them, but I feel, figuring on the same basis, that there would still be over $300,000 which could be eliminated.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that debate on this amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CLARDY].

The amendment was rejected.

The Clerk read as follows:

For necessary expenses to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U. S. C. 1861–1875), as they pertain to the United States program for the International Geophysical Year, $1,500,000, to remain available until expended.

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 13, line 22, strike out the figure "$1,500,000" and insert "$2,500,000."

Mr. YATES. Mr. Chairman, this amendment is offered to correct the illogical conclusion attained by my usually logical and very able associates on the Appropriations Committee, who cut this appropriation by 40 percent. This appropriation for the International Geophysical Year is to finance the United States share of a thrilling scientific experiment in which scientists from more than 30 nations have joined in a worldwide study of the physical properties of the world—its crust, its interior, its oceans, and its atmosphere. This experiment will involve every major land and sea mass. Its measurements will extend from extreme ocean depths to a height of more than 100 miles above the surface of the earth. It is an experiment that cannot be deferred since it is set to take place at a time during a period of sun-spot maximum—and I submit that this is a factor quite beyond the control of the Appropriations Committee and of Congress.

This magnificent venture is important for many reasons. It is particularly appropriate at this very troubled time when international tensions are mounting. This endeavor is marked by no tensions, but rather by a spirit of friendship. It is constructive. It completely avoids power politics. The best scientific minds of 30 countries are generously offering their talents for the benefit of all mankind. Mutual undertakings such as this one truly promote better understanding between nations and establish bonds for peace. The International Geophysical Year will help the world go round, in more ways than one.

Secondly, the scientific data gathered by this conquest of many of the mysteries which surround man's life on this planet will extend to remote regions never before invaded and will be of infinite value to man's progress. Members of this House are necessarily travelers. They are called upon frequently to fly to and from their districts. This experiment will make the voyages not only of Members of the Congress, but of all air travelers more comfortable and safer by furnishing data to improve communications between planes and stations along the ground, as well as giving more precise information about conditions through the skies in which planes must fly.

Is it important to the people whom you represent to know when drought or rain or flood, or snow, or freezing ice will occur? Is it of interest to the people of your district to be warned more quickly of the possibility of their being caught up in the destructive whirl of tornadoes or the roaring, ripping frenzy of hurricanes? Of course it is. This study will offer better information on the causes of such natural phenomena and the possibility of dealing with them and dissipating their destructiveness. Is it important to those of us who live in cities to know the causes of choking smog and harmful air pollution? It certainly is. This investigation will furnish knowledge valuable to the eradication of such conditions.

This program is tremendous in scope. Surveying and measuring stations will be established all over the world, in tropical and temperate climates, and in polar regions. The weather that we enjoy in Washington or Chicago or Los Angeles or Miami Beach has its origin many thousands of miles away in a set of complex events related to the sun's activity and to conditions in the oceans. Today we operate without adequate knowledge of these conditions and how they build up or evaporate as they move toward us. A sudden storm this year, unpredicted because basic knowledge was inadequate and did not permit exact forecasting, had as one of its consequences the destruction of aircraft valued at $10 million, aircraft which could have been flown away had the storm prediction been possible. In recent atomic tests in the Marshall Islands, Japanese ships were showered with radioactive atomic particles as a result of unknown atmospheric winds which carried the particles to unexpected regions. The horrors of the hydrogen bomb are as nothing compared with those of its big brother, the cobalt bomb, explosion of which has never been attempted because it is feared that its destructive searing radioactive particles will be caught in high atmospheric gales and transported around the world.

The nature and structure of the earth profoundly affects the growth and development of each nation and intimately influences the relation of one nation with another. Regions which today are fertile and fruitful are undergoing transformations that may make them sterile and uninhabitable. Areas now populated and heavily industrialized may in the future disappear beneath the oceans if the present warming up of the polar regions long continues. Let me invite the attention of the Members from Florida to the importance of this experiment by quoting Dr. Gould's testimony which appears on page 925 of the hearings:

We know since 1900 that the climate or weather of the polar region has been warming up at an unprecedented rate. If it goes on at the present rate, in 25 or 50 years we will be using the Arctic Ocean for navigation. I do not believe the Antarctic icecap will melt enough to worry you and me; but if all the ice started to melt at some time in the future, it would submerge Florida.

While this experiment serves the cause of international peace, it also serves our national defense. A few weeks ago the Christian Science Monitor carried the story of the Soviet rocket threat, and I quote the first three paragraphs:

One day, perhaps within a very few years, it is possible that a new star may appear in American skies as a spectacular announcement that Soviet engineers have begun the practical conquest of space.

Right now they are working hard on a superrocket that will have the power of 10 battleships and that may eventually be used to establish a spaceship that would hang in the sky and circle the earth like a second moon. If such a ship ever does appear as an unexpected and brilliant object in the night sky it will be a grim indication that Soviet engineers may have developed the know-how to drop atomic missiles on any point of the earth they choose.

According to George P. Sutton, supervisor of the aerophysics department of North American Aviation, Inc., this is more than just a possibility. It is an announced goal of Soviet military scientists toward which they are working with the intensity with which they tackled the hydrogen bomb.

If the attack by Soviet rockets occurs it will have to come through the regions above the stratosphere in the ionosphere

which is to be part of the study. The formulation of a defense to this type of attack must inevitably depend upon knowledge of the upper regions. Our approval of this undertaking is imperative.

As a matter of fact, when I listened to the expert witnesses who testified before our subcommittee, the greatest geophysicists in our country, I could not escape the feeling that they were pioneers for interplanetary travel. They have already sent radar beams to the moon and back. Dr. Berkner told us that he hoped shortly to be able to send beams to the sun and back.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. JAVITS. I should like to compliment the gentleman on studying and bringing this subject before us in this way for two reasons: First, this matter of abstract research which seems so far away turns out to be the very foundation of the anti-Communist struggle, as we are finding out today; and second and very importantly, we have to develop, and develop far better than we are doing, the resources of our earth if we are to keep pace with our own problems. I think a Member who studies a subject as abstract as this in an effort to bring it to our attention in the way the gentleman is doing is entitled to the gratitude of all of us.

Mr. YATES. I thank the gentleman for his remarks.

The cost of the entire worldwide survey is anticipated to be $100 million of which the amount contributed by the United States would be $13 million and that contributed by the other nations $87 million. The appropriation in this supplemental bill is the first installment. The appropriation request of the National Science Foundation was $2½ million. The sum approved by my subcommittee was $1,500,000. The amendment I have offered is to restore the cut made by the Appropriations Committee, because the committee's cut seems to me to be illfounded, both in reason and in logic. This is no giveaway program. This is a joint venture and offers us the opportunity to exercise world leadership for human progress. Why should we hesitate to participate wholeheartedly in a program admittedly beneficent which serves all mankind? Why at the very beginning, should we show reluctance to cooperate with other participating nations by cutting the funds necessary and agreed upon for our participation? Should we not rather show enthusiasm and encourage other nations to join wholeheartedly in the effort?

Particularly does this cut not make sense because this is only the first installment on the total cost to be borne by the United States. On any basis of analysis and reasoning, it is obvious that $2½ million will have to be spent. The testimony before our committee shows that of this sum only $32,000 is for personal services and the balance is for the purchase and construction of necessary instruments and machinery, much of which will require at least 2 years to obtain. An appropriations cut at this time will be especially harmful because it will delay procurement by 6 months. We shall not again be called upon to consider a further appropriation for this purpose until the regular meeting of our Appropriations Subcommittee next spring, a delay which will throw the whole program out of kilter. If the total sum requested is ultimately found to be excessive, would it not be more logical and proper to make the reduction after the program is underway and there is a better appreciation of its actual cost?

No, Mr. Chairman, this cut at this critical time does not make sense. I urge that my amendment be adopted.

Mr. HESELTON. Mr. Chairman, I rise in support of the amendment.

The situation is as follows, as I am informed:

There is the appropriation of $12,250,000, of which $8,400,000 is for support of basic research. Three million dollars of this amount was earmarked by Congress for support of basic research formerly supported by the Department of Defense. One and three-tenths million dollars of the $8.4 million available was obligated by the National Science Board for research grants approved at its May meeting.

The Foundation had on hand on July 1 of this year more meritorious research proposals than it could support with the entire $8.4 million available. In addition, the Foundation expects to receive during the balance of the year at least $30 million more in meritorious new research proposals. Therefore, it seems perfectly obvious that we would be cutting back the program very severely by following the committee's recommendation. There appears in the hearings the following letter from President Eisenhower, which bears definitely on the point before us, and should be weighed carefully by all who are interested in supporting his program.

The letter is as follows:

DEAR DR. BARNARD: I appreciate your letter with respect to the United States program for participation in the international geophysical year.

I am glad to support this undertaking. It is a striking example of the opportunities which exist for cooperative action among the peoples of the world. As I understand it, some 30 nations will unite their scientific resources for a simultaneous effort, extending over 2 years, to penetrate the basic geophysical forces which govern the natural environments in which we live. Under especially favorable conditions, scientists of many nations will work together in extending man's knowledge of the universe. The findings of this research will be widely disseminated throughout the world, aiding in the further development of telecommunications, aviation, navigation, and weather forecasting. It is doubtful whether any single nation could undertake such a program. Acting in concert, each participating nation, contributing within its means, secures the benefits of the program.

The United States has become strong through its diligence in expanding the frontiers of scientific knowledge. Our technology is built upon a solid foundation of basic scientific inquiry, which must be continuously enriched if we are to make further progress. The international geophysical year is a unique opportunity to advance science, while at the same time it holds the promise of greater technological gains both for ourselves and for other nations.

I am sure that our participation in this far-reaching effort will very materially strengthen our bonds with the many cooperating nations and make a constructive contribution toward the solution of mutual problems.

Sincerely,

DWIGHT D. EISENHOWER.

I do hope we will take into consideration the actual facts confronting the foundation fiscally and also take into consideration this very important message from the President of the United States.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. PRIEST. I want to express my appreciation to the gentleman for the statement he has just made. He and I have discussed this matter personally. I believe most of the members of my committee, which handles the authorizing legislation for this foundation, feel rather strongly that this is a legitimate request and that it is an important one. I hope the committee will adopt the amendment.

Mr. HESELTON. I should add this to something Dr. Waterman had to say to the subcommittee:

The geophysical year is entirely separate and distinct from the regular programs of the National Science Foundation.

It has been established by the President under a separate appropriation title.

Mr. PHILLIPS. I do not want to disturb the gentleman or take up his time, but I do want to point out that interesting as his discussion is regarding the geophysical year and interesting as it is to me personally, my subcommittee is not in the least opposed to the geophysical year.

Mr. HESELTON. If I have left any impression to that effect, of course, I do not mean to do that. I compliment the subcommittee upon their recognition of the importance of this.

Mr. PHILLIPS. We think it is a good idea—the whole argument before us is where is the money going to come from, which question I will discuss on my own time.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. YATES. Does not the gentleman believe that it is incongruous to approve a request for an appropriation of $2½ million, and then to allow only $1½ million in supplemental funds, and then tell the National Science Foundation that if it wants this international geophysical year, to strike out the money on the approvals already given to basic research and use $1 million of those funds for the geophysical year?

Mr. HESELTON. I most certainly do. It is a rescission retroactively. The President recommended $14 million. The other body approved $14 million, but the House only approved $11 million. The final result was $12,250,000. Consequently, the Foundation will be in serious difficulties if we do not adopt this amendment.

As has been stated purchases of machinery and equipment must be made. A good deal must be done in preparation. This is not part of the Foundation's regular, important program. Little enough is being done in the vital field of basic research. Those who recognize the soundness of President Eisenhower's strong recommendation will certainly support this amendment.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, unless the gentleman from Tennessee [Mr. PRIEST] wishes time to speak, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

Mr. PRIEST. I do not care to prolong the debate further and I will be content if the gentleman will yield to me to make just one statement.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PRIEST. With further reference to what the gentleman from Illinois [Mr. YATES] just said, I feel very strongly that the subcommittee is fully conversant with the situation which has developed here. I believe they are in sympathy with the objective. It does seem to me it places the National Science Foundation in a rather unfavorable position when they are required, if they go through with this program, to take from their regular program commitments which have already been made. I hope the distinguished chairman of that particular subcommittee will take that fully into consideration in whatever he may have to say to the House. I thank the gentleman for having yielded to me at this time.

Mr. PHILLIPS. I assure the gentleman that the commitments have not already been made. We were careful to inquire on that subject before we put out this supplemental, and having inquired, and having found that the commitments had not been made, we then suggested that the NSF do not make them until they read the supplemental bill.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. JONAS of North Carolina. Is it not also true that the National Science Foundation, out of regular funds, has been preliminarily supporting this project for 2 years plus?

Mr. PHILLIPS. That is also correct.

Mr. YATES. Mr. Chairman, will the gentleman yield at that point?

Mr. PHILLIPS. I will yield later.

Mr. Chairman, let us see what the situation is regarding this. There is no argument in my committee regarding the geophysical year. We think it is all right, we think the NSF ought to spend the $2½ million that my friend from Illinois thinks it ought to spend, but we do not see the need for haste, and we are positive that it can come out of the money for the National Science Foundation, which has authority and supervision over this. They have been getting a little more money each year regularly, I would say a good increase in the appropriation for the work they do. Whether they are doing it well or not is not under debate; most of us think they are doing it all right.

Last year the National Science Foundation had $8 million. We gave them an additional $3 million to take care of work which was to be transferred to them. Then in the other body, $1,250,000 was added to that, on what I will say was a minimum of justification. So when this came up we said to the NSF on the basis of their own testimony that part of the work in the geophysical year—which was to work out a program of benefit to the same young scientists that come under the National Science Foundation—we said we would cut it a million and then take a million out of their fund. I have a letter in front of me addressed to the Senate committee by the Director of the National Science Foundation, in which he does not like the idea at all, but in which he says they will use the million dollars for that.

Mr. THOMAS. Mr. Chairman, will the gentleman yield for half a minute for one observation?

Mr. PHILLIPS. I yield to the gentleman from Texas.

Mr. THOMAS. Mr. Chairman, I think this is really a tempest in a teapot.

Mr. PHILLIPS. Yes, it is.

Mr. THOMAS. There is no one on the floor, certainly no one on our subcommittee, who is against this work. It ought to be done. By the same token there is not a man on this floor nor is there anybody in the National Science Foundation who knows within 25 percent of what it is going to cost.

Mr. PHILLIPS. The gentleman is right.

Mr. THOMAS. There are 18 nations, perhaps, who will participate in it, and, of course, pay their fair share when they know what that is.

Mr. PHILLIPS. The gentleman is correct.

Mr. THOMAS. This is not going to be started until 1957.

Mr. PHILLIPS. The gentleman is correct.

Mr. THOMAS. It is going to last 1, 2, or maybe 3 years. When they get far enough to know what it is going to cost then the subcommittee is going to give them the money. They cannot possibly use this money now. They do not know what it is going to cost.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. YATES. In reply to what the distinguished and able gentleman from Texas has said, there is no doubt in anybody's mind but what this machinery has to be purchased and paid for.

Mr. THOMAS. What machinery, and what are you going to pay for?

Mr. YATES. You are going to pay for it on the basis of the justifications. They came to our committee and showed need for $2½ million of this machinery to be purchased at this time.

Mr. PHILLIPS. When I was in high school I learned about the theory of checks and balances provided by the Constitution of the United States. Since coming to Congress I have learned something too about checks and balances, because we try to balance the budget and the other body is very liberal with the checks. This is going over to the other body where it will be considered. Why not let nature take its course?

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. May I just quote from a letter dated July 18, signed by Mr. Alan T. Waterman, Director of the National Science Foundation? He states:

> The foundation carried over on July 1, 1954, more research proposals of high caliber than it will be able to support during the entire 1955 fiscal year. We will assuredly receive more research proposals this year than last.

The CHAIRMAN. The time of the gentleman from California has expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The question was taken; and on a division (demanded by Mr. YATES) there were—ayes 36, noes 59.

So the amendment was rejected.

The Clerk read as follows:

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The St. Lawrence Seaway Development Corporation is hereby authorized to make such expenditures within the limits of funds and borrowing authority available to it and in accord with law, including not to exceed $250,000 for administrative expenses, and to make such contracts and commitments without regard to fiscal year limitations as provided in section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized functions for the fiscal year 1955: *Provided*, That said funds shall be available for the acquisition of not to exceed two passenger motor vehicles from excesses reported by other agencies, or from forfeitures; for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed $100 per day; and the administrator is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place not more than 4 positions in grade 16, 17, or 18 of the General Schedule established by said act, and such positions shall be in addtion to the number authorized by said section.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we got down a squirrel hole a little while back on the matter of the Veterans' Administration. I have no desire to take a lot of time on the subject but I want to straighten out some things, particularly for the benefit of my friends in the areas where they have had letters regarding veterans' hospitals.

As you know, Mr. Chairman, we are not following the direct limitations or budget recommendations of the Bureau of the Budget and we have not been for 2 years. We are taking the number of beds determined by the Veterans' Administration itself. We tied that to the amount of money which the VA needs for those beds at their own figure. If anybody questions the amount of money in the regular bill, they have only to turn to page 804 of the hearings on the

supplemental bill now before you and you will see there a letter from the Administrator of the Veterans' Administration giving the amount of money needed. As I said before, the number of beds occupied was raised above the authorized average. So in this supplemental bill we have given them an aditional amount.

I want to say that just appropriating money for a hospital does not open beds, as you well know, Mr. Chairman. You have to have nurses, doctors, technicians and psychiatrists. Time and time again you have been given information about beds being closed in hospitals which were not closed at all.

When we talk about the Brockton Hospital, let us be fair. Let us say it was poor judgment on the part of the Veterans' Administration. But no beds were closed. The VA simply decided in these few months not to open additional beds. I think that was poor judgment. But remember that the cost per bed per day for the Brockton Hospital was $34 a day and that the average cost for that type of hospital ought to be about $13 or $14 at the most and has been lower than that.

All I can say is that Congress has been trying very hard to tie these figures down. We are trying to give the managers of the hospitals more authority. In the case of the hospital in St. Louis, that is a brand new hospital and is developing its bed capacity.

This is a general medical and surgical hospital, and what we need beds for is NP's and not for general medical and surgical. So, I do not want the statement made on the floor that this House had cut an appropriation; that we took a figure from the Bureau of the Budget and said that is it. We did not do that last year nor this year. And, I want you to understand, if you turn to part III of the hearings on the appropriation bill, first you will turn to page 2970 when the representatives of the American Legion were heard, they said, in part:

> We are very much pleased with the action of this committee and the results of what you provided for what is termed "hospital inpatient care for the current fiscal year."

A very interesting statement appears from the young AMVETS:

> AMVETS are aware of the tremendous problems facing the Independent Offices Subcommittee as it considers VA appropriations. * * * We have consistently attempted to indicate to the American public our belief that any program not good for the country as a whole cannot ultimately be of benefit to veterans. * * * We pledge to you our continuing support in arriving at this cherished goal.

I think we are working out of what has been a difficult problem in the past and I feel our friends who are concerned on the floor today need have no further concern.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. YATES. I agree with what the gentleman has stated about our committee asking the Veterans' Administration as to the amount of funds needed for medical care and that we gave them that amount of money. I stated I thought the Bureau of the Budget was a stumbling block in that procedure, and I cited to the gentleman the testimony on page 836 of the hearings wherein Mr. Brundage, who appeared before our subcommittee, stated that it proposed to see that the operation was carried on on a minimum basis. I asked him what he meant by "minimum basis," and I thought he said that usual standards were not to be carried out on the same basis as they had been in the past.

The CHAIRMAN. The time of the gentleman from California has expired.

The Clerk read as follows:

> For construction, installation, and equipment of temporary or permanent public works, naval installations, and facilities for the Navy, as authorized by the act of June 16, 1948 (62 Stat. 459), the act of September 28, 1951 (Public Law 155, 82d Cong.), the act of July 14, 1952 (Public Law 534, 82d Cong.), and the act of ——, 1954 (Public Law ——, H. R. 9242, 83d Cong.); including not to exceed $2,500,000 for advance planning as authorized by section 504 of said act of September 28, 1951; furniture for public quarters; personnel in the Bureau of Yards and Docks and other personal services necessary for the purposes of this appropriation; and engineering and architectural services as authorized by section 3 of the act of April 25, 1939 (34 U. S. C. 556); $73,517,000, to remain available until expended.

Mr. RIVERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RIVERS: Page 17, line 4, strike out the figure "$73,517,000" and insert the figure "$140,000,000."

Mr. RIVERS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Chairman, my amendment raises the Navy appropriation for military public works from $73,517,000 to $140 million, which is the amount which the President has asked that the Congress appropriate, as well as the Bureau of the Budget and the Comptroller of the Department of Defense. Our Committee on Armed Services held hearings on the projects contained in this bill and enumerated in the report accompanying this bill. We approved a certain figure, and it went before the Committee on Appropriations, and they likewise approved the projects but directed the Navy to build them from money which it was alleged now existed in the Department of the Navy, that is, $300 million. I got in touch with the Navy Department and they claim they do not have $300 million from which these projects may be constructed. I got in touch with the Chief of Logistics of the Navy and asked him whether or not the money was available. He said the money was not available and they did not have $300 million that these projects could be constructed with.

Here is the important thing. Two out of three of these items which were given the blessing of the Committee on Appropriations would have to be eliminated if the $73 million figure in the bill were retained.

But I did not stop there. I talked with 2 or 3 members of the Committee on Appropriations. I talked with one in particular, and he said, "If you want to find out what the figure is, contact the Comptroller of the Department of Defense." I contacted the Comptroller of the Department of Defense and asked him to give me the figures on this. Also I found out that at that very time they were appearing before the Senate committee on this proposition. I asked them what their position was going to be and they said they had a statement that they were giving to the Senate committee. I have a copy of that statement here and I should like to read it to the Committee:

> The Navy currently has an unobligated balance of $300 million. About $166 million is committed for planned construction; another $80 million is reserved for construction temporarily deferred because of lack of base rights, land acquisition, design criteria, necessity for additional engineering data and similar difficulties. The balance is being held to cover anticipated contingent costs, Bureau administrative expenses and technical collateral.

Technical collateral, I may add, covers many things which are highly technical but which are very vital to the program of construction.

> It can be seen that roughly $130 to $140 million of the current unobligated balance is tied up in normal operations so that only a portion of the unobligated balance is available for new work.
>
> In order to carry out a balanced program throughout the year unobligated funds must be available for commitment during the last months of the fiscal year in order that obligations may be promptly incurred in the beginning of a new fiscal year. It is considered that approximately $200 million in unobligated funds represents the minimum requirement of all the above factors—

That is the safety factor—

> to operate an orderly and effective public works program.
>
> Anticipated obligations of $240 million in fiscal year 1955, together with the $140 million in new funds requested, will result in an estimated unobligated balance of $200 million at the end of fiscal year 1955. An unobligated balance less than this amount would disrupt the orderly planning and progress of essential work. For this reason an appropriation of $140 million—

This is the Secretary of Defense speaking; this is the Comptroller of the Department of Defense—

> an appropriation of $140 million for fiscal year 1955 is required.
>
> Based on the fiscal year 1955 public works authorization bill passed by the Congress, the Navy funding program is now $220,044,000. Even with the appropriation of the $140 million recommended by the President and use of $67,307,000 from savings and deferral of previously funded projects, the Department of the Navy will have to defer construction of urgent projects in the fiscal year 1955 public works program in the amount of $14,353,000. A reduction of $140 million to $73,517,000 will necessitate deferral of additional projects in the program in the amount of $64,867,000. Deferral of only $3,010,000 of the latter amount can be accepted without seriously impairing the Navy's ability to execute its worldwide mission adequately. The balance of $61,857,000 represents the estimated cost of urgent projects in the program. Deferral of these will reduce the operational effectiveness of the

Navy, will hinder the Navy's exercising economical management and preclude the provision of proper personnel housing.

Department of the Navy public works program, both annual and long range, are kept under continuous study. The program submitted to the Congress this year was, from its inception, based on only urgent and essential projects and has been trimmed of every questionable item by repeated critical review in the Department of Defense and Bureau of the Budget. A study by the Department of the Navy of the effects of the House Appropriations Committee action on this program indicates that it will be necessary to defer the construction of urgent and essential projects. It is emphasized that the urgency of these projects is such that delaying their funding until fiscal year 1956, or even later, involves more risk than should be accepted.

That is the statement that they made before the Senate Appropriations Committee.

The Armed Services Committee of the House screens these projects to the best of our capacity. The Appropriations Subcommittee of the House gave them their blessing. I know about the discrepancy in the testimony, may I say to the chairman of the committee, the gentleman from Wisconsin, and the rest of the members of his committee, but I have gone to the fountainhead wherever I could find it to get the information. I went to the Navy, and I went to the head of the budget in the Defense Department, and he said that the President's program is a bare minimum and that the risk of a further cut should not be assumed.

This is my position. I know some projects in my own district. I know about them. They tell me that 2 out of 3 of these projects would be cut. One of them is moving a marine jet base away from Miami. We have got to have it. They tell me that project may not be attempted. I impute nothing to the subcommittee, but the President says he needs this $140 million, the Department of Defense says they need it, and the Navy claims they need it. If we curtail the operation of our Navy, Army, and Air Force, how on earth can we fulfill our mission? The President says he needs this. He is our Commander in Chief. His subordinates say we need it. Our committee believes we need it. I urge the committee to consider this problem and restore this appropriation to the minimum asked for by the President.

Mr. CANNON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment affects one section—the naval section—of a general program for construction in Army, Navy, and Air Force.

I am in complete accord with what the gentleman says about the importance of this item and the need for this construction. We are at a critical stage in international affairs and it behooves us to take every precaution to prepare for unexpected emergencies.

But, the committee has taken all this into consideration and has more than amply provided for such needs in all three of the services.

For example, we have provided in the bill $484 million new money for Air Force construction. They had on hand at the beginning of the fiscal year an unobligated balance amounting to $1.2 billion.

This supplementary $484 million provides an aggregate of $1,684,080,000 for naval construction for the fiscal year of 1955.

Prospective obligations for the fiscal year amount to $1,250,000,000, leaving, out of an abundance of caution, $434,000,000 to be carried over into the next fiscal year, 1956.

In Army funds we have at the close of the fiscal year, June 30, 1954, an unobligated balance of $640 million. Our estimated obligations for the current fiscal year, 1955, amount to $250 million. In other words, we provide by reappropriation in this bill $390 million in excess of all estimated obligations for the fiscal year 1955.

Coming now to the provision for Navy construction, there remain unobligated funds of $300 million from last year, which with the $73,517,000 new money carried in the pending bill, provide a total of $373,517,000 against estimated 1955 obligations—an excess of $83,517,000 for the fiscal year beginning July 1, 1954.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from South Carolina.

Mr. RIVERS. The Navy has made it plain and I have tried to make it plain, Mr. Chairman, in my statement, that the Navy claims they have obligations and commitments which will dissipate this alleged surplus. I went to the comptroller of the Department of Defense, and he told me that he does not have the funds which the committee claims that he has. Does the gentleman question the comptroller of the Department of Defense? May I add that the State Department prohibits the Navy from entering into any base agreement with a foreign power until the money is paid on the barrel head. That is the policy. Consider the Spanish bases. There is another item.

Mr. CANNON. I am much interested in the statement quoted by the gentleman from South Carolina. I am aware of his deep interest in the subject and his long familiarity with the service and am anxious to cooperate with him.

The committee held exhaustive hearings on this item. We had before us the official representatives of the departments including the budget officer. All data was carefully studied and screened and the bill is based on that information.

Here is a tabulated summary predicated on the testimony adduced by the committee:

Air Force:	
Unobligated, June 30, 1954	$1,200,000,000
New funds, fiscal year 1955	484,080,000
Total	1,684,080,000
Estimated obligations, fiscal year 1955	1,250,000,000
Navy:	
Unobligated, June 30, 1954	300,000,000
New funds, fiscal year 1955	73,517,000
Total	373,517,000
Estimated obligations, fiscal year 1955	240,000,000
Army:	
Unobligated, June 30, 1954	640,000,000
Estimated obligations, fiscal year 1955	250,000,000

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. CANNON was allowed to proceed for 1 additional minute.)

Mr. CANNON. Mr. Chairman, the accuracy and dependability of this summary is further butressed by the fact—and it is a rather remarkable fact—that for the last 3 years, successively, they have failed to expend, by many millions of dollars, the funds allocated to them for this purpose.

It is sometime a question as to whether it is a greater error to appropriate too little or too much. Certainly, in this instance we have not recommended too little. The bill provides ample funds for Air Force, Army, and Navy construction and the amendment proposes the addition of money which in the opinion of the committee is not needed and cannot be used.

Mr. DAVIS of Wisconsin. Mr. Chairman, I wonder if we can reach an agreement as to time on this particular amendment. I ask unanimous consent that all debate on this amendment close in 15 minutes, 5 minutes to be reserved to the committee.

Mr. McCORMACK. Reserving the right to object, I would like 5 minutes. Does the gentleman from Maryland desire time?

Mr. DEVEREUX. Yes.

Mr. McCORMACK. Why not make it 20 minutes?

Mr. DAVIS of Wisconsin. Mr. Chairman, I modify my request and ask unanimous consent that all debate on this amendment close in 20 minutes, 5 minutes to be reserved to the committee.

Mr. HARDY. Mr. Chairman, reserving the right to object, if the gentleman will couple with that that the time be divided equally I will go along with him. The time has been divided pretty evenly thus far today.

Mr. DAVIS of Wisconsin. Mr. Chairman, I withdraw the request.

The CHAIRMAN. The gentleman withdraws his request.

Mr. DAVIS of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the thing that is in issue here is not what the Navy is going to be able to build, not what the Navy is going to be able to obligate for construction during this 1955 fiscal year at all. The only thing that is at issue here is how much they are going to have left in the way of unobligated balances at the end of the 1955 fiscal year. That is one of the things that has bothered this subcommittee ever since we have had the responsibility of handling the military-construction program. It goes back to the 82d Congress, when the gentleman from South Carolina was the chairman of this subcommittee. He was plagued with that problem then, and it has continued since.

We have made a concerted effort to bring about an orderly functioning of the military-construction program. I might say that one of the things that has concerned us the most has been the lag that has occurred between the time the money has been appropriated and the time when it has been realized in terms of actual construction. We are

beginning to make great progress along that line because we are beginning to set aside funds for advance planning so they can do a much better job, telling us what they are going to do, where they are going to put it, and what it is going to cost. As I say, we are making a good deal of progress in this direction.

One of the things we are attempting to do is to bring down this huge backlog of unobligated and unused money that has been carried over from year to year. The same problem that the gentleman from South Carolina has attempted to bring before you with respect to the Navy applies to all of the other branches of the service and we have been working in the same manner with respect to all of them.

Great reliance has been placed upon a statement that was read here which came from the Comptroller of the Department of Defense. If the Comptroller is endeavoring to be helpful to this subcommittee and to be helpful to the Assistant Secretary of Defense in Charge of Property and Installations, who has been of great assistance to us in our work, it seems to me that he has shown a rather strange way of doing it when the only objection that comes to this subcommittee comes by way of a gentleman who is not on the Appropriations Committee and in a letter that is read on the floor of the House, of which no member of the subcommittee had any prior notice. Is that the way we are going to determine the financing of an important program?—and it is an important program.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from South Carolina.

Mr. RIVERS. I did not depend on the gentleman from South Carolina [Mr. RILEY], I did not depend on the letter from the Navy Department. I went to the Comptroller and this letter has been presented, this statement has been presented to the other body with a request urging an increase in these appropriations. Does the gentleman question the Comptroller of the Defense Department?

Mr. DAVIS of Wisconsin. I do not question him personally. I do question his judgment and in not bringing this information to the attention of members of the subcommittee some time before. The information that was furnished to us came from the budget officer of the Department of the Navy, Admiral Clexton. He is the man who testified before our subcommittee, he is the man who gave us the figures that the Navy had $300 million in unobligated funds at the beginning of this fiscal year. We had his testimony, we had the testimony of the Chief of the Bureau of Yards and Docks, that the Navy could not obligate over $240 million during this coming fiscal year. Therefore there will be $60 million unobligated in the hands of the Navy for military construction at the end of fiscal year 1955 without the addition of one single dollar carried in this bill.

The question then is, Do you want to leave $200 million in the hands of the Navy for military construction to be carried over in 1956 fiscal year or do you want to leave $133 million which this committee considers to be ample, to be a reasonable amount? It was on that basis upon which our committee took its action.

The Navy, as the gentleman from South Carolina said, had requested approval to come before us to ask for an amount of $140 million in new money. They got subsequent permission from the Director of the Budget to present an overall program of $221 million. There was an admission at the beginning that they had a substantial amount of money at hand that they could use for the 1955 program. After full consideration by members of the subcommittee, and we gave it full consideration, the decision was reached that they could easily get along, with the right kind of a program that the gentleman from South Carolina and I and our colleagues on this subcommittee have been trying to develop for the last 3 years. It is on that basis that the action of this subcommittee was taken.

Mr. HARDY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish very much that I could feel convinced that the picture just presented by the gentleman from Wisconsin [Mr. DAVIS] is an accurate picture. If I could feel convinced of that, I would not be in the well here now. But I am considerably in doubt for a number of reasons as to whether the issue really is an issue as to how much unexpended or unobligated funds the Navy will have at the end of the current fiscal year. I, too, am interested in an orderly program and in the elimination of the timelag in construction insofar as that can be accomplished. I have made some little study of the military construction, particularly of the Navy construction program, and there is a timelag in a great many cases that ought to be corrected. But I am not at all sure that approaching it in this manner will accomplish that job.

For instance, let us take the situation which has been referred to with respect to overseas construction. It is pointed out that in a great many instances we have not even acquired base rights in order to obligate funds for that overseas construction, and that is correct. Unfortunately, negotiations are still in progress with respect to those and the funds have to be set aside under a mandate from the State Department, so I am informed, so that if the agreement is worked out with respect to those bases, the funds will be there for the construction. Now, that is the information which I have. If that is the case, then those funds are not available for other construction.

I am concerned because I am familiar with a number of these projects that are listed in the report, some of which I am given to understand cannot be constructed if the limitation which has been imposed by the committee prevails. I certainly do not want to insist that there be any additional funds appropriated beyond the amount which can be properly and efficiently expended, but I do not want to see the Navy hamstrung and not be able to build the essential facilities. Obviously there is some misinformation and misunderstanding in this matter. It seems likely that the committee's reduction might prove to be a mistake. In such a situation I think it safer to run the risk of erring on the high side. If we appropriate the increased amount, and it should prove to be unnecessary it would not be spent and no harm would be done. Certainly, with all of the screening of the requests and final approval by the Bureau of the Budget, we cannot be far wrong if we appropriate $140 million to take care of items which aggregate $196 million.

Mr. Chairman, it seems to me to cut that down to $73 million is going mighty far, and I am just afraid that we are going to jeopardize our program and put the Navy in a bad spot unless we approve the amendment offered by the gentleman from South Carolina.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I call the attention of my colleagues to the fact that President Eisenhower—whether we agree that he is going to make a great President or not, we all agree he is a great military man—recommended in the supplemental budget $140 million for public works for the Navy and $945,997,000 for acquisition and construction of real property in the Department of the Air Force. The committee treated his recommendations brutally. They murdered his recommendations. Let us be frank about that. They did not cut it 5 percent or 10 percent; they cut his recommendations nearly 50 percent. So far as the President's recommendation in connection with national defense is concerned in this bill, they simply murdered them, and that was done by a committee controlled by his own party.

Now, what do they do under the Department of the Air Force? They reduce his recommendation of $945,997,000 to $484,080,000, a cut of $461,917,000. In other words, out of a $1,100,000,000 recommendation in the budget, they cut $528,400,000.

My friend from Wisconsin [Mr. DAVIS] talks about not getting information. I always had the idea that the recommendation of the President, contained in his budget, was worthy of profound consideration. Apparently President Eisenhower's recommendation—and this concerns our national defense—did not get very much consideration. I am very much concerned with world conditions, exceedingly concerned with world conditions. I am exceedingly concerned with the tremendous power advance that has been made during the past 3 years by the Soviet armed forces.

I have before me certain information, much of which has been carried in the newspapers here and there, but not all of it, which I think my colleague should be acquainted with and which the American public should be advised of. This is a current appraisal of Soviet strength.

From 1947 to the present time, the numerical strength, 175 divisions, of Soviet

ground forces has remained fairly constant. Nonetheless, significant changes have been made in favor of increased mechanization with sturdy and efficient modern equipment. Sixty-five divisions of the present establishment are tank and mechanized divisions. Moreover, rifle divisions have been provided motorized equipment; they also now have organic tanks and additional artillery. Thus, the mobility and fire power of all Soviet divisions has been increased through introduction of improved weapons and equipment.

The U. S. S. R., Eastern Germany and East European satellites today have over 6 million men under arms. Approximately 4½ million of these are in ground forces. A high state of preparedness is maintained by a rigorous training program.

The number of satellite divisions has almost doubled since 1947, bringing their total to about 80 divisions.

And this does not include Red China.

The U. S. S. R. has a readymade spearhead for a rapid advance into Western Europe. This spearhead is composed of 22 Soviet divisions in Eastern Germany. The bulk of these are armored divisions with nearly a complete complement of tanks and self-propelled guns. Behind this spearhead there are an additional 60 Soviet divisions located in the Eastern European satellite countries and Western U. S. S. R. This does not take into account satellite divisions.

Their mobilization system is exercised periodically to insure its effectiveness, and by M plus 30, Soviet and satellite ground forces could number 400 divisions.

The numerical strength of Soviet Air Forces in recent years has been constant—having been stabilized at about 20,000 aircraft—but the rapid increase in Soviet air potential is illustrated by the rate of change-over to jet aircraft. In 1951, about 20 percent of their fighters were jet types. By early 1954, almost all their fighters were jet types.

A similar development has occurred with respect to their light bombers. In early 1951, jet light bombers had not been introduced into operational units. By 1954 well over two-thirds of their light bomber forces were jets.

In the medium-bomber category, Soviets have doubled, since 1951, the number of TU-4's (similar to United States B-29) in operational units.

Still newer types of medium and heavy bombers, including jet models also, have been observed.

The development of a comprehensive aviation training program has been one of the most significant contributions in Soviet postwar program to improve capability Soviet airpower.

The program for airfield construction—

And that is what concerns us in these matters.

The program for airfield construction is still in progress with attention recently being directed to fields with very long runways. In the past 3 years, Soviets have about tripled the number of major airfields in Eastern Europe which will accommodate jet fighters.

In the past, the combat value of satellite air forces has not been significant. In 1951, their aircraft were obsolete. By 1954 the numerical strength of satellite air forces had been doubled, with nearly half being jet fighters. Their facilities were improved, and training had reached a fairly satisfactory standard.

The growing complex of airfields throughout Eastern Europe, the aircraft control and warning systems and anti-aircraft artillery dispositions of Soviet bloc are rapidly becoming capable of providing an effective air defense belt along the western perimeter of the U. S. S. R.

Since the end of World War II, the Soviet Armed Forces have improved their potential for use of airborne troops and weapons.

The principal naval threat is the Soviet submarine capability. The Soviet Navy has over 300 submarines in service, of which about half are large or medium oceangoing types. Current large-scale naval construction program lays emphasis on continued production of large oceangoing submarines.

Soviet sea mine stockpiles, considered together with a considerable air and naval mine laying capability, constitute a growing threat, particularly against the line of communications of the Allied Command, Europe.

Full credit must be given the Soviet bloc for having developed a strong capability in special fields of atomic, chemical, and biological warfare, as well as in the field of guided missiles. The Soviet economy has maintained a level of military production sufficient to provide equipment and supplies for Soviet and satellite forces and still pursue a program of stockpiling.

To illustrate the magnitude of their total equipment stockpile, the Soviets have more than enough tanks, mortars, and antitank guns for some 300-odd Soviet divisions. Their stockpile of field artillery and anti-aircraft artillery is several times that required to supply those divisions. The annual production of these items is continuing at a sizable rate.

These are the facts. That is what we are up against. There is the power, the growing power of the Soviet Army, Navy, and Air Force, in the past 3 years.

The only thing the Communists respect is what they fear, and the only thing they fear is military power greater than they possess themselves. In this bill we are cutting down by nearly 50 percent the recommendations made by a man who is a great military leader, who knows the military field, who has had as much knowledge and experience and who knows as well as any man can of military tactics. Yet this committee and this House are about to cut down by over $500 million, nearly 50 percent, his recommendations.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to withdraw my motion.

Mr. HAYS of Ohio. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The question is on the motion of the gentleman from Michigan.

The motion was rejected.

Mr DAVIS of Wisconsin. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes, the last 10 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. DEVEREUX].

Mr. DEVEREUX. Mr. Chairman, apparently there seems to be an honest difference of opinion as to whether or not we have the money. I would suggest to the committee that in view of that fact we should provide this money and then if it turns out that the money is not needed, it certainly will not be spent.

I would also like to point out to the committee, if I may, that we will have large amounts of military hardware rolling off the production line during this next year. It seems to me that we should make ample provision to properly take care of that military equipment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, as a member of the Committee on the Armed Services I have tried to follow the needs of the Defense Department. I feel that that great committee has as much knowledge on this subject as has the Committee on Appropriations. I further believe that this legislative committee is the most competent committee of the House with respect to defense matters.

We recently had before us a military housing bill in which in the first instance it was proposed to take the money for them from unobligated funds. But a gentleman appeared before our committee from the Committee on Appropriations and made the plea that that committee knew there were unobligated funds accruing in that department, that certain rescissions had been made to leave a balance of unobligated funds available for the Defense Department. He stressed guns, tanks, and ammunition in case of an emergency. That this money was left there on purpose against an emergency. Many of us took the statement he made at face value and pressed for a new approach for funds for this new housing.

Certainly, I am a bit confused when a members of the Appropriations Committee tells us that the money in unobligated funds is earmarked for emergencies and they know of it. Then they come in and tell us that the full appropriation recommended by the Department be reduced and money in unobligated funds be used. It is inconsistent.

You and I know that any funds appropriated have to clear a dozen hurdles before being spent. If it is necessary to have that backlog as an emergency then the argument that the money should be now taken out of those unobligated funds falls flat on its face. The members of the Appropriations Committee should get together and reconcile their position.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I find myself at this moment perplexed. On the one hand we have the members of the Subcommittee on Appropriations assuring us that there are ample unappropriated funds with which the Department of the Navy can complete its public works program in accordance with budget estimates. On the other hand, the gentleman from South Carolina [Mr. RIVERS] comes up with a letter indicating that a necessary and urgent program of public works will be seriously curtailed unless we approve of his amendment to

restore funds eliminated by the Appropriations Committee.

I have the highest regard for the members of the subcommittee, and I know that in their hearings they have developed a certain understanding regarding unexpended funds. But on the basis of the very recent letter from a responsible officer of the Department of the Navy, I cannot find it in my heart to vote against the amendment.

As far as I know there are no construction items in this program in my legislative district. Like many members of the committee I am concerned only with one aspect—national defense. However, I have in mind that if we should err on the generous side the Nation would not be hurt. The money just will not be spent; and here may I say that my regard for the Secretary of the Navy, Mr. Thomas, is such that I am firmly of the opinion that any unnecessary expenditures of the Navy will not be made.

So, Mr. Chairman, I wish to say that I support the amendment for the reasons stated, and urge those members who are uncertain to do likewise.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the figures presented by the chairman of the subcommittee, the gentleman from Wisconsin [Mr. DAVIS], relative to the Navy are the figures that were unanimously agreed upon by the entire subcommittee and were the figures presented to the full Committee on Appropriations and approved. The figures were arrived at based upon the testimony of the Department itself. Far be it from me, and I will say that equally for any other Member of the House, to do anything that would be in the direction of weakening the defenses of this country. But when the testimony is such as to be a justification of the position of a department that is itself a part of the defenses of this Nation, no other result could be reached by a committee that was seeking to do its duty as well to the Defense Department as to the Congress of the United States and the people of America. As to the unobligated balance of the Navy, the committee based its figures on the amounts that were presented, namely, $300 million. The committee allowed new funds in the sum of $73,517,000. That totals $373,517,000. Now, the estimated obligations presented to the committee by the Department itself, after long hearings, are set forth in the sum of $240 million. This leaves a balance after expenditures anticipated for this year of $133,577,000. Now, I think in justice to the situation that figure should stand.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HAND] to close debate.

Mr. HAND. Mr. Chairman, I do not think there is a bit of difference of opinion among any of the Members who have spoken here today in support of this amendment and the members of the subcommittee. The whole question is a matter of a full understanding of the fund involved. As my distinguished friend has just said, nobody would cut down the adequate defense of this country, either of the Navy or of the Army or of the Air Force, and this committee has not done so. There is not one project in this bill which this committee has been told was an urgent project which has been curtailed or impaired or hurt in any degree. We can make mistakes, of course, in this committee, but the whole question is whether you are going to accept the results of the information which we have accumulated in 4 solid weeks of hearings, both mornings and afternoons, or whether you are going to accept a sudden letter which comes from one of the officials of the Department of Defense. Reference was made to the effect that the source of this information came from the fountainhead. Well, I think the fountainhead of fiscal affairs still belongs to the House of Representatives.

I want to emphasize just for a moment the figures that my friend from Michigan [Mr. RABAUT], has just given you, because they are important and, if listened to and understood, they are entirely dispositive of this whole controversy. The table, which comes from the Department of Defense and which I hold here and will leave on the table if any Member is concerned about it, shows an estimated unobligated—not unexpended but unobligated—balance at the end of June 30, 1954, or $280 million, a figure which at the Navy's most optimistic rate of spending could not be spent during this fiscal year. As a matter of fact, however, there is a little later information than that contained in that table, and as the chairman of this subcommittee has told us, Admiral Clexton, the responsible fiscal officer of the Navy, in testifying before our committee on page 598 of the hearings, said this. Now, this is an official from the Navy, not from this committee.

> It is estimated that obligations during fiscal year 1954 will amount to approximately $180 million, resulting in a balance of $300 million unobligated at the beginning of fiscal year 1955.

So the figures which the committee has indicate that unobligated balances as of June 30, 1954, are $300 million. New funds allowed by the committee during this year which will take care of every project which the Navy has testified to as being urgent and necessary in our defense, $73,517,000. That is new money, and that makes a total available to the Navy for this fiscal year of $373,517,000.

Now, at the rate of estimated obligations, and this again is not from the committee but from the Navy, and is a most optimistic rate, they will obligate at the very best during fiscal 1955 the sum of $240 million. That will leave a balance at the end of the next fiscal year in excess of $133 million of unobligated funds.

On the other side there has been some talk about confidence in the Commander in Chief, or confidence in the Comptroller of the Department of Defense, or some other officer downtown. I suggest to my friends on my left that they also have confidence in the members of this subcommittee on the minority side; the distinguished gentleman from Missouri, the former chairman of the committee, Mr. CANNON; Mr. RILEY, of South Carolina and Mr. RABAUT, of Michigan. This is not a report of a Republican subcommittee. This is a unanimous report of this subcommittee after 4 weeks of exhaustive hearings.

I suggest, with all respect to the Committee of the Whole, that we adopt the considered report of this committee in full confidence that the Navy will have ample funds to carry on all of its work in the fiscal year 1955.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to transfer whatever remaining time I had to my colleague, the gentleman from Michigan [Mr. CEDERBERG].

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CEDERBERG. Mr. Chairman, I certainly shall not take all of the time remaining, which my colleague has so kindly yielded to me. I want to say this, as one member of this committee. I urge all the Members of the House not to get too excited, nor to let their blood pressure get too high about some communications that they may have had from downtown regarding the funds requested. As far as I am concerned, as one member of this subcommittee, if the amount allowed the Navy were cut to $50 million rather than $72 million, the Navy still would have more money than they can possibly use. I think this committee, if it has erred at all in suggesting appropriations, has erred on the side of the Department of the Navy and has given them ample money.

I just want to say this without quoting any more figures, that we have gone into this matter day after day after day, and if all of the experts can refute the figures that we have, I should like to see them do it. There is plenty of money here for the Navy, more than they can spend.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. RIVERS].

The amendment was rejected.

The Clerk read as follows:

> For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations and facilities for the Air Force as authorized by the act of January 6, 1951 (Public Law 910, 81st Cong.), the act of September 28, 1951 (Public Law 155, 82d Cong.), the act of July 14, 1952 (Public Law 534, 82d Cong.), the act of August 7, 1953 (Public Law 209, 83d Cong.), the act of April 1, 1954 (Public Law 325, 83d Cong.), and the act of ———, 1954 (Public Law ——, H. R. 9242, 83d Cong.), without regard to sections 1136 and 3734, Revised Statutes, as amended, including hire of passenger motor vehicles; $484,080,000, to remain available until expended.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to make an inquiry of the distinguished chairman of the committee in reference to the Air Reserve field contemplated for Akron, Ohio, in the vicinity of Cleveland. The testimony appears at page 254 of the hearings. I should like to ask the distinguished gentleman whether or not a site has been picked for this particular airport in Ohio.

Mr. DAVIS of Wisconsin. The testimony we received, and to which my colleague on the Committee on Appropriations has called my attention, would indicate that at the time they testified, before our subcommittee at least, they had a pretty firm site. In fact, at page 255 of the hearings you will find my question of Colonel Rodenhauser, as follows:

Although negotiations have not commenced, you do definitely have in mind the 4,250 acres you want?

Colonel Rodenhauser's answer was: "Yes, sir."

So, at the time they testified, and acting upon that testimony, our committee did provide $4 million to permit them to acquire land and make a substantial beginning on the necessary airfield pavements.

Mr. BOW. Are there in the committee files a statement covering a definite site, so that we might know definitely where the site is and where they contemplate building on this field of 4,250 acres?

Mr. DAVIS of Wisconsin. No, I cannot say that we do. As a matter of fact, the record shows they had not actually begun negotiations for any particular land at all, but they did have in mind the acreage that they wanted. Under those conditions you always run into the question as to whether they are going to be able to acquire the particular site they have in mind.

Mr. BOW. May I ask the gentleman this question: Do they come back to your committee prior to the actual acquisition of the site?

Mr. DAVIS of Wisconsin. Under the existing law they are not required to come back to our subcommittee, but the law does require them to get the approval of the legislative committee, which would be the Armed Services Committee, for the acquisition of the land after they have formally made the decision to go ahead and acquire it.

Mr. BOW. So that it would come back to the House, but to another committee?

Mr. DAVIS of Wisconsin. To the Armed Services Committee.

Mr. BOW. Can the gentleman tell us how many planes are anticipated to use this 4,250-acre tract of land?

Mr. DAVIS of Wisconsin. I cannot give the gentleman any estimate on it at this time. I do know it is a combined facility, to be used for both the Air Force and the Naval Reserve.

Mr. BOW. And I understood some of the National Guard.

Mr. DAVIS of Wisconsin. I think that is true, yes.

Mr. BOW. Did the Defense Department at any time to the gentleman's knowledge consider the use of existing airports such as the Akron-Canton Airport or other airports now in existence that might be made available to them for this purpose?

Mr. DAVIS of Wisconsin. They assured us they had done that. They also told us that they had had a considerable amount of difficulty in finding a place they considered to be suitable for this rather large metropolitan area that this is intended to be served.

Mr. BOW. There is nothing in the record to show the extent of the usage, the number of planes, or the flights? As I understand, it is a weekend training corps reserve.

Mr. DAVIS of Wisconsin. It is a large reserve installation for the Air Force and the Navy.

Mr. BOW. Can the gentleman tell us what the final cost of this field will be?

Mr. DAVIS of Wisconsin. The present total estimated cost is $13 million.

Mr. BOW. In reading the hearings, it seems that the $13 million goes to the Air Reserve, without consideration as to what the cost will be for the naval installation or the National Guard, which obviously would increase it far above the $13 million.

Mr. DAVIS of Wisconsin. I think the Navy would have some facilities of its own in addition to those that are indicated here, yes.

Mr. BOW. Can the gentleman give us some idea of what that may run?

Mr. DAVIS of Wisconsin. No, we have not had any testimony on that.

Mr. BOW. So as far as the Navy is concerned, their testimony is not here, or that of the National Guard.

Mr. SHELLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take the floor at this time to address some questions to the chairman of the subcommittee, the gentleman from Wisconsin, if I may. I call his attention to page 34 of the committee report, the third paragraph, below the list of items. I notice that the funds requested for the construction of a pipefitters' shop at the San Francisco Naval Shipyard has been stricken and the amount reduced by $1 million. May I briefly lay a foundation for it. This pipefitters' shop at San Francisco Naval Shipyard was destroyed by fire in 1948. Since then they have been using a temporary building which is completely inadequate. I have been through the San Francisco Naval Shipyard many times and have seen the present pipe shop, and therefore am familiar with its inadequacy. They are using outside areas and pipe is being worked on in the outer areas, which is not a proper place to do that kind of work. It has been in the past 4 or 5 years the bottleneck in yard production, not because of the men but due wholly to the poor facilities. One of the reasons advanced by the Navy Department for the reluctance to put some of the new complete overhaul jobs on the larger carriers into San Francisco Naval Shipyard was because they could not do so until they got a decent pipefitters' shop. I simply cannot understand why the committee cut this amount in the face of this situation and the need for repairs on those vessels operating in the Pacific Fleet. Having said that, may I have an explanation of the situation from the chairman of the subcommittee?

Mr. DAVIS of Wisconsin. I first of all want to point out that it was not the intention of the committee to permanently deny this facility and to strike it from the Navy's construction program. We recognize there is a need for expanding and rebuilding the present facility for pipefitting work. The testimony showed that the present facility consisted of 30,000 square feet. We recognized that this is inadequate. The request, however, was for 60,000 square feet, and the unit cost of what they had in mind from such inquiries as we made appeared to be out of line. So we did with that pretty much what we have done with a number of other facilities, and that was to ask them to review this building, both as to size and unit cost, and present the request to us again when we meet after the first of January.

Mr. SHELLEY. May I ask the gentleman this question: If the action of the committee is accepted as an admonition by the naval authorities, and if they supply more adequate information by the time this is acted upon in the other body, will that information have some effect upon the minds of the committee here?

Mr. DAVIS of Wisconsin. I wish to assure my good friend the gentleman from California that we try to keep an open mind on these problems and to give very careful consideration to all the requests presented to us.

Mr. SHELLEY. I assure the gentleman that that information will be made available by the time you go to conference.

Mr. Chairman, I yield back the balance of my time.

Mr. AYRES. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Wisconsin a question regarding the Air Force, which my colleague, the gentleman from Ohio [Mr. Bow] whose district adjoins mine, discussed. Would it be possible to request the gentleman who testified before your committee previously to come back to the committee and tell you what site they now have in mind?

Mr. DAVIS of Wisconsin. It was just yesterday when my friend, the gentleman from Ohio, called the situation to my attention. It was the first time I had information that there was apparently some uncertainty as to just where this is to be. The justifications that were shown to us indicated it was 13 miles northwest of Akron. If there is a different factual situation than what was presented to our committee that is something which we would certainly want to make inquiries about of those who presented the original information to us.

Mr. AYRES. I have been informed by officers at the Pentagon that they now have no intention of placing this airport in Medina County where they previously stated to you the site of four-thousand-and-some-odd acres was located, which they had in mind. Before they are permitted to spend the $4 million I understand they have to come back to the Armed Services Committee. But in order to clarify a very confusing situation in the northeastern part of Ohio I think it would be advisable to have them come back and state just what site they do have in mind.

Mr. DAVIS of Wisconsin. I know the gentleman is very much concerned about this.

Mr. AYRES. Oh, I am concerned because I have one county to be concerned

about that I need if I am going to return here and I do not want to ruin that chance by an airport at this particular time.

Mr. DAVIS of Wisconsin. In view of this uncertainty, if the gentleman will send me a brief memorandum I will be very happy to inquire further into this matter and give him any information I may be able to find about it.

Mr. AYRES. One other question, if the gentleman will permit: Is it not customary when you have an established airport with millions of dollars of Federal money invested, to prefer its expansion to the creation of entirely new areas?

Mr. DAVIS of Wisconsin. That is the general policy where the expansion of existing facilities will provide what is needed to perform the mission. Sometimes that works out, sometimes it is better; but we have a number of instances where there is a great deal of community concern over the attempt to use existing airport facilities where it is close in; sometimes that does not work out. That is the general rule, but a general rule that is very frequently honored by exceptions to it.

Mr. AYRES. I would suggest to the gentleman that when the officers come back to his committee that he suggest to them that they spend a little more time than they have in the past exploring the possibility of expanding the Akron-Canton Airport rather than investing money in other sections of northeastern Ohio. If the gentleman has any idea when he could get this information I have a gentleman from Akron, a Mr. Fulton, who is quite familiar with the expansion of airports in the area and who is very much interested in the question.

Mr. DAVIS of Wisconsin. If the gentleman will include that in his memo I will have it looked into as well.

Mr. AYRES. I thank the gentleman and yield back the balance of my time.

Mr. OLIVER P. BOLTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time following my colleague from Ohio [Mr. AYRES] to discuss with the committee the same subject and what is referred to in their hearings as the Cleveland-Medina Airport. I call particular attention to the phraseology used in the hearings, because when I was first elected to Congress 2 years ago it was brought to my attention by members of Portage County and residents of the area and Aurora particularly that a reserve airport was planned in this area. I made particular inquiry both within the military and civil air establishments of our Government to determine the fact as to whether or not there were any such plans for such a base, and also inquired of the various congressional committees involved and

When the hearings on this bill were published and my colleagues and myself inquired into the matter, however, I was informed that not only was the area for this field not specifically selected, but that an area was also under consideration in Portage County, Ohio, which disturbs me greatly.

I do not wish to take the position here that we are opposing the airport or the field in Portage County. No community wants to stand in the way of national defense, nor does any community without great consideration want to ask that $13 million not be spent in the community. But may I also point out that the location in Portage County would jeopardize even more the situation which exists there. Already almost an eighth to a tenth of the farm land of Portage County and of the tax base of Portage County has been removed by the reservoirs of the city of Akron and additional reservoirs which are planned by the Federal flood-control project; by a large ordnance arsenal; by a large segment of the turnpike of the State of Ohio; by a Federal housing project that has recently been turned over to private hands; and by the Kent State University. This project which would involve some 4,300 acres would remove still more land from the tax base of the county. It would have a tremendous impact on the school and local tax picture. On the other hand, the field would mean the expenditure of at least $11 million in the county and the creation of a payroll which would mean jobs and increased business to the county as a whole.

The Air Force has said that the Hopkins Airport in Cleveland cannot be used as a Reserve training airport of the scope contemplated. They have said that the location must be along a general radius of a line between Akron and Cleveland so that the field would be available to Reserves from Cleveland and Akron. It seems to me that a location can be found which will not destroy any established community. I cannot help pointing out that the site which has been discussed with me is one which involves the community of Aurora. It comes within less than a half mile of this beautiful little community, which is a very good residential community, where the property values are extremely high, and also the community of Mantua. Both of these communities would be almost put out of business as far as residential areas are concerned were such a base built.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield to the gentleman from Ohio.

Mr. AYRES. May I ask the gentleman to point out to the members of the committee that it will be at least next spring before a final decision can be made on this in view of the fact the Armed Services Committee would have to agree on a site.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. AYRES. In the meantime, the gentleman from Ohio [Mr. OLIVER P. BOLTON], anyone else who is interested, and myself, can meet with the gentlemen of the committee, including the gentleman from Wisconsin [Mr. DAVIS]. I know that each and every one of us will not stand in the way of progress; but we do want the experts to be honest in their decision and tell the committee where, in their judgment, the best airport can be had.

Mr. OLIVER P. BOLTON. I thank the gentleman. I have been assured by the Air Force that no selection of a site will be made without full discussion with the Congressmen involved. I have not liked the seeming doubletalk and lack of openness which this whole subject of location has received to date. However, now that we know definitely that the national-defense needs require that an airfield be built in a general area, and this bill makes appropriations therefor, I feel sure that the Air Force will be glad to work with local authorities to secure a proper location. I intend to assist to this end, but I shall certainly oppose any move to locate this field where its planes will threaten destruction of the property or land values of long-established communities.

The Clerk read as follows:

SEC. 802. Funds appropriated to the military departments for military public works in prior years are hereby made available for military public works authorized for each such department by the Act of —— 1954 (Public Law ——, H. R. 9242, 83d Cong.): *Provided*, That not to exceed $5,000,000 of such prior year funds appropriated to the Department of the Army shall be available for the purposes of advance planning as authorized by section 504 of the act of September 28, 1951 (Public Law 155, 82d Cong.).

Mr. COLMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to section 802. I understand in that section is a provision for what is known as the Point Aux Pins Ammunition Depot along the Alabama-Mississippi line. There is nothing specifically in the bill on that point, but in the report of the committee on page 43 we find a paragraph which in substance directs how the proposed channel shall be constructed.

I want to further call the attention of the committee to the fact that when this authorization was under consideration in the Senate committee on military and naval construction, that committee reporting on that particular authorization on page 4 made a statement to the effect that this proposed channel was being considered in connection with another channel. I shall not take the time of the committee to go into detail. That is on page 4 of the report to which I have just referred.

The language of the Senate committee, to which I have just referred, and the language of this Committee on Appropriations providing funds for that project are in direct conflict. I am sure that it was not the intention of the Committee on Appropriations to arbitrarily spell out just how that channel should be constructed. I rather think that the Committee on Appropriations was not familiar in full with what was under consideration.

I would like to just briefly point out that if the directive in the report of the Committee on Appropriations is followed by the Army engineers, that they could only build this channel straight to the gulf from this proposed depot. Now, it so happens that just about 10 miles from that point there is another channel, an existing channel, leading from the mainland to the gulf known as the Pascagoula Channel, connecting the port of Pascagoula with the Gulf of Mexico. It is quite a port of entry. Now, the Army engineers have been requested to consider the feasibility and the practicability of connecting these two channels

rather than to build an entirely new channel which would serve this one project.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. The Army engineers were asked to consider by the Senate committee the feasibility of tying these channels in together, in other words, to tie them in with the existing economy of the port of Pascagoula.

Mr. Chairman, this is a defense project. The object of what we are trying to do there is to establish another defense project, namely, the establishment of an oil refinery which would produce oil which would be exported and, of course, would be used just as much in the defense effort if it is needed as would this ammunition depot. So, it would serve both purposes. All I am asking here now is that in view of these circumstances and without any further discussion of it that the chairman of the committee, in view of this statement, make such a statement for the benefit of the RECORD as he sees fit that will give the Army engineers an opportunity, which they have already been authorized to do by another committee of the Congress, to see whether or not ours is a practical and feasible proposition.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I have no objection if the Army wants to study into this any further. I think the decision the Army has to make is whether this ammunition terminal is important enough to go ahead with now or whether they want to delay it in order to make this further study. The justifications which were submitted to us were on the basis of the direct route to the sea. That was the basis on which testimony was taken from representatives of the Army by our subcommittee. Now, subsequently, information was brought to our attention that there had been a statement in the report by the Senate committee asking the Army to look into this alternate route. It appears, however, that the alternate route mentioned is not authorized as a civil-works project as yet. There are these two rather important circumstances; first of all, that this alternate route would probably cost something in excess of $1 million more than would the route that we are now talking about and which was justified to our subcommittee. Secondly, that because this alternate route by way of Pascagoula is not authorized, it might result in unreasonable delay in getting the facilities going. Those are the only two considerations that must be kept in mind.

Mr. COLMER. Mr. Chairman, may I say to my friend—and I realize I am laboring under difficulties here—that the testimony of General Carter before the gentleman's committee was to the effect that there was a possibility that it might cost $200,000 or $300,000 more. But my understanding is that they have come to no definite figure; and, furthermore, the Army engineers are now actively engaged—they are down there now making this survey.

So all I am asking the Committee to do is to leave the matter open. Incidentally, Jackson County, where this project is going to be located, is going to contribute $2 million toward this project. We are just asking the opportunity to let them work it out. That is all we are asking.

Mr. DAVIS of Wisconsin. The situation at present, as I see it, is that in view of the language in the report of the Senate committee and the authorizing language, that this is now under study, that now it is up to the Army to decide whether or not this is important enough to go ahead with the project as funded by our committee or whether they would prefer to wait until the final returns are in.

Mr. COLMER. The gentleman has no objection to a further study?

Mr. DAVIS of Wisconsin. I am quite sure that if there is one pending I am not going to attempt to make any objection to it.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

For necessary expenses, not otherwise provided for, in carrying out the provisions of the Federal Civil Defense Act of 1950, as amended (50 U. S. C., App. 2251–2297), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); reimbursement of the Civil Service Commission for full field investigations of employees occupying positions of critical importance from the standpoint of national security; expenses of attendance at meetings concerned with civil defense functions; reimbursement of the General Services Administration for security guard services; not to exceed $9,000 for the purchase of newspapers, periodicals, and teletype news services; and not to exceed $6,000 for emergency and extraordinary expenses to be expended under the direction of the Administrator for such purposes as he deems proper, and his determination thereon shall be final and conclusive; $8,525,000.

Mr. HYDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HYDE: On page 27, line 20, after "$8,525,000", strike out the period and insert "*Provided*, That no part of the funds herein appropriated may be used to remove the Civil Defense Training Center from Olney, Md."

Mr. HYDE. Mr. Chairman, this amendment will neither increase nor decrease the amount of the appropriation. It will, however, save the Government, I believe, something over a half million dollars. We are merely seeking in this amendment to prevent the removal of the civil defense training center from its present location. If it is removed—and no real reason, no good reason has been given for its removal—it will cost the Government something over $300,000; and, in addition to that, the Government will lose about a quarter of a million dollars investment that it already has in the present civil defense training center. Should this agency be moved from Olney, there would be an immediate loss to the Government of about a half a million dollars as well as a loss of other facilities, including a pumping plant, a microwave tower, a telephone tower constructed by the telephone company—and incidentally, in the contract there is a provision for the payment of $150,000 to the telephone company in the event the installation is removed—and the removal of a complete communication system and a complete rescue street installation of numerous building wrecks, at a cost of well over a quarter of a million dollars.

Mr. Chairman, there is no good reason for the removal of this center. There is no good reason why the Government should spend well over half a million dollars simply for the purpose of removing it from one place to another.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Maryland.

Mr. DEVEREUX. Is it not also true, because of the fact that Olney is very close to the Nation's Capital, that we can encourage many people to come to Olney to take the civil defense course?

Mr. HYDE. That is certainly so, which would not be true of some other location.

So, Mr. Chairman, I strongly urge the adoption of this amendment. I believe there is no strong opposition to the amendment.

Mr. SHAFER. Mr. Chairman, I rise in opposition to the amendment.

Mr. TABER. Mr. Chairman, if the gentleman will yield, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, with 5 minutes for the gentleman from Michigan [Mr. SHAFER] and 5 minutes for the gentleman from Michigan [Mr. FORD].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SHAFER. Mr. Chairman, this amendment is obviously one to tie the hands of the Civil Defense organization, which has for the last 6 months under the direction of the President been looking to find a location in Government-owned facilities. The school, or whatever they call it, at Olney which the gentleman from Maryland hopes to retain there is now occupying land that is under condemnation procedure. It is worth from $44,000 to $48,000, and the owner would like to obtain something like $750,000 from the Government for it.

It so happens that after looking over many installations throughout the country the Civil Defense organization, its administration officers, and so forth, decided to occupy a Government facility in Battle Creek, Mich., in my district. This facility has a replacement value of some $30 to $35 million. It stands vacant out there. Under an executive order, the Civil Defense is already moving out there.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from New York.

Mr. ROONEY. May I say to the gentleman that the testimony before the committee with regard to this matter indicated that the Olney location was in no wise satisfactory, that the question at that time was whether or not this headquarters for Civil Defense would be moved to Indiantown Gap, Pa., or to Battle Creek, Mich.

Mr. SHAFER. That is right.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from California.

Mr. PHILLIPS. May I say from another angle that the General Services Administration comes to our subcommittee. We have attempted definitely to give the authority to the General Services Administration to find use for these buildings. I made a trip to Battle Creek, taking a clerk of the committee along with me, and I found that that is a beautiful location. It has no correlation to the ordinary hospital that we think about or anything else that might be used. It is an excellent location for some Government agency. This Government agency, with the general approval of the General Services Administration, is now moving into it.

Mr. SHAFER. And by direction of the President to occupy Government-owned facilities rather than rental property. I believe the amendment should be defeated.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I yield.

Mr. DEVEREUX. Do I understand that they are moving into a hospital—a Government owned hospital?

Mr. SHAFER. It is known as a hospital, but it is a much better facility than a hospital actually. It is not a hospital—it was used as a hospital. It is a former sanitarium, but it is a $30 million to $35 million building, with excellent office facilities and parking spaces.

Mr. DEVEREUX. Is there suitable ground around there to carry out all of these other functions?

Mr. SHAFER. Yes, there is ample ground.

Mr. DEVEREUX. My understanding is that we did not object to the movement of the headquarters from Olney. It was simply the movement of the school from Olney.

Mr. SHAFER. It will tie the hands of the Civil Defense authorities in their future plans. There is no question about that.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I yield.

Mr. PHILLIPS. As a disinterested person in this argument, may I say it is a splendid building surrounded by a big park. It is not a hospital. If you would look at it, you would not think of it as a hospital. It is well designed architecturally and it looms up like a hotel. There are many facilities that they could not possibly get in any other location. I think the gentleman would do well to look at it.

Mr. SHAFER. There are 10½ acres of land there for parking or other purposes which could be used by civilian defense—Government-owned property, at a rental saving annually of at least $250,000.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, I rise in opposition to the amendment and to support the position taken by the gentleman from Michigan [Mr. SHAFER]. As a member of the subcommittee, we heard testimony on this proposal on the budget for the Civil Defense Authority. The testimony indicated that they had exhaustively gone into the conditions at the site of Olney and had come to the conclusion that the site was inadequate for their long-range plans, and that they were considering moving to one of several sites, Indiantown Gap, Pa., or Battle Creek, Mich. As I understand it, after a full investigation of all the possibilities, the executive branch of the Government felt that the Government-owned site at Battle Creek, Mich., which is presently not used, was the most desirable site that they could find for their overall program. I understand one of the major factors in their decision was the fact that they could save about $200,000 to $250,000 annually in the operation of their agency by such a move from Olney to Battle Creek.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. HYDE. Does the gentleman understand that this amendment applies not to the civil defense headquarters but it applies merely to the training center for which there is now a building at Olney? There is this installation, for example, known as Rescue Street on which there are any number of buildings in various stages of destruction to simulate a destroyed town, which would have to be entirely done away with and which would have to be reconstructed in a new location, and that the loss on that installation alone would cost over a quarter of a million dollars on what has already been invested there to say nothing of the cost of removal to the new location, which expense in itself would be more than enough to pay for the entire location at Olney.

Mr. FORD. It is my understanding that all of those factors of initial cost of construction at Olney, the cost of doing whatever is necessary at Battle Creek, plus the comparative cost between what they pay now and what they will have to pay at Battle Creek for annual maintenance and operation were taken into consideration and in the estimation of the Civil Defense authorities, based upon what they consider essential in the overall civilian defense picture, they feel that Battle Creek is the best possible site that they could get and, consequently, I sincerely hope that the decision of the executive branch will be upheld and the amendment offered by the gentleman from Maryland will be defeated.

Mr. HYDE. I have one further question. There is another matter which was not thrashed out before the subcommittee.

Mr. FORD. I think that is correct, that we get the benefit of the decision of the executive branch of the Government. That is a decision which is the responsibility primarily of the executive branch, and consequently all we got was a report as to what the facts were and on what basis they predicated their views.

I repeat again, Mr. Chairman, I hope the amendment is defeated so that this movement for the best interests of the Civil Defense and in the best interests of the country as a whole will take place as rapidly as possible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HYDE].

The amendment was rejected.

The Clerk read as follows:

For expenses necessary to carry out the provisions of the act of August 13, 1953 (67 Stat. 576), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem in lieu of subsistence for members of the Commission serving without compensation; purchase of not to exceed 2 passenger motor vehicles; and entertainment, $170,000.

Mr. McCULLOCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCULLOCH: Page 28, lines 18 and 19, after the semicolon in line 18, strike the remainder of the line and all of line 19 and insert in lieu thereof "$25,000."

Mr. McCULLOCH. Mr. Chairman, in the dying days of the 1st session of the 83d Congress, Subcommittee No. 4 of the Judiciary Committee, out of consideration for the patriotism of our people and in due respect to the courage of those Founding Fathers who hallowed the ground at Jamestown, at Williamsburg, and at Yorktown, favorably reported a Senate joint resolution, which later became Public Law 263, which was approved by the President on August 13, 1953.

That joint resolution was reported out of Subcommittee No. 4 and out of the full Judiciary Committee only after the entire section, which authorized an appropriation, was stricken from the bill. I feel sure I am safe in saying to the members of the committee that neither the subcommittee nor the full Committee on the Judiciary would have favorably reported that joint resolution had the amendment striking the section in question not been agreed to.

In the meantime those who are interested in this celebration—and I think it is a fine thing and I am wholeheartedly in support of the celebration down there—are requesting an appropriation of $170,000, which will be requested for each of 3 years during the time this celebration will continue.

Let me enumerate some of the items covered by this $170,000, according to testimony before our committee, which will be found on page 1105 and the several following pages of the printed hearings. In the first place 12 full-time employees would be hired, 5 of whom would receive $9,600, or more, a year, each. In addition, $35,000 of this sum would be paid to consultants who are authorized to travel to France and to Britain and to expend as much as $15,000 for traveling expenses. In addition, this Commission, pursuant to this budget, would be authorized to buy 2 new passenger automobiles, would be authorized to buy 5 intercommunication systems, 5 brandnew typewriters, 2 dictaphone transcribers, and other items

along that line, when all the time there are in the GSA similar items that could be used to good advantage.

I repeat, this Commission is intended to function for 3 years which means, at this rate, that it will ultimately cost $510,000. My amendment would reduce the appropriation to $25,000 a year.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from New York.

Mr. KEATING. I feel sure that the gentleman has stated it correctly when he says that no member of the Committee on the Judiciary ever had any impression that such a sum as $170,000 and that much for each of 3 years would be spent on this celebration. Our committee, as the gentleman knows, takes a position with regard to these celebrations that it wants to foster patriotism, but it certainly does not intend that such large expenditures shall be made. I shall support the gentleman's amendment and I hope it will be agreed to.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from Pennsylvania.

Mr. WALTER. As a matter of fact, the Committee on the Judiciary by unanimous vote deleted a section authorizing an appropriation?

Mr. McCULLOCH. That is exactly right. As I stated at the very beginning, the committee, as I recall, unanimously struck the entire section which would have authorized an appropriation.

I am chairman of the subcommittee to which all of these bills proposing celebrations are referred and, like my good friend, the gentleman from New York, I am also interested in fostering patriotism, love of country and indoctrinating the youth of the land with the courage, foresight and the political know-how of the founders of this country. If we are to be confronted with appropriations of this size for every bill that comes to us for the celebration of such affairs, I am fearful that in the future no celebration bills will be approved by the Committee on the Judiciary.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from Michigan.

Mr. MEADER. May I ask the gentleman if at about the same time we approved a bill for the celebration of the anniversary of Columbia University, also a celebration of our independence at Philadelphia, and in both cases with agreement by the sponsors of those bills we deleted all authorization for appropriation of Federal funds?

Mr. McCULLOCH. The answer to both of the questions is unequivocally "Yes." It was by the consideration of the members of the Committee on the Judiciary and in that course of action that this joint resolution was favorably reported.

I hope that the committee will approve the amendment which I have offered.

Mr. GARY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. McCULLOCH].

Mr. Chairman, I assure you that this celebration which is proposed at Jamestown, Williamsburg, and Yorktown is one of the most important celebrations that has ever taken place in the United States of America. But this is much more than a celebration.

In the first place, 1957 will be the 350th anniversary of the founding of America. In 1607 at Jamestown there was established the first permanent English settlement on the North American Continent.

Moreover, 1957 will mark the 175th anniversary of the surrender at Yorktown where our Nation won its independence. Strangely enough, the 175 years that have followed that event are exactly the same number of years as Virginia remained a colony.

Mr. Chairman, this Government has recognized the importance of this area and has established there the Colonial National Historical Park. It embraces the 3 locations of Yorktown, Jamestown, and Williamsburg, which are not more than 24 miles apart. Williamsburg is in the center with Yorktown 12 miles on one side and Jamestown 12 miles on the other. The Federal Government plans during the coming years to put certain public installations in that national memorial. They have already spent large sums of money there and will spend additional sums in the future. Now, what the Government is being asked to do in this instance is merely to accelerate work already planned on this national memorial so that it will be available to the thousands and thousands of citizens who will visit the celebration which will take place in 1957. A national Federal commission has been established to supervise this work and to advise with the Department of the Interior. That Commission has been appointed by the President of the United States, the President pro tempore of the Senate, and the Speaker of this body. The Commission is not going to limit its activities to this celebration; it will advise the Department of the Interior in planning the park that will memorialize the most historic events in the history of America so that future generations may go there and pay homage to our forefathers who established this great land, pay homage to the cradle of democracy that nurtured those men who made this Nation great, men such as Jefferson, Marshall, and others of that character. This park will ever be a memorial to the flowering of democracy, and I believe that the Members of this House will agree that if there ever was a time that we should reaffirm our faith in democracy it is today, when a contrary ideology is gaining strength in the world.

This area of Virginia has in it many firsts. It was not only the first permanent English settlement in America; the first legislative body that ever sat on American soil held its first session in Jamestown in 1619.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. GARY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GARY. The first law school in America was established at Williamsburg. The second oldest college in America is located at Williamsburg. The landing of the first Negroes in this country took place within this area; the first port of entry, the first customshouse, the first iron factory, the first glass works, and the beginnings of many other American political and economic activities.

Mr. Chairman, I am not going to impose any longer on the patience of this House at this late hour. I believe that the Members of this House realize the importance of this great celebration and the work that should be done by the Federal Government to improve this national memorial park so that it will be ready for this celebration. I respectfully urge that the committee vote down this amendment.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Michigan.

Mr. FORD. I think it should be pointed out that this was not a request which was initiated by the Congress but one that was initiated and submitted to the Committee on Appropriations by the executive branch of the Government, and the amount included was presented by the President in his budget proposal.

Mr. GARY. I thank my distinguished colleague from Michigan for his contribution. That is absolutely correct. It is not an amount asked by the State of Virginia. It was the amount asked by the Department of the Interior and the President, through the Interior Department. The Department of the Interior will administer these funds which will be spent under the proper guidance of this committee and the Interior Department.

Mr. MARSHALL. Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio.

The gentleman from Virginia [Mr. GARY], who preceded me, spoke very eloquently about early American history. No man could have presented a case on the floor more fluently, more earnestly than the gentleman from Virginia. But I am a bit concerned and perhaps a bit confused by some of the things that go on.

We have a distinguished gentleman from the State of Virginia whose name is a household word throughout the United States for economy. Periodically I get a report from his committee pointing out the necessity of cutting down Federal appropriations; cutting down the number of personnel, cutting down the number of automobiles. Here, to my amazement, we have some distinguished citizens from his State who come before the Congress of the United States and ask for funds. For what purpose? For another commission; for two more automobiles; to increase the number of employees in the Federal service.

Are we on one hand to talk about curtailing the number of personnel, the number of automobiles, the amount of

Government expenditures and then on the other hand appropriate more money?

I do not like to do things that way. I think there are many other Members of the House who do not like to do things that way. It is one thing to preach economy. It is one thing to hold oneself up as an example of economy. It is another thing to practice that and to put it into effect.

The people of the State of Virginia are excellent Americans. They are good people. They are good citizens. Their Representatives in Congress can only be as good as they permit them to be. Here we have had an example on the question of economy, in the delegation from the State of Virginia requesting funds from the Federal Government. Lets be consistent.

I hope the amendment offered by the gentleman from Ohio [Mr. McCULLOCH] is agreed to.

Mr. MEADER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I support the amendment offered by the chairman of our Judiciary Subcommittee No. 4, the gentleman from Ohio [Mr. McCULLOCH]. I represented our committee on the floor when the bill creating this commission last year passed under unanimous consent.

I want to call attention to a very unusual situation that we face here. Frequently, when we are considering appropriation bills, we hear the argument made that Congress, through its legislative committees and by action of the House, has authorized a Federal activity, and that the Appropriations Committee should not be allowed to destroy that program which the Congress has ordered. Now we find the contrary of that situation. We find a subcommittee of the Committee on the Judiciary has considered an item in a bill that was before it containing an authorization for an appropriation of Federal funds and that subcommittee expressly and consciously deleted that section from the bill and in that fashion it was approved by the full Committee on the Judiciary and in that fashion approved, under unanimous consent, by the House of Representatives. Notwithstanding the fact that Congress had expressed itself as not authorizing Federal funds for that purpose, now we come in here and have an appropriation of $170,000 for 3 years to celebrate an historical event.

One reason I am disturbed about this is that at the same time we had bills before us to celebrate an anniversary of Columbia University and also the Independence celebration in Philadelphia, both of which originally contained very minor appropriations, something on the order of $10,000 or $15,000. The Judiciary Committee and the subcommittee, after discussion with the sponsors of those programs, deleted, with their consent, any authorization for an appropriation.

If we are to commence setting up commissions with five employees getting over $9,600 a year to work for 3 years in preparation for an historical event, and every State has historical events that it is proud of, there will be no end to the creation of these commissions and the expenditure of public funds, especially if it can be done when the Congress has expressly denied the authorization of funds for a purpose of this character.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from New York.

Mr. KEATING. I think the Members in voting on this amendment should bear in mind that many of us from time to time have such projects, in which we are interested, and genuinely interested. If this procedure of creating these commissions and having these celebrations is abused by Congress voting an expenditure of unjustified funds, it certainly will react adversely against other celebrations and to the detriment of many other Members of the House.

Mr. MEADER. I thank the gentleman.

May I add out of my own experience that within this month the city of Jackson, Mich., in my district, put on a celebration of the founding of the city and also the founding of the Republican Party in Jackson, Mich., on July 6, 1854. The citizens of that community gave of their time and gave of their funds and put on a celebration that was really worthwhile, yet they did not ask the Federal Government for any money for a purpose of that kind.

I think if we establish the precedent of setting up a Federal commission with high-paid employees and $69,000 for miscellaneous expenses there will be no end to the expense that will come out of the Federal Treasury, because you will find difficulty in distinguishing between Virginia, Massachusetts, New York, Philadelphia, and Michigan.

I think the amendment offered by the gentleman from Ohio perhaps leaves too much money by giving $25,000 in this appropriation since there was no appropriation authorized originally in the legislation, but I am going to support his amendment because as a practical matter perhaps some reliance has been placed upon the approval by the Interior Department of this item in the budget.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Iowa.

Mr. GROSS. In 1949 or 1950 the House of Representatives voted $2 million for a sesquicentennial celebration in Washington, D. C. I fought that raid on the Treasury. There was proposed to be built down in Foggy Bottom, along the Anacostia River, a lot of fancy buildings, and so on and so forth. That ended up in the biggest boondoggle of its kind of all time. About the only thing the people got out of that $2 million appropriation was a bunch of payrollers and a band shell that floats on the Potomac River. Let us not make that kind of a mistake twice.

Mr. MEADER. I may say in closing that the $170,000 sought to be appropriated to the Commission will not produce any buildings. Any improvements such as roads or any other structures in a national memorial park come out of a totally different appropriation in far larger amounts. The $170,000 does nothing but pay salaries and operate the commission for a year.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. McCULLOCH].

The question was taken; and on a division (demanded by Mr. GARY) there were—ayes 85, noes 41.

So the amendment was agreed on.

The Clerk read as follows:

SEC. 1111. (a) After the date of enactment hereof no amount shall be recorded as an obligation of the Government of the United States unless it is supported by documentary evidence of—

(1) a binding agreement in writing between the parties thereto, in a manner and form and for a purpose authorized by law, executed before the expiration of the period of availability for obligation of the appropriation or fund concerned for specific goods to be delivered, real property to be purchased or leased, or work or services to be performed; or

(2) a valid loan agreement, showing the amount of the loan to be made and the terms of repayment thereof; or

(3) an order required by law to be placed with a Government agency; or

(4) an order issued pursuant to a law authorizing purchases without advertising when necessitated by public exigency or for perishable subsistence supplies or within specific monetary limitations; or

(5) a grant or subsidy payable (i) from appropriations made for payment of or contributions toward, sums required to be paid in specific amounts fixed by law or in accord with formulae prescribed in law, or (ii) pursuant to agreement authorized by, or plans approved in accord with and authorized by, law; or

(6) a liability which may result from pending litigation brought under authority of law; or

(7) employment or services of persons or expenses of travel in accord with law, and services performed by public utilities; or

(8) any other legal liability of the United States against an appropriation or fund legally available therefor.

(b) Not later than September 30 of each year, the head of each Federal agency shall certify, as to each appropriation or fund under the control of such agency, the amount thereof remaining obligated but unexpended and the amount thereof remaining unobligated on June 30 of such year and copies of such certification shall be forwarded by him to the chairmen of the Committees on Appropriations of the Senate and the House of Representatives, to the Comptroller General of the United States, and to the Director of the Bureau of the Budget. Notwithstanding any other provision of law, the duty of making certifications as required by this subsection shall not be delegated: *Provided*, That such certification for the fiscal year ending June 30, 1954, shall be made not later than October 31, 1954, and shall include only such obligations as could have been recorded under the provisions of subsection (a) hereof.

(c) Each certification made pursuant to subsection (b) shall be supported by records evidencing the amounts which are certified therein as having been obligated and such records shall be retained in the agency in such form as to facilitate audit and reconciliation for such period as may be necessary for such purposes.

(d) No appropriation or fund which is limited for obligation purposes to a definite period of time shall be available for expenditure after the expiration of such period except for liquidation of amounts obligated in accord with subsection (a) hereof; but no such appropriation or fund shall remain

available for expenditure for any period beyond that otherwise authorized by law.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 40, after line 9, insert a new paragraph as follows:

"(e) Any statement of obligation of funds furnished by any agency of the Government to the Congress or any committee thereof shall include only such amounts as may be valid obligations as defined in subsection (a) hereof."

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. TABER. Mr. Chairman, this is an amendment to the definition of an obligation which has been prepared over the winter, and the amendment has been drawn up by the clerk of the Committee on Appropriations. As far as I am concerned, I am prepared to accept it.

Mr. CANNON. Mr. Chairman, we are glad to accept the amendment.

Mr. VORYS. Mr. Chairman, section 1111 is legislation on an appropriation bill, but it is the kind of legislation that comes most appropriately from the Appropriations Committee; it is very good, carefully drawn, much-needed legislation, and I congratulate the Committee on Appropriations on this section.

But they have been a little selfish about it. They have applied their carefully limited definition of a Government obligation only to certifications to the Appropriations Committees. My amendment would make it apply to reports to all committees of Congress.

I have been interested in this subject for years, as we have reviewed in the Foreign Affairs Committee the growing unexpended balances in the ECA, MOAP, MSA, and FOA programs. Everyone agrees that, in considering whether a department or agency has any leftover funds, money that the Government is already legally, actually obligated to spend should be considered in all honesty as already spent, insofar as congressional action is concerned. A true, legal, actual obligation of the United States Government should not be any more subject to rescission, reduction, or change by Congress than money already spent, even though the money was spent unwisely or dishonestly. But what has been the result of this simple, natural, honest view of a Government obligation? Departmental and agency people, in their determination to hold on to leftover funds, unused funds, to prevent their reverting to the Treasury; to tie the hands of Congress in considering whether the agency needs these funds, have adopted the device of pasting the labels obligation or obligated balance all over such funds. We have all heard stories of the feverish rush in Government offices to get funds obligated toward the end of a fiscal year by bookkeeping and accounting manuevers that bar reconsideration by Congress but leave the agency free to do as it pleases with such funds.

This section, as amended, may stop such monkey business. Cynics may say that it will result in actual overobligating and extravagance. I think not. I think, however, we need to be considering some penalties that might be applied both to fictitious labeling of obligations and to overobligating.

In any case, this section as amended, will help the work of both the Appropriation and the legislative committees. Executive juggling between the authorization and appropriation stages of legislation accounts for a lot of overspending. This will help to stop this juggling by at least giving the same kind of figures to all congressional committees.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. TABER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALLEN of Illinois, 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. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, had directed him to report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. TABER. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. TABER. Mr. Speaker, I ask for a separate vote on the Preston amendment, the airport amendment; and on the Wigglesworth amendment for ship construction.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the other amendments en bloc.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. PRESTON: On page 6, line 8, add:

"CIVIL AERONAUTICS ADMINISTRATION—FEDERAL-AID AIRPORT PROGRAM, FEDERAL AIRPORT ACT

"For carrying out the provisions of the Federal Airport Act of May 13, 1946, as amended (except section 5 (a)), $22 million, of which (1) $20 million shall be for projects in the States in accordance with section 6 of said act, (2) $250,000 for projects in Puerto Rico, (3) $50,000 for projects in the Virgin Islands, (4) $225,000 for projects in the Territory of Hawaii, (5) $225,000 for projects in the Territory of Alaska, and (6) $1,250,000 shall be available as one fund for necessary planning, research, and administrative expenses (including not to exceed $125,000 'Civil Aeronautics Administration,' for necessary administrative expenses, including the maintenance and operation of aircraft): *Provided*, That the amount made available herein for administrative expenses shall be in addition to the amount made available for such purposes in the Department of Commerce Appropriation Act, 1955."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 144, noes 42.

Mr. TABER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-three Members are present, a quorum.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 6, line 11, after the words "ship construction", strike out all of lines 11, 12, and 13, and insert in lieu thereof the following:

"For payment of construction-differential subsidy and cost of national-defense features incident to construction of 4 passenger-cargo ships under title V of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1154); for reconditioning and betterment of not to exceed 4 ships in the national-defense reserve fleet; and for necessary expenses for the acquisition of used tankers pursuant to section 510 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1160), and the payment of cost of national-defense features incorporated in new tankers constructed to replace such used tankers, $82,600,000: *Provided*, That appropriations granted herein shall be available to pay construction-differential subsidy granted by the Federal Maritime Board, pursuant to section 501 (c) of the Merchant Marine Act, 1936, as amended, to aid in the reconstruction of any Mariner-class ships sold under the provisions of title VII of the 1936 act. *Provided further*, That all ship construction, reconditioning and betterment of vessels appropriated for herein be performed in shipyards in the continental United States."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 159, noes 44.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

COMMITTEE ON WAYS AND MEANS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on H. R. 10009.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, 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. 257. Concurrent resolution authorizing the printing of additional copies of the hearings relative to the contribution of atomic energy to medicine.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 96. Concurrent resolution to extend the greetings and felicitations of Congress to Hon. Herbert Hoover on the 80th anniversary of his birth, August 10, 1954.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2670) entitled "An act to provide for the termination of Federal supervision over the property of certain tribes, bands, and colonies of Indians in the State of Utah and the individual members thereof, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon; and appoints Mr. WATKINS, Mr. DWORSHAK, and Mr. ANDERSON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 252) entitled "An act to permit all civil actions against the United States for recovery of taxes erroneously or illegally assessed or collected to be brought in the district courts with right of trial by jury."

FEDERAL UNEMPLOYMENT TAX

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5173) to provide that the excess of collections from the Federal unemployment tax over unemployment compensation administrative expenses shall be used to establish and maintain a $200 million reserve in the Federal unemployment account which will be available for advances to the States, to provide that the remainder of such excess shall be returned to the States, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 4, strike out "1953" and insert "1954".

Page 2, line 13, strike out "unemployment" and insert "employment security".

Page 3, line 2, strike out "unemployment" and insert "employment security".

Page 3, line 6, strike out "unemployment" and insert "employment security".

Page 3, strike out all after line 7 over to and including line 4 on page 4 and insert:

"'(1) The aggregate of the amounts expended during the fiscal year for the purpose of assisting the States in (A) the administration of their unemployment compensation laws (including administration pursuant to agreements under title IV of the Veterans' Readjustment Assistance Act of 1952), (B) the establishment and maintenance of systems of public employment offices in accordance with the act of June 6, 1933, as amended (29 U. S. C., sec. 49–49n), and (C) carrying into effect section 602 of the Servicemen's Readjustment Act of 1944, as amended; and

"'(2) the amount estimated by the Secretary of Labor as equal to the necessary expenses incurred during the fiscal year for the performance by the Department of Labor of its functions (except its functions with respect to Puerto Rico and the Virgin Islands) under (i) this title and titles III and XII of this act, and (ii) the Federal Unemployment Tax Act, (iii) the provisions of the act of June 6, 1933, as amended, (iv) title IV (except sec. 602) of the Servicemen's Readjustment Act of 1944, as amended, and (v) title IV of the Veterans' Readjustment Act of 1952; and'."

Page 4, line 5, strike out "(2)" and insert "(3)".

Page 4, strike out lines 11, 12, and 13.

Page 5, line 17, after "Labor", insert "and certified by him to the Secretary of the Treasury on or before that date".

Page 5, line 17, after "States", insert "to the Secretary of Labor by June 1".

Page 5, line 22, strike out "June 1" and insert "May 1".

Page 5, line 24, strike out "June 1" and insert "May 1".

Page 8, line 13, strike out "account" and insert "unemployment fund".

Page 8, line 22, after "subsection;", insert "and".

Page 8, strike out all after line 22 over to and including line 3 on page 9.

Page 9, line 4, strike out "(4)" and insert "(3)".

Page 9, line 5, strike out "(1), (2), and (3)" and insert "(1) and (2)".

Page 9, line 7, strike out "shall, from time to time, certify" and insert "shall certify."

Page 10, line 15, strike out "(a)".

Page 10, line 18, after "shall", insert "promptly".

Page 10, lines 18 and 19, strike out "as of the close of the calendar month in which the Governor makes such request".

Page 10, line 20, after "the", insert "unemployment trust fund for credit to the".

Page 11, line 5, strike out "subsection (a)" and insert "section 1201".

Page 11, line 8, after "paid", insert ", received, and covered into the Treasury".

Page 11, lines 9 and 10, strike out "subsection (a)" and insert "section 1201".

Page 11, line 10, after "the" where it appears the second time insert "unemployment trust fund for credit to the".

Page 11, lines 14 and 15, strike out "from time to time from the general fund in" and insert "at the close of the month in which the moneys were covered into".

Page 11, line 15, after "the", where it appears the second time insert "unemployment trust fund for credit to the".

Page 11, line 16, after "be", insert ", as of the first day of the succeeding month".

Page 11, line 18, strike out "from time to time".

Page 11, line 20, strike out "title." " and insert "title".

Page 11, after line 20, insert:

"'SEC. 1203. When used in this title, the term "governor" shall include the Commissioners of the District of Columbia.'"

Page 12, line 16, strike out "second" and insert "fourth".

Amend the title so as to read: "A bill to provide that the excess of collections from the Federal unemployment tax over employment security administrative expenses shall be used to establish and maintain a $200 million reserve in the Federal unemployment account which will be available for advances to the States, to provide that the remainder of such excess shall be returned to the States, and for other purposes."

Mr. REED of New York. Mr. Speaker, only two of the Senate amendments are of importance. The others are purely technical, clerical, or clarifying in nature.

The first amendment of substance eliminates the requirement that a State maintain an average 2.7-percent tax during the quarter in which application is made for an advance in order to be eligible for the advance. This will avoid compelling States as a condition of eligibility for a loan to make sharp increases in employers' contributions during periods of high unemployment when they are least able to meet such increases.

The second amendment relates to the repayment of advances obtained by the States. Under the House bill, repayment of the advances obtained by States were to be made by either (a) transfer of funds from the trust account of the borrowing State—at the direction of its governor—to the Federal unemployment account, or (b) a decrease in the 90-percent allowable credit against the 3-percent Federal unemployment tax. Under the House bill, this decrease in allowable tax credits would have begun after the second January 1 on which outstanding advances have not been repaid by transfer of funds from the State's trust fund. Under the Senate amendment, the decrease in allowable credits will not begin until after the fourth—rather than the second—January 1 on which such conditions exist.

Mr. COOPER. Mr. Speaker, if the gentleman will yield, the Senate amendments have been examined by those of us on this side, and we are in agreement with the request made by the gentleman from New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

AMENDING THE TARIFF ACT OF 1930

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of H. R. 8932, a bill to amend the Tariff Act of 1930, as amended, to reclassify dictaphones by transferring them from their existing tariff classification under paragraph 1542 of the Tariff Act to a new provision under paragraph 372.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That paragraph 372 of the Tariff Act of 1930 (19 U. S. C., sec. 1001, par. 372) is hereby amended by inserting after "cash registers, 25 percent ad valorem;" the following: "business dictating, recording, and transcribing machines, chiefly used in business offices of the type or types recording on nonmagnetizable recording medium, and parts thereof, 15 percent ad valorem;".

SEC. 2. Paragraph 1542 of the Tariff Act of 1930 (19 U. S. C., sec. 1001, par. 1542) is

hereby amended by striking out the word "dictaphones."

SEC. 3. The amendments made by this act shall take effect at the close of the 30th day after the day on which this act is enacted.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That paragraph 372 of the Tariff Act of 1930 (19 U. S. C., sec. 1001, par. 372) is hereby amended by inserting after 'cash registers, 25 percent ad valorem;' the following: 'business dictating, recording, and transcribing machines, chiefly used in business offices, of the type or types recording on nonmagnetizable recording medium, and parts thereof, 30 percent ad valorem;'.

"SEC. 2. Paragraph 1542 of the Tariff Act of 1930 (19 U. S. C., sec. 1001, par. 1542) is hereby amended by striking out 'dictaphones,' in each place it appears therein.

"SEC. 3. Nothing in this act shall be construed as affecting in any manner existing international obligations of the United States with respect to the duty on the articles inserted by the first section of this act in paragraph 372 of the Tariff Act of 1930, and the rate of duty of 15 percent ad valorem presently applied to such articles under paragraph 1542 of such act, as modified pursuant to such international obligations, shall continue to be applied to such articles and to be subject to modification or termination in the same manner and to the same extent as under existing law.

"SEC. 4. The amendments made by this act shall take effect at the close of the 30th day after the day on which this act is enacted."

The committee amendment was agreed to.

Mr. REED of New York. Mr. Speaker, the new paragraph would include business dictating, recording, and transcribing machines, chiefly used in business offices, of the type or types recording on nonmagnetized recording medium, and parts thereof.

The present tariff status of dictaphones is that they are now classified in paragraph 1542 of the tariff act in the sundries schedule along with gramophones and musical instruments. They are dutiable at 15 percent ad valorem under paragraph 1542, the rate having been reduced from 30 percent in trade-agreement negotiations.

H. R. 8932 would transfer dictaphones from the sundries schedule contained in paragraph 1542 to paragraph 372 in the machinery schedule where it would be classified with various types of machinery, including office machines. The bill would continue the 15-percent rate applicable to dictaphones so that no change in duty is involved under your committee's bill. H. R. 8932 would, however, involve a change in nomenclature, and the new description would be "business dictating, recording, and transcribing machines, chiefly used in business offices, of the type or types recording on nonmagnetized recording medium."

The Committee on Ways and Means has been informed that, because dictaphones have been classified in the same paragraph along with phonographs and musical instruments, other countries have similarly classified them and as a result have imposed luxury taxes higher than would otherwise be the case. Favorable reports have been received on H. R. 8932 from the Departments of the Treasury and Commerce.

The Committee on Ways and Means adopted an amendment to H. R. 8932 in the nature of a substitute which, in addition to clarifying and technical changes, incorporates changes designed to insure that the bill will not affect the rate of duty applicable to the articles covered by the bill. As introduced, the bill amends the Tariff Act of 1930, to provide for a 15-percent ad valorem duty for these articles. The rate now specified in the act for these articles is 30 percent, but the rate generally in effect has been reduced to 15 percent as a result of trade-agreement negotiations under section 350 of the Tariff Act of 1930. The committee amendment continues the 30-percent rate in the act, but provides that existing trade agreements, and the 15-percent rate established as a result of such agreements, shall continue to apply, until lawfully modified or terminated. Under the amendment, articles covered by the bill which are produced in any nation or area designated under section 5 of the Trade Agreements Extension Act of 1951 as Communist-dominated or controlled will continue to be dutiable at the 30-percent rate. Another example of the effect of the amendment is that if the authority to apply reduced rates through trade agreements should be terminated and the statutory levels reinstated, the rate for the articles covered by the bill would revert to 30 percent rather than be fixed at 15 percent.

The Committee on Ways and Means was unanimous in recommending the enactment of H. R. 8932.

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.

PRINTING OF ADDITIONAL COPIES OF CONFERENCE REPORT ON H. R. 8300

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 260.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 8,300 additional copies of the conference report on H. R. 8300, a bill to revise the internal-revenue laws of the United States, of which 1,000 shall be for the use of the Committee on Finance, 1,500 for the Senate document room, 3,000 for the use of the Committee on Ways and Means, 300 for the use of the Joint Committee on Internal Revenue Taxation, and 2,500 for the House document room.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON APPROPRIATIONS

Mr. TABER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight Saturday to file a report on the Foreign Operations Administration appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CANNON. Mr. Speaker, I reserve all points of order on the bill.

BIRTHDAY ANNIVERSARY OF HON. HERBERT HOOVER

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution (S. Con. Res. 96).

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States thereby extends to the Honorable Herbert Hoover its greetings and felicitations on the 80th anniversary of his birth, August 10, 1954.

SEC. 2. The Congress expresses its admiration and gratitude to Mr. Hoover for his long years of devoted service to his native land and to the world in general in many different capacities.

SEC. 3. The Congress is especially appreciative of his willingness to accept cheerfully the heavy burden of serving as Chairman of the second Commission on Organization of the Executive Branch of the Government, which is an arm of the Congress, in order to complete the work so well begun a few years ago by a similar commission under his chairmanship.

SEC. 4. The Congress expresses the hope and desire that divine providence may permit Herbert Hoover to be spared to give many more productive years of honored service to humanity and to his beloved country.

SEC. 5. A copy of this resolution shall be transmitted to America's elder statesman, the Honorable Herbert Hoover.

Mr. BROWN of Ohio. Mr. Speaker, I might say that this is exactly the same concurrent resolution that was adopted by the House unanimously on yesterday. This has been adopted in the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I should like to ask the gentleman what the program is for the rest of the day. If all the gentleman intends is to proceed until we adopt the rule for the consideration of the atomic energy bill, and not go into general debate, and not have a night session, I shall not object. I think we would do better if we adopted the rule on the atomic energy bill and met tomorrow at 10 o'clock than to continue and debate the atomic energy bill tonight and then attempt to meet at 12 o'clock tomorrow.

Mr. HALLECK. If the gentleman will yield, I had hoped that we could proceed with the consideration of the atomic energy bill. Certainly the rule should be adopted. As I understand it, there will not be any considerable amount of time taken on the rule.

I have discussed the matter with the gentleman from New York [Mr. COLE], who is chairman of the committee. He would like to proceed with general debate this evening. Of course, that would not necessitate that all Members be present. Those who wanted to stay and participate in the debate or listen to it could do so and those who did not want to stay could read it in the RECORD in the morning at their leisure.

I appreciate what the gentleman has said, but I should like very much to dispose of that measure by tomorrow evening. Also, I might say to the gentleman, there are 17 citations from the Committee on Un-American Activities which we want to call up the first thing in the morning. It was suggested to me that there would be a vote on at least the first one, and I had hoped that that could be the quorum call in the morning.

I trust that the gentleman will not insist upon his suggestion that we do not proceed with general debate on the atomic energy bill this evening, at least for a while, and see what develops.

Mr. RAYBURN. Mr. Speaker, further reserving the right to object, I do not know of any measure to come before this House for the remainder of this session, and in fact, I do not think of one that has come before the House thus far this session in which there is more interest among the Members of the House than in this atomic energy bill.

We have been here since 10 o'clock this morning. I am willing to stay until about 6 o'clock. I think that would be as late as I would be willing to remain here this evening. If we meet at 10 o'clock in the morning then, we will be fresh for further consideration of the business of the House.

Mr. HALLECK. Of course, I recognize that it is the gentleman's privilege and right to take the position he does, to object to coming in at 10 o'clock in the morning.

Mr. RAYBURN. I do not object to coming in at 10 o'clock in the morning.

Mr. HALLECK. Do I understand the gentleman correctly that if we undertake to go beyond 6 o'clock he would feel constrained to oppose the unanimous-consent request that I made to come in at 10 o'clock in the morning?

Mr. RAYBURN. That is correct. I think if we adopt the rule, that should be sufficient. I should not object to sitting until 6 or perhaps a little longer for that purpose.

Mr. HALLECK. I think the rule will be adopted very quickly.

Mr. RAYBURN. If the gentleman from New York [Mr. COLE] wants to speak this evening, that is all right with me.

Mr. HALLECK. The gentleman from New York [Mr. COLE] wants to expedite this measure and the work of the House of Representatives as, I am quite sure, all of us do.

Mr. RAYBURN. Of course, I am very anxious, as I have said, to cooperate with the gentleman from Indiana on his goal of July 31. But I do not think we would expedite things by going beyond 6 o'clock this evening.

Mr. HALLECK. I think I understand the gentleman's position. Perhaps the gentleman will bear with me for a moment to make this observation.

Yesterday, during discussion of the postal pay and rate bill, the gentleman spoke of the fact that the House had not, under his tenure, employed this procedure involving a suspension of the rules and that he would never be a party to this trend toward denying the representatives of the people the right to express themselves. Checking back into the RECORD of May 19, 1952, I find that the gentleman from Texas, our beloved former Speaker, who was then Speaker, at that time entertained a motion to suspend the rules for the consideration of a bill to increase social-security payments by $5. Also there was included in the bill under suspension of the rules a matter that was very objectionable to many of us, and we objected to the proceedings which prevented us from any amendment to strike out the objectionable matter. When I read the RECORD, I found that I made just about the same speech that the gentleman did yesterday with respect to what was being done. So the action yesterday certainly was not without precedent on the Democratic side.

Mr. RAYBURN. I will say to the gentleman that I also examined the RECORD. I said yesterday, as far as my memory went. But I will say that this is one time in my life my memory failed me.

Mr. CELLER. Reserving the right to object, Mr. Speaker, and I shall not object, is it proposed to meet on Saturday in the event we do not conclude consideration of the atomic energy bill tomorrow night?

Mr. HALLECK. Yes. I think undoubtedly if we did conclude it we would meet on Saturday. I would say to the gentleman that probably the matters that would be up then would not be of extreme importance or such as to require necessarily the presence of Members who had other arrangements or other things to do.

Mr. HOLIFIELD. Reserving the right to object, Mr. Speaker, I am not sure that I understand the situation. I want to cooperate with the leadership, but I feel that if the rule is brought up—and I have no objection to the hour's discussion of the rule, which can be brought up at this time, of course—then if general debate is to proceed into the evening, I will be constrained to object to meeting at 10 o'clock in the morning. I have no objection and I will have no objection to meeting at 10 o'clock in the morning providing we have an understanding that the rule will be disposed of tonight and the House will then adjourn.

Mr. HALLECK. Mr. Speaker, will the gentleman yield under his reservation of objection?

Mr. HOLIFIELD. Yes, certainly.

Mr. HALLECK. A number of Members, including the chairman of the Committee on Public Works, have spoken to me about disposing of the omnibus rivers and harbors bill. They say it has a unanimous report and there is no controversy about it. Because I am just trying to get along with the things we have to do, I wonder if we might make an arrangement by which we would adopt the rule on the atomic energy bill, if it could be done in a few minutes, and then undertake to let the members of the Committee on Public Works dispose of the omnibus rivers and harbors bill this evening. The rule on that bill has already been adopted.

Mr. RAYBURN. How much general debate will there be on that bill?

Mr. DONDERO. Two hours. We think we can do it within an hour.

Mr. HOLIFIELD. I suggest that we could proceed with the rivers and harbors bill. There is no urgency in disposing of the rule on the atomic energy bill without some discussion. It is an important bill. I think that 1 hour on the rule and 4 hours of general debate is certainly not too much.

Mr. HALLECK. I do not know of anyone who is going to oppose it, as far as I understand. I think everybody expects the measure must taken up and disposed of.

Mr. HOLIFIELD. I certainly do not intend to oppose the rule, but I have had many Members come to me and indicate their desire to obtain some time to speak. As we did agree to a 4-hour limitation on debate, it seems to me that the Members should have the right to use the hour of debate on the rule if they so desire.

Mr. HALLECK. As a matter of fact, I might say to the gentleman there are a number of Members on his side who principally come from one State in the South where they are having primaries next week who are very much interested in being here when the rivers and harbors bill is considered. It certainly would accommodate them if it could be disposed of. However, I do not know that there is more to be accomplished by prolonging this discussion.

Mr. MILLER of Kansas. Reserving the right to object, Mr. Speaker, speaking of the rivers and harbors bill, there will be some controversy when that bill is brought up, and at least 3 or 4 amendments will be offered to it that will require time.

Mr. HALLECK. I think, Mr. Speaker, the only thing we can do is proceed with the rule on the Atomic Energy Commission bill and, under the suggestion of the gentleman from Texas, quit at 6 o'clock, and let matters go on.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HESELTON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce have until midnight tomorrow to file a report on the bill, H. R. 7304.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WATERSHED PROTECTION

Mr. HOPE. Mr. Speaker, I call up the conference report on the bill (H. R. 6788) to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, 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 Kansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2297)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6788) to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, 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 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 erosion, floodwater, and sediment damages in the watersheds of the rivers and streams of the United States, causing loss of life and damage to property, constitute a menace to the national welfare; and that it is the sense of Congress that the Federal Government should cooperate with States and their political subdivisions, soil or water conservation districts, flood prevention or control districts, and other local public agencies for the purpose of preventing such damages and of furthering the conservation, development, utilization, and disposal of water and thereby of preserving and protecting the Nation's land and water resources.

"SEC. 2. For the purposes of this Act, the following terms shall mean:

"The 'Secretary'—the Secretary of Agriculture of the United States.

" 'Works of improvement'—any undertaking for—

"(1) flood prevention (including structural and land-treatment measures) or

"(2) agricultural phases of the conservation, development, utilization, and disposal of water

in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not including any single structure which provides more than five thousand acre-feet of total capacity. No appropriation shall be made for any plan for works of improvement which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, respectively. A number of such subwatersheds when they are component parts of a larger watershed may be planned together when the local sponsoring organizations so desire.

" 'Local organization'—any State, political subdivision thereof, soil or water conservation district, flood prevention or control district, or combinations thereof, or any other agency having authority under State law to carry out, maintain and operate the works of improvement.

"SEC. 3. In order to assist local organizations in preparing and carrying out plans for works of improvement, the Secretary is authorized, upon application of local organizations if such application has been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over programs provided for in this Act, or by the Governor if there is no State agency having such responsibility—

"(1) to conduct such investigations and surveys as may be necessary to prepare plans for works of improvement;

"(2) to make such studies as may be necessary for determining the physical and economic soundness of plans for works of improvement, including a determination as to whether benefits exceed costs;

"(3) to cooperate and enter into agreements with and to furnish financial and other assistance to local organizations: *Provided*, That, for the land-treatment measures, the Federal assistance shall not exceed the rate of assistance for similar practices under existing national programs;

"(4) to obtain the cooperation and assistance of other Federal agencies in carrying out the purposes of this section.

"SEC. 4. The Secretary shall require as a condition to providing Federal assistance for the installation of works of improvement that local organizations shall—

"(1) acquire without cost to the Federal Government such land, easements, or rights-of-way as will be needed in connection with works of improvement installed with Federal assistance;

"(2) assume such proportionate share of the cost of installing any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of anticipated benefits from such improvements: *Provided*, That no part of the construction cost for providing any capacity in structures for purposes other than flood prevention and features related thereto shall be borne by the Federal Government under the provisions of this Act;

"(3) make arrangements satisfactory to the Secretary for defraying costs of operating and maintaining such works of improvement, in accordance with regulations presented by the Secretary of Agriculture;

"(4) acquire, or provide assurance that landowners have acquired, such water rights, pursuant to State law, as may be needed in the installation and operation of the work of improvement; and

"(5) obtain agreements to carry out recommended soil conservation measures and proper farm plans from owners of not less than 50 per centum of the lands situated in the drainage area above each retention reservoir to be installed with Federal assistance.

"SEC. 5. At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the Secretary is authorized to assist such local organizations in developing specifications, in preparing contracts for construction, and to participate in the installation of such works of improvement in accordance with the plan: *Provided*, That, except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure unless there is no local organization authorized by State law to undertake such construction or to enter into such contract, and in no event after July 1, 1956: *Provided further*, That in participating in the installation of such works of improvement the Secretary, as far as practicable and consistent with his responsibilities for administering the overall national agricultural program, shall utilize the authority conferred upon him by the provisions of this Act: *Provided further*, That, at least forty-five days (counting only days occurring during any regular or special sessions of the Congress) before such installation involving Federal assistance is commenced, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President: *Provided further*, That any such plan (a) which includes reclamation or irrigation works or which affects public or other lands under the jurisdiction of the Secretary of the Interior, or (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least sixty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary of Agriculture prior to the expiration of the above sixty-day period, shall accompany the plan transmitted by the Secretary of Agriculture to the Congress through the President: *Provided further*, That, prior to any Federal participation in the works of improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies, including the Department of the Interior and the Department of the Army.

"SEC. 6. The Secretary is authorized in cooperation with other Federal and with States and local agencies to make investigations and surveys of the watersheds of rivers and other waterways as a basis for the development of coordinated programs. In areas where the programs of the Secretary of Agriculture may affect public or other lands under the jurisdiction of the Secretary of the Interior, the Secretary of the Interior is authorized to cooperate with the Secretary of Agriculture in the planning and development of works or programs for such lands.

"SEC. 7. The provisions of the Act of June 22, 1936 (49 Stat. 1570), as amended and supplemented, conferring authority upon the Department of Agriculture under the direction of the Secretary of Agriculture to make preliminary examinations and surveys and to prosecute works of improvement for runoff and waterflow retardation and soil erosion prevention on the watersheds of rivers and other waterways are hereby repealed: *Provided*, That (a) the authority of the Department of Agriculture, under the direction of the Secretary, to prosecute the works of improvement for runoff and waterflow retardation and soil erosion prevention authorized to be carried out by that Department by the Act of December 22, 1944 (58 Stat. 887), as amended, and (b) the authority of the Secretary of Agriculture to undertake emergency measures for runoff retardation and soil erosion prevention authorized to be carried out by section 7 of the Act of June 28, 1938 (52 Stat. 1215), as amended by section 216 of the Act of May 17, 1950 (64 Stat. 163), shall not be affected by the provisions of this section.

"SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, such sums to remain available until expended.

"SEC. 9. This Act may be cited as the 'Watershed Protection and Flood Prevention Act'."

And the Senate agree to the same.

CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
WM. S. HILL,
HAROLD D. COOLEY,
Managers on the Part of the House.

GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
B. B. HICKENLOOPER,
ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
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 amendment of the Senate to the bill (H. R. 6788) to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, 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 the amendment:

The Senate struck out all of the House language and the conference has agreed to the substitute for the Senate amendment. Following are the substantive changes:

Section 2: The conference agreed to the change made by the Senate in the form and punctuation of the definition of "works of improvement" to make it clear that the definition includes drainage projects and that it may be an undertaking either for flood prevention or the agricultural phases of the conservation, development, utilization, and disposal of water.

The House bill provided that the Secretary of Agriculture must come into agreement with the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives on all watershed projects. The Senate amendment struck out this provision and provided that any dam providing a capacity of from 2,000 to 5,000 acre-feet must be approved by the Congress. The conference agreement substitutes for these provisions a requirement that before appropriations can be made for any project containing any structure providing a capacity of from 2,500 to 5,000 acre-feet the plan must be approved by resolutions adopted by the Senate and House Agriculture Committees.

Under the new conference language, committee approval must be obtained before the necessary funds can be appropriated for a plan for works of improvement including a structure providing more than 2,500 acre-feet of total capacity. If an appropriation should be proposed without such committee approval such appropriation would be subject to a point of order. Although the conferees feel that such a proposal would not be made, it is their intent and understanding that a point of order can be made and sustained against appropriations for plans lacking committee approval.

The House defined "local organization" as including any agency having authority under State law to "carry out flood prevention and related activities." The Senate approved a definition, which was agreed upon by the conference, changing the quoted phrase to "carry out, maintain and operate the works of improvement."

Section 3: The Senate amendment added a provision to the House bill requiring approval of the application of the local organization by the appropriate State agency, or if there were no such State agency, by the Governor. The conference agreed to a substitute provision requiring applications to be submitted to the State authority but authorizing the Secretary of Agriculture to proceed on such application unless it had been disapproved by the State agency, or the Governor in the absence of any authorized agency, within 45 days after submission of the application.

Section 4: Two technical amendments of the Senate were adopted making it clear that local organizations (1) would not be required to meet all of the requirements of section 4 before assistance in planning could be given, and (2) would not necessarily be required to defray "all" operating and maintenance costs.

The House provided that, among other conditions, local organizations would have to "furnish" without cost to the Federal Government such land, easements, or rights-of-way as would be needed in connection with installation of works of improvement before the Secretary could assist with such works of improvement. The Senate amended this provision by changing "furnish" to "acquire", and the conference agreed to the Senate amendment.

Section 5: The conference struck out language which had been added by the Senate to require that plans for works of improvement must be referred again to "the appropriate State agency" after their approval by the local organization and the Secretary.

The conference agreed to a Senate amendment broadening the basis for computing benefits in the determination that benefits exceed the cost of the proposed improvements.

The House bill authorized the Secretary to construct or to contract for the construction of structures installed in connection with works of improvement and the Senate deleted this authority. The conference agreed to permit the Secretary to undertake or contract for construction of structures only where no local organization is authorized by State law to contract for such installations, and then only until July 1, 1956. Conference language makes it clear, however, that the Secretary has and will continue to have authority to construct or contract for the installation of such structures in connection with such works of improvement as may be necessary on Federal lands.

The conference adopted a Senate provision requiring the submission of the plan to Congress to be made at least 45 session days before installation is commenced.

The Senate provision that the President shall issue regulations to assure coordination of the work authorized by the act with the related work of other agencies was adopted.

The conference agreed to the 60-day period provided by the House bill (rather than the 90-day period provided by the Senate amendment) for submission of views of the Secretary of the Interior or the Secretary of the Army.

Section 6: The Senate provision authorizing cooperation by the Secretary of the Interior in the development of works on lands under his jurisdiction was adopted.

Section 7: The Senate provision preserving the authority of the Secretary of Agriculture to undertake emergency measures for runoff retardation and soil erosion prevention under the Flood Control Act of 1938 was retained.

The conference changed the short title added by the Senate amendment to "Watershed Protection and Flood Prevention Act".

CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
WM. S. HILL,
HAROLD D. COOLEY,
Managers on the Part of the House.

Mr. HOPE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report. The conference report was agreed to, and a motion to reconsider was laid on the table.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Speaker, the adoption of this conference report marks the end of several years' activity on the part of the House Committee on Agriculture in an effort to obtain an effective and workable law to deal with small watersheds. In the course of that time the committee has held numerous hearings both in the field and in Washington as well as many conferences with officials of the Department of Agriculture, the Bureau of the Budget, representatives of conservation organizations, and others interested in a national program of soil and water conservation. Members of the committee have also discussed the legislation with the President and members of his staff at the White House.

Several Members of the Congress have introduced bills on this subject in both the present and previous Congresses. A subcommittee of the Committee on Agriculture, headed by the able gentleman from Texas [Mr. POAGE], whose long and constructive interest in watershed matters is known to everyone, worked out many problems which had to be resolved before this type of legislation was gotten into acceptable form.

On July 31, 1953, President Eisenhower sent to the Congress a message urging the enactment of this legislation and submitting a revised form of a bill as a substitute for bills previously introduced by the gentleman from Texas [Mr. POAGE], myself, and a number of other Members of the House of Representatives and the Senate. This new bill (H. R. 6788) was introduced in the Senate by Senator AIKEN, joined by several other Members of that body, and in the House by myself. The gentleman from Texas [Mr. POAGE] introduced a bill with some slight changes from the form in which it was submitted by the President.

On February 2, 1954, the House Committee on Agriculture reported the bill H. R. 6788 and on March 11, 1954, the House of Representatives passed it by a unanimous vote in substantially the same form as it was introduced and reported by the committee. The bill passed the Senate on June 22 with a considerable number of amendments.

The conference report, which is presented herewith, represents a reconciliation of the differences between the House and the Senate bill. While I would have personally preferred the provisions of the House bill, I feel that the bill agreed upon in conference is an excellent measure and one which will function effectively in making possible a cooperative program between local agencies and the Federal Government in meeting the great problems of soil and water conservation and flood prevention which confront our country today.

Several of the amendments adopted by the Senate had the effect of slowing down the effective operation of the act.

The agreement reached in conference in practically every instance sets up a procedure to expedite consideration and approval of projects from the local level on up to the Department of Agriculture. It is my belief that this measure constitutes a landmark in our progress toward a better development and use of the great soil and water resources which are possessed by this country.

Taking into consideration the pilot plant projects contained in the Department of Agriculture appropriation bill for the fiscal year 1954, under the leadership of the distinguished gentleman from Minnesota [Mr. H. CARL ANDERSEN], and with the bill S. 3137 as amended in the House by the Lovre amendment, this Congress can truly be said to have enacted more legislation with reference to a more constructive use of our soil and water resources than any other Congress in history.

I desire at this time to thank all of the members of the committee on Agriculture for their contribution to this legislation because it is truly a committee bill. I also want to express my appreciation to the many Members of the House, who have contributed greatly to the progress and final enactment of this legislation.

Mr. HOPE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. H. CARL ANDERSEN] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, just a year ago tomorrow the House agreed to the conference report on the appropriation bill for agriculture for fiscal year 1954. That action marked the official beginning of the Hope-Andersen watershed protection program. Today, a year later, we are finishing action legislatively on this same program, placing the seal of approval by the Congress on this great conservation measure.

Little did I think more than a year ago that the Andersen-Hope watershed protection program would be received throughout the Nation as one of the greatest conservation programs ever enacted by the Congress. My subcommittee last year, through the urging of the gentleman from Kansas [Mr. HOPE] and myself, appropriated $5 million as the first increment of a $29 million program, under which 60 small pilot plant watershed programs are already in process of construction.

Mr. Speaker, I quote here in part from my speech on the House floor on July 23, 1953, page 9836 of the RECORD:

ANDERSEN-HOPE WATERSHED PROTECTION PROGRAM

This item would provide funds for a program of cooperation with local organizations on some 50 small watersheds in 27 States for the purpose of demonstrating the practicability of complete watershed protection as a means of conserving soil and water resources and alleviating damages from floods, siltation of reservoirs, impairment of stream channels, and related problems. These would be pilot plant watershed projects which could be completed in an average period of 5 years, at a total cost of about $29 million to the Federal Government and approximately an equal cost to the landowners, local organizations, and States. This would be a type of cost-sharing venture—a local-State-Federal partnership in the protection and improvement of our vital natural resources of soil and water.

SIZE OF WATERSHED

These demonstration watersheds range in size from as little as 12 square miles to as many as several hundred square miles. They are areas in which it is believed that local people and their local organizations, such as soil conservation districts, watershed districts, flood-control districts, etc., with appropriate help from State and Federal agencies, can complete the watershed treatment work needed in a relatively short period.

MEASURES TO BE INSTALLED

The watershed protection work would consist of application of soil and water conservation practices needed on the farm and ranch lands of the area, adequate protection and management of the woodland, and the installation of such measures as are needed and practicable for reduction of flood and sediment damages, such as small waterflow-retarding dams, channel improvements, stream bank stabilization, major gully control, and related measures.

The small watersheds were selected because they are areas in which the Soil Conservation Service and other agencies of the Department of Agriculture have made preliminary surveys mainly under the authority of the flood control acts which show the need and practicability of such watershed protection measures. It has been determined that in each of these watersheds the benefits of the program will exceed its costs.

AUTHORIZATION FOR PROGRAM

This type of work proposed is authorized by the Soil Conservation Act of 1935 which was passed in the 74th Congress without a dissenting vote in either House. This act is the basic legislation which established the Soil Conservation Service, an agency that now provides technical assistance to more than 2,500 local soil-conservation districts that are organized under State laws and now cover more than 80 percent of the agricultural lands of the Nation. The committee has been assured by both the Bureau of the Budget and the Solicitor of the Department of Agriculture that the authority of this act is fully adequate to cover all of the types of improvements planned to be installed in these watersheds. As a matter of fact, it might be pointed out that the work carried out under this basic legislation for the first few years after its enactment was in the nature of demonstration projects directed toward the application of soil and water conservation practices on individual farms. For the past 10 years the Federal Government, through the Soil Conservation Service, has provided assistance to soil-conservation districts only to aid farmers and ranchers in planning and applying soil and water conservation practices on their own farms and ranches.

WORK ON BOTH PRIVATE AND PUBLIC LAND

Although the larger part of the work contemplated to be done under this estimate would be applied on agricultural lands in the small watersheds with assistance from the Soil Conservation Service, it is planned to install work also on headwater areas which fall within national forests or in non-Federal forest lands. The Forest Service will be allocated funds for this part of the work.

As a part of the program proposed under this appropriation, measurements will be made of the effectiveness of the improvements in reducing runoff and sedimentation and of the increased soil productivity resulting from the improvements. Also, these small watersheds will provide a means of working out practicable working relationships and procedures by which organized local groups, in cooperation with State and Federal agencies, can carry out their planned programs of improvements within limited periods of time.

CHOICE OF WATERSHEDS

Although the available information indicates that the small watersheds included in the list that has been proposed are of high priority and constitute the best recommendation that could be made at the time, it was obviously not possible to foresee whether the local people in each of these watersheds would be in a position to carry through the program at the desired rate of progress. Local interests would be expected to provide all easements and rights-of-way for structural improvement, to carry out all of the land-treatment practices, and to meet certain other requirements adding up to about 50 percent of the total cost. If it is apparent that local interests in any of these areas are unable to go this far at this time, alternate watersheds will be selected with the approval of the committees of the Congress.

Let me make this plain: We are not trying to take away any authority whatsoever regarding flood control from the Public Works Committee. So we state in our report:

Before embarking on a comprehensive large-scale program of this nature, the conferees are of the opinion that the appropriate legislative committees of the Congress should give attention to legislation in this field which will provide a measure of local cooperation on future projects, and fix proper standards for cooperation with the Soil Conservation Service by local participation and beneficiaries of the program.

Experience in dealing with conservation projects authorized in flood-prevention and flood-control laws demonstrates that these laws are too cumbersome to apply to smaller watershed areas.

Mr. Speaker, may I express my appreciation to the Committee on Agriculture, to Mr. HOPE, to Mr. AUGUST H. ANDRESEN, to Mr. COOLEY, and the others for their splendid work in making permanent the Andersen-Hope watershed protection program. Soil Conservation Service can now do a complete job of keeping good, black topsoil from going down into rivers below. Floods start at the hilltop. This great program, nationwide in scope, will result in splendid returns.

These returns—

As the St. Paul Farmer says on July 17—

will be represented by water for irrigation, soil that stays in place, higher crop yields and fewer machinery breakdowns. Down stream, farmers and city dwellers will get more flood protection, less silting of rivers and waterways, and better improvements. Rain will remain where it falls on the hilltop.

REPORT ON H. R. 9909

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent that the Committee on the Post Office and Civil Service have until midnight tomorrow to file a report on the bill H. R. 9909.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

REPORT ON S. 2665

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that the Committee on the Post Office and Civil Ser-

vice have until midnight tonight to file a report on the bill S. 2665.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

SPECIAL ORDER GRANTED

Mr. MACHROWICZ asked and was given permission to address the House for 10 minutes tomorrow, following the legislative program of the day and the conclusion of special orders heretofore granted.

AMENDING ATOMIC ENERGY ACT OF 1946, AS AMENDED

Mr. NICHOLSON. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 630 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9757) to amend the Atomic Energy Act of 1946, as amended, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts [Mr. NICHOLSON] is recognized for 1 hour.

Mr. NICHOLSON. Mr. Speaker, I yield myself such time as I may use and yield 30 minutes to the gentleman from Mississippi [Mr. COLMER].

The SPEAKER. The gentleman from Massachusetts is recognized.

Mr. NICHOLSON. Mr. Speaker, I rise to urge the adoption of House Resolution 630, which will make in order the consideration of the bill H. R. 9757, to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

House Resolution 630 provides for an open rule with 4 hours of general debate on the bill itself.

H. R. 9757 seeks to bring up to date the Atomic Energy Act of 1946 in order that the act may keep step with atomic progress itself. It is hoped that by this legislation the necessary legislative controls over atomic energy will bear a reasonable but safe relationship to the realities of the scientific, technical, economic, and political changes that have evolved during the last few years.

Mr. Speaker, the report on this bill brought out the fact that when the original Atomic Energy Act was written in the 79th Congress, the United States possessed a monopoly in the field of atomic weapons. This situation no longer exists. In addition to this change in the atomic energy situation during these past years, there exists the fact that useful peacetime development and use of atomic power is now at hand. This situation was not anticipated a few years ago for it was thought at that time that it would be many years before atomic energy could be turned to commercial use.

H. R. 9757, Mr. Speaker, would authorize the negotiation of bilateral agreements for cooperation with foreign nations in the area of peacetime uses of atomic energy under carefully stipulated safeguards.

The Atomic Energy Commission would be empowered to transfer and exchange restricted data dealing with industrial, nonmilitary use of atomic energy. In addition to this if the proper precautionary measures are taken, the Commission may transfer to another nation atomic materials needed for the development or utilization of atomic energy for nonmilitary and research purposes.

On the military side, the legislation would permit the Department of Defense, under full security safeguards to transfer to another nation, or to a regional defense organization of which we are a member, restricted data concerning the tactical employment of atomic weapons. The type of information that could be given to friendly nations would include data necessary to the development of defense plans, the training of personnel in the employment of and defense against atomic weapons, and the evaluation of the capabilities of potential enemies in the employment of atomic weapons. The information could not include any data which would reveal important information on the design or fabrication of the nuclear portions of atomic weapons.

Mr. Speaker, H. R. 9757 would amend the Atomic Energy Act so that it would permit the Atomic Energy Commission, on the basis of established criteria, to relate the scope of background investigation required to the extent and sensitivity of the classified information to which an employee would have access while on the project. This bill would also give the Department of Defense a voice with the Atomic Energy Commission in the declassification proceedings involving restricted data, which relates primarily to military utilization of atomic weapons.

The third big change in the new bill involves the proposed permitting of the Atomic Energy Commission to license private industry, to possess and use special nuclear materials. The United States Government, however, would retain title to such materials. The report on this bill, Mr. Speaker, stressed the belief of the Joint Committee on Atomic Energy that increased private participation in atomic power development, if properly controlled and handled, will accelerate the progress toward the day when widespread use of atomic power for economic uses will become a reality.

Mr. Speaker, this bill is a highly technical one and I have very briefly outlined some of the more important provisions that are in it. However, I think that there is no need to impress upon the Members of the House the necessity for achieving a nice balance between protecting the security of our country through husbanding our knowledge of atomic matters, and helping our allies to be prepared and informed on the subject if an emergency ever should arise. This bill also considers the very real possibility of using atomic power for the betterment of mankind in various peacetime projects and makes it possible for our country to start out on the avenue of developing this tremendous power for constructive and worthwhile purposes. I hope that the House will adopt the rule on this extremely important bill and that the bill itself will merit the favorable action of the House.

Mr. COLMER. Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, I do not rise at this time to oppose the rule on this bill. I am in favor of the rule. It is an open one and, of course, that is the type of a rule under which a problem of this great significance should be considered by the House.

It is frequently said by sponsors of other bills that are before the House that this is an important bill. I say with as much objectivity as I can, being a member of this committee and having served on it since its inception, that this is probably the most important bill that we will consider during this session of the Congress.

Why do I say that? Because we are approaching a new era, the atomic era for peacetime use, and this bill seeks to make possible the application of the peacetime benefits of the atom to the people of America and, of course, to the people of the world. In moving from a total, or almost a total military use to a peacetime use, we have tremendous problems because every reactor that is built to produce the substance which makes the atomic bomb and triggers the hydrogen bomb is the same substance that will be used in the reactors that will produce the kilowatts for peacetime use.

It has been estimated by the scientists who know a great deal about this matter, and by the technicians, that within 15 to 20 years' time 30 to 35 percent of the total electricity used in the United States will come from atomic fission reactors. If this be true, then we can see what a tremendous subject we are dealing with in this bill, because if we bring this new potential source to the people—that is, the third source, and I speak of the first source as being the fossil fuel, the coal, oil, and gas source, the second source the hydroelectric production of electricity, and the third source the fission of the atom—so that the people may have the benefit of this source, so that it will not be restricted by exclusive patent rights, so that restrictive licensing procedures, so that all of the other administrative obstructions and destructive possibilities can be guarded against, then, indeed, the people will have the right to use this source.

Now, this third great source must be brought to the people and brought to them in such a way that they have access to it, unrestrained access to it, and these are some of the subjects that are contained in this bill.

I will say at this time that the public power versus private power fight that has been brought about by sections of this bill rests in no part upon the gentleman from California, who is now addressing the House. I tried to keep these sections out of the bill. I tried to keep the Atomic Energy Commission dedicated to the job which we gave the Atomic Energy Commission to do, and that was to make fissionable substances to defend America and the free world. The injection of this subject into the bill came from other persons and it came after I warned them that if they did put this subject into the bill, they would stir up a hornet's nest, because it would bring in all the age-old controversy which is inherent in the subject of public versus private power.

Now, this is not a matter of controversy in my district. In my district we have the power from the great Hoover Dam. We have had it for some 20 years, and it is used both by municipalities and by private power companies. Part of my district is served by the great Los Angeles Light & Power system and part of it is served by the private utility companies, and there is no controversy there. So, it is nothing of immediate personal importance to me, I want to say, but nevertheless it has been put into the bill, and once having been put into the bill then it has to be considered.

The Dixon-Yates controversy is something apart from the great importance of this bill, but it is something that is in the bill and it has to be, of course, discussed. There are other things in the bill that are a great deal more important.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from New York.

Mr. COLE of New York. I am very curious and very anxious to have the gentleman indicate to me what part of the bill the gentleman has in mind when he says the Commission is put into the power business.

Mr. HOLIFIELD. The Commission is put into the power business by the licensing provisions in the bill, provisions 182 to 186, where the Commission is given the power to license private utilities and others to go into the power business. Then there is other language in the bill which in effect restricts the Atomic Energy Commission from doing those things which it is empowered to license others to do, and that is where I say that the power question is put into the bill.

There are other sections in the bill which are equally important and more important, possibly, than that. Certainly the subject of the international arrangement, international agreements, treaties, and cooperation is at this time one of the most important things with which we have to deal when the peace of the world is at stake and when atomic fission or hydrogen fusion can destroy cities the size of New York, and when we are dealing with that kind of power, certainly the international sections are equally important.

I do not have time at this time, but I will discuss later the international sections of this bill, which, in my humble opinion, are not designed to assist the President of the United States to make international arrangements and international agreements with other nations of the world. It is not designed to bring about the fruition of the international atomic pool which the President spoke to the General Assembly about with such great eloquence back in December. But, the language that is contained in these sections rather than untying the President's hands and freeing him to do these things, ties the President's hands behind his back and impresses these negotiations with foreign nations into a rigid mold, a mold in which, by peculiar coincidence, even the Atomic Energy Commission has the right to veto the President in one instance. The Department of Defense, of course, is also asked to give their approval, but the Department of Defense can be ordered by the President to give their approval, and if the Atomic Energy Commission is an independent agency—and I confidently believe that it is—it cannot be ordered by the President to approve an international arrangement which the President might make. Yet, there is a section in the bill which calls upon the Atomic Energy Commission to approve the President's international agreement for cooperation.

Then there is the subject of patents in the bill. The President in his message to the Congress on February 17 said in effect that there should be a period of time intervene between the licensing of private individuals to participate in this industry and the time when patent rights could obtain. He said that he thought for a long time, and he hoped that that time would not be over 5 years, that compulsory licensing of patents should obtain. There was no such section in the Cole-Hickenlooper bill as it was first introduced. But in the committee a section on compulsory licensing was put into the bill. It is a matter of great concern to some of us that this language does not carry out as strongly as it should the President's admonition for everyone to have access to the patents that are developed during the next 5 years; because he realized that certain great corporations have had an advantage in participating in this program. He knew they had an advantage in know-how, in the techniques, in the processes, in the formulas, in the matter of mechanical devices. He knew that if those limited corporations that had participated in the development of the atomic energy program were allowed the privilege, the advantage, of filing on patents, that they could file on patents which would give them the right to exclude all of American industry unless they paid through the nose in the form of royalties. That would not spread throughout industry the right of participation but it would limit to a great degree the right of participation. That is why the President said that we should have a compulsory licensing section. That section has been put in the bill. I intend at the proper time to offer amendments which will strengthen the patenting provision so that no corporation which has participated in this industry under Government contract, paid for by Government funds, shall have the right to obtain advantageous patent rights over areas of equity and participation in this project; so that for the next 5 years these patents shall be open to all.

I have no objection to those who get these patents obtaining reasonable compensation, but I do object to their having the right to exclude others from participation in this great new art, this great new technique upon which the world is looking, not only for preserving the peace of the world but for bringing untold peacetime blessings of atomic energy to all the peoples of the world.

There are other sections here which need comment. I know our time is limited. But as the debate goes on, some of these points will be explained to the Members of the House. I hope that the amendments which will be offered by other Members and by myself to attain these ends will be given fair consideration. I know they will by this House; and, of course, like all other Members of the House, I am willing to abide by the results.

We know that this subject has been debated in the Senate for 7 days now. The Senate sat all night; they debated all of last night on this subject. This is an indication of what the Senate of the United States thinks of the importance of this bill.

We are being called upon to debate the bill for 4 hours and discharge our responsibilities. And I say that it is a great responsibility that each and every one of us has under this bill and that the time is far, far too short really to explain the bill.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. COLE of New York. I wanted to make sure that the gentleman did not leave an impression which I feel he did not intend to leave when he indicated that the other body had devoted so much time to this subject and then alluded to the fact that the House was allowed only 4 hours for discussion. I am sure the gentleman did not intend to be critical of the provision made by the Committee on Rules, or of the rule for the discussion of this subject.

Mr. HOLIFIELD. I will answer my chairman in this way. If I have any time left and I hope the gentleman from Mississippi [Mr. COLMER] will be lenient with me—I want to say that I am not criticizing the chairman of our committee nor am I criticizing the Committee on Rules. I just mentioned the fact about debate being limited to 4 hours.

Mr. COLE of New York. I want to make certain if it is not true that the gentleman from California collaborated with me and the gentleman from North Carolina with respect to the request to the Rules Committee for 4 hours for consideration of this subject.

Mr. HOLIFIELD. I did, and I want the House to know that I agreed on 4 hours. I think it is a short time for this important bill but I am not being critical of it. I realize we are in the last days of the session and that we must save our time. So it was not with an attitude of criticism that I made that comment.

Mr. COLE of New York. I was sure that was the case, but I was afraid it left a false impression.

Mr. HOLIFIELD. May I say that I have never worked on a committee with a chairman who was fairer than the chairman of this committee, the gentleman from New York [Mr. COLE]. He has been more than fair during the hearings and during all the committee considerations. I want to compliment him on the long and arduous work he did with other members of the committee to bring this bill to the floor. Nothing that I say is critical of the gentleman from New York.

I also want to compliment the members of the staff. We have had a marvelous staff. They have worked into the wee, small hours of the night, they have worked without any reservation as to time and with complete loyalty. They have shown no partisanship in the consideration of this measure and in helping both sides of the committee. I want to pay my tribute to them in closing my remarks. We are fortunate in having an excellent staff, many of whom are specialists in the various fields of physics, law, source materials, military weapons, reactor techniques, and other important fields of interest and jurisdiction of the Joint Committee on Atomic Energy. All of them have contributed greatly to the production of this legislation.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Montana [Mr. METCALF].

Mr. METCALF. Mr. Speaker, in response to the inquiry from the gentleman from New York, the gentleman from California outlined some of the things in this bill that related to power, but more far-reaching are the things that are not in this bill that relate to power and relate to the future of power development, the development of electric energy in the United States.

We are standing here at the threshold of the development of atomic power, the creation of electric energy by means of a new process. As was suggested by the gentleman from California, we have heretofore had two major means of developing electric energy—coal, gas, and the other natural fuels, and hydroelectric power. Today with respect to the development of atomic energy we stand just where we stood 50 years ago when we started to develop electric energy by means of falling waters.

We must take advantage of the experience and the background the Federal Power Commission has gained in those 50 years. In 50 years we have learned that in order to protect the public interest in this great natural resource of hydroelectric energy we have to have certain basic protections. The Federal Power Act and other acts such as the Rivers and Harbors Act, the Reclamation Act, acts relating to projects out in my country, the Bonneville Power Authority and the Fort Peck Dam, all provided for those protections for the public interest. They all provided a preference clause for the distribution of power generated by hydroelectric dams. They provided a Federal power yardstick, so that we had a means of determining fair rates for supplying power by private utilities to the consumers.

Out in the Pacific Northwest, we have learned to get along with the private utilities. We have the Bonneville Power Authority, which markets power for the Federal Government, and we have the Washington Water Power Co., the Idaho Power Co., the Washington Power & Light Co., and the Montana Power Co., and others, all private utilities who contribute to that Northwest power pool and are able to market their own power. We have benefited in the Northwest by having private power companies and the Federal power authority develop in parallel fashion. We have found it is necessary in order to protect the cheap power we have out there in the Northwest, to have a yardstick by means of which we can ascertain and determine what a fair and equitable rate for the payment to private utilities is going to be. We have determined that the Federal Government has a responsibility—a responsibility to the cooperatives, to the municipalities and to the public utility districts who want to transmit or distribute their own power as a nonprofit cooperative enterprise. Many of those municipalities and many of those public agencies are not large enough to be able to generate their own power economically so they have to turn to the Federal Government in order to find a central power station. This Federal central power station will supply power for them at a fair rate. For that reason, since 1908 we have put in various public acts a preference clause saying that these people who have the right to choose and who have the right to determine that they will distribute their own power will have a place to go to purchase power. We have found in various acts I have mentioned such as the rivers and harbors and reclamation acts and such acts as the Boulder Dam Act that is necessary in order to protect those people that we have a preference clause which declares that public agencies, municipalities, and REA co-ops will have a prior right to purchase power that is generated by the Federal Government. Now we are embarking upon a new program of the generation of power. We are confronted with atomic reactors which may, as has been predicted here, develop in a few years 25 to 30 percent of the power of this country. The Federal Government in order to carry out its responsibility to the public must, just as in the case of hydroelectric development, protect these consumers. Therefore the present customers who enjoy a prior right to purchase federally hydrogenerated power must be given the same right in the purchase of atomic-generated power.

A preference clause must be written into this bill that will empower the Federal Government to generate, transmit, and distribute atomically created electrical energy and that will preserve the right of municipalities, public-utility districts, States, rural electrification cooperatives, and other public agencies to exercise a prior right for the transmission and distribution of such power.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Speaker, there seems to be considerable interest in my section of the country from the rural electric cooperatives. They have been sending me wires expressing their opinions and expressing some concern about this bill. I only take this time to express the hope that in general debate, Members on both sides of the aisle, who have this bill under discussion, can clear up that point. I do not know whether they are objecting to something that is in the bill or something that is not in the bill. I wish they could clear that up from the standpoint of rural electric cooperatives.

Mr. Speaker, I yield back the balance of my time.

Mr. COLMER. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. BOLLING].

Mr. BOLLING. Mr. Speaker, it is with humility that I rise to speak on this matter. I have great respect for the members of the joint committee which reported out this bill. But I feel that this bill amending the Atomic Energy Act is the most important measure on which it has been my responsibility to vote since becoming a Member of the United States Congress. I read the report with care. I noted that the first sentence of the report says:

> The Joint Committee on Atomic Energy to whom was referred the bill, H. R. 9757, to amend the Atomic Energy Act of 1946, as amended, and for other purposes, having considered the same, unanimously report favorably thereon and recommend that the bill do pass.

Then as I read the rest of the report, I discovered that while there was unanimity in reporting the bill out that was where unanimity seemed to end. There was in fact very substantial dissent, particularly on the part of those who, as I understand it, were among those most often present at the hearings during the consideration of the bill.

There is, for example, dissent on the part of the distinguished chairman of the committee, joined by another member, with regard to the patent provisions. There is dissent on the part of a Member of the other body with regard to the international section and he is joined in that dissent by two of the Members of the House. Finally, there is extended dissent by two Members of the House of Representatives.

I am entirely serious when I say that I consider this to be the most important piece of legislation on which I have been called to vote. I think that this is a fundamental question involving the $12 billion of the people's money which has been expended in the development of this great new force.

The question which rises in my mind is not so much whether this provision is perfect or that provision entirely in the public interest but whether it is wise for the Congress of the United States in the closing days of a session, in the hectic, some might even say somewhat hysterical, time of the last few days of a congressional session to rewrite almost in its entirety the basic act which was passed by the Congress in 1946.

I reiterate that I have the deepest respect for the members of this committee whether they be Members of the House or of the other body, Republicans, or Democrats; but I cannot fail to state my own fear that we may well make a serious mistake by going even beyond what the President recommended and by passing this legislation hastily.

The decision we take in the next few days may be irrevocable. It seems to me imperative that on this issue of all issues we examine not only our hearts and minds but also our souls.

This is a fundamental issue of our time.

Our decision on this matter may well alter the course of history.

Mr. COLMER. Mr. Speaker, I yield the remainder of my time to the gentleman from North Carolina [Mr. DURHAM], a distinguished member of the Joint Committee on Atomic Energy.

The SPEAKER. The gentleman from North Carolina is recognized for 5 minutes.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that when the bill is considered in the Committee of the Whole I may include extraneous items 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. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. HOLIFIELD. I hope the gentleman will make the announcement that if the hearings are to be available to the House each Member must bring the hearings that was mailed to his office, in view of the fact that there will not be a supply, I am told by the staff, of the hearings available. So if any Member wants to refer to them he will have to bring his own copy.

Mr. DURHAM. Mr. Speaker, I had not intended to speak this afternoon on this measure, but since there have been, in my opinion, somewhat confused statements made about this legislation over the past few weeks, I feel it my duty as best I can to call to the attention of this body the importance of this measure which is before us at the present time.

Our committee, which brought this measure to the floor of the House is, as you know, composed of 9 Members of the House, and 9 Members of the Senate. Up to this time it has been a committee which has not acted in a partisan way at all, or on a political basis. I believe every Member will bear me out that that is true.

Today we are faced with a far more important thing in this bill than what has been taking all of the time for the past week in the other body, in my opinion. I hope that every Member of this body will read the five principles of international relationship that the President laid down a few weeks ago. Whether we are Republicans or Democrats, at this hour in the period of our history we owe allegiance, I think, to those things that go far deeper than some little issue that involves a little matter here at home. He said:

> First. No people on earth can be held as a people to be an enemy, for all humanity shares the common hunger for peace and fellowship and justice.
>
> Second. No nation's security and well being can be lastingly achieved in isolation, but only in effective cooperation with fellow-nations.

There is a big part in this bill that bears on that point.

He said:

> Third. Any nation's right to a form of government and an economic system of its own choosing is inalienable.
>
> Fourth. Any nation's attempt to dictate to other nations their form of government is indefensible.
>
> Fifth. A nation's hope of lasting peace cannot be firmly based upon any race in armaments, but rather upon just relations and honest understanding with all other nations.

There is a big part of this bill that bears on that very point.

President Eisenhower next presented his point 6. It was a proposal for world cooperation to promote peace and progress in all countries, as follows:

> This Government is ready to ask its people to join with all nations in devoting a substantial percentage of any savings achieved by real disarmament to a fund for world aid and reconstruction. The purposes of this great work would be: To help other peoples to develop the undeveloped areas of the world to stimulate profitable and fair world trade, to assist all peoples to know the blessings of productive freedom.
>
> The monuments of this new kind of war would be these: Roads and schools, hospitals and homes, food and health. We are ready, in short, to dedicate our strength to serving the needs, rather than the fears, of the world.

This bill has a large part in carrying out that program.

There are two important things in this measure, in my opinion, when we talk about whether or not this bill should be considered. I may say to the gentleman who just preceded me that a letter was written, when I was chairman of the committee, 2 years ago this July, to the Commission asking for a report, provided for under present law, known as section 7B report. That letter is a matter of record. This committee has been continuously considering this measure since that time.

When we first wrote this measure we wrote it on a theoretical basis. We did not have anything at all to hang our hats on except what we inherited from the War Department; therefore I think it is important to the Nation, it is important to the world, that we at this time look at the act, after spending some $12 billion, and try to see what we can do with it for humanity.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. NICHOLSON. Mr. Speaker, I yield the gentleman 2 minutes.

Mr. DURHAM. Mr. Speaker, those are the points I would like to call the Members' attention to. Let us forget all of these side issues that may be brought in. I do not agree with them all. I think some should not be in this bill. I do not agree with them, but they are here and they have been made an issue. Let us rise to a point above this little petty partisanship, and not talk about whether we are going to build a spite fence in somebody's backyard. I do not like that.

The situation that calls for our attention is whether we are going to cooperate with our allies in trying to work out some means in case of attack which today would result in a state of confusion unless we do something about it. The other matter is trying to cooperate with the world. This is no giveaway program as has been charged. That simply does not exist in this bill. When you get down to studying this measure you will find it is not a giveaway program. Every ounce of the fissionable material that is held, whether we loan it to some college in New York or some college in my own State, which we have done, or whether we loan it to our allies, is still retained in our right and ownership and we can pull it out and use it any time we want to. The only thing that is involved is probably some engineering skill which, in my opinion, most of the countries have and it is well known at the present time. It is just assistance to try to get some of our allies back on their feet, and in my opinion it will cost very little compared with what we have been spending in cash. Now, I hope that on tomorrow when the debate is on that we will not forget the main issues in the bill, because I feel it is highly important that this measure be enacted at this session of the Congress.

Mr. NICHOLSON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPEASEMENT UNLIMITED

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks, and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, not so many years ago, the people of the world heard the cry "Peace in our time." This was the cry of Neville Chamberlain, the British participant in the infamous Munich sellout of central Europe when he arrived at London Airport following that conference. We all know that the Munich conference was the opening act in a series of inevitable events leading up to World War II. It was not long after the Munich Conference that Hitler's appetite for conquest and aggression took the German people into an all-out invasion of Poland. This aggression set off World War II.

Today we are hearing the cry of "Peace in our time at any price." This was the guiding slogan of the French and British at the recently concluded Geneva Conference. We all know that the Geneva Conference resulted in a complete sellout of all that is dear to all liberty-loving people in the free world and those many millions who yearn for

freedom who are now held captive within the Red colonial empire. The results of the Geneva Conference are far more grave than the consequences of the infamous Munich Conference. The strategic importance of Indochina to the security and freedom of all of free Asia is well known to the Members of this House. We all know, for example, that Japan has historically depended upon the rice stocks which come from that area of Indochina which has now been handed over to the Communists. This means that free Japan will be compelled willy-nilly to do business with the Communists in Viet Minh. But perhaps more important than that is the blow this will strike at the hope of the millions of people behind the Iron Curtain who have been anxiously awaiting the defeat of Communist aggression by the West. The results of the Geneva Conference can bring them only a message of despair because the West has failed miserably to stop Communist aggression.

The United States cannot escape responsibility for the sellout at Geneva. Secretary Dulles was correct when he withdrew from the Geneva Conference, recognizing the sellout that was then in the making. The unfortunate return of Under Secretary Smith who, from the statements he made in Geneva, made it clear that he did not personally relish the task that was laid upon him, nevertheless makes us a party to the defeat and sellout at Geneva.

Yesterday there appeared in the Washington Star a column by Constantine Brown which puts into perspective the real issues at Geneva and the penalties the free world will pay for the failure of its leading statesmen to stand up against Communist aggression. Under unanimous consent, I include in the RECORD the column of Constantine Brown:

SOLD INTO COMMUNIST SLAVERY—GENEVA TUG OF WAR IS REGARDED ONLY AS A VICTORY FOR REDS AT EXPENSE OF 20 MILLION INDOCHINESE

(By Constantine Brown)

The gigantic tug of war played at Geneva has ended in a complete victory for the Reds. The rights of some 20 million people who wanted to live free—free of Communist domination and French colonialism—have been trampled under foot by the great powers.

The cries for justice by the representatives of the Vietnam were drowned by the advocates of peace in our time at any price, and by the Reds, who were holding them up at pistol point. The policeman of the world, the United Nations, was strangely silent. The appeals of the Indochina people for U. N. control at least of the so-called armistice terms were scornfully rejected by the very founders and charter members of that peace-loving organization.

One of the Soviet members is reported to have said at Geneva:

"This is a he-man's job; not one for an old woman."

Ever since the parley opened last April, the Communists have never yielded an inch. While the western representatives were running in circles, smiling, courting, and kowtowing to the new diplomatic star, Peiping's Foreign Minister, Chou En-lai, his Soviet colleague and mentor, Molotov, has maintained a stern attitude.

The "after you Gaston" act of Bidault (and later Mendes-France) and Eden was accepted literally by the Communists. They did take precedence at all the functions held at the conference.

Judging from what has been released, so far, in connection with the armistice terms, Geneva will go down in history as a diplomatic catastrophe worse than Munich. It also may have more far-reaching consequences.

The fighting in Indochina is about to end, and so are the hopes for freedom of its 20 million people.

The deal was made across the diplomatic table by nations which claim to be defenders of freedom.

They sold their one-time wards to the ruthless Communist dictatorship. They provided Communist China with complete control over the Breadbasket of Asia, and also with strategic points in the South Pacific, from where they can eventually wage war against the remaining free nations, including the United States, with greater expectations of success.

The strategic importance of Indochina is so considerable to us that when the Japanese early in 1941 began to move toward that country, Secretary of State Cordell Hull sent a stern note of warning to Tokyo.

Today, the peninsula has more importance than in the past. Japan, which we are now striving to keep on our side, depends to a large extent for her food on rice imports from Indochina.

France and Great Britain, with our approval, have handed the richest portion of Vietnam to the Communists. It won't be long before Peiping tells the Japanese to give up their association with the United States or else they will suffer unbearable economic consequences.

What puzzles many American observers is the reason which prompted sending such a high-ranking diplomat as Undersecretary of State Walter Bedell Smith back to Geneva. Mr. Dulles had followed a healthy instinct when he quit the Conference, and ordered, shortly after his departure, his deputy to come home, too.

He rushed back to Paris for 2 weeks at the pressing request of the French and British to talk over apparently, the creation of a South Pacific pact for the purpose of preventing any further Communist advances in the south.

The terms of the armistice leave no doubt, however, in anybody's mind that the whole of Indochina is doomed.

According to Geneva reports, neither southern Vietnam nor Laos and Cambodia will be permitted to join any coalitions such as Mr. Dulles had in mind. Yet, despite the warnings at Geneva by lesser American officials that France and Britain were determined to sign an appeasement contract, Mr. Dulles last Friday ordered Undersecretary Smith back to the "Swiss Munich." His presence is bound to be viewed by free Asiatics as a tacit American endorsement of the sellout of Indochina to the Communists.

The Secretary of State explained to some friends in Congress that this "gesture" of sending General Smith was necessary to patch up our difficulties with France and Great Britain. Mr. Dulles could not refuse the pressing demands of our allies without threatening allied unity.

Congressional leaders of both parties, who are so bitterly opposed to our surrender on the Far East, question however, the wisdom of Americans condoning the selling of another large batch of free peoples into Communist slavery.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the special order I had for today be vacated and that the time may be transferred to tomorrow.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

DISABLED VETERANS AND SPANISH-AMERICAN WAR VETERANS AND DEPENDENTS

Mr. PHILBIN. 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 Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am profoundly disappointed that section 3 of this bill as adopted and reported by the Committee has been for some quite unexplainable reason lifted out of the bill before us. I would not seek to divine or impugn the motives of those responsible for this strange and deplorable action.

If so-called economy was the aim—economy based on penurious treatment of the gallant veterans who bled for this Nation, their widows, their orphans, their helpless dependents, those brave veterans of the Spanish-American War and their dependents along with the others because they are just as much entitled, it is something entirely beyond my comprehension.

Penury at the expense of the wounded, the battle-scarred, the war-tattered, the shell-shocked, the mentally afflicted, the poor helpless widows and orphans, those inarticulate ones unable to plead for or help themselves, is particularly regrettable, in fact, it gives me feelings of shame for the Government willingly to turn its back upon those to whom it owes the most.

Do you remember Churchill's great words, "Never have so many owed so much to so few"? Well, it is applicable here as well as to the brave English lads of whom they were first uttered. We, too, are indebted to our war heroes. We owe them a debt we could never possibly pay, but instead we are paying them off in soft talk about economy and mere meager pittances.

Economy is the watchword of this bill. Economy for whom and for what? Economy of intelligence and prudence and stability? Economy of measure and calculation and fairness? No, indeed. This is an economy of moral obliquity and ethical astigmatism and no one can make anything else out of it. Think of it, the great Nation that has poured out a steady, lavish stream of gold and treasure of more than $100 billion to help foreign nations grudgingly paying more than a paltry mite to the very ones who saved the Republic with their limbs, their sight, and their blood, and their suffering loved ones and orphans. If I must confess an absorbing astigmatism of my own in not being able to comprehend this great paradox, then I hope I may be pardoned and understood.

Because are we now living in the age of the paradox—the moral and economic paradox—hospitals for the rest of the world, none for America, full armaments

for NATO, limitations upon our own naval vessel and aircraft construction, with American funds for foreign nations, stagnation and unemployment in Charlestown and Quincy, Mass., and other places in our land where these implements are made?

So much for statements of generality somewhat pertinent to the paradox of veterans' legislation facing the House today. There is a ray of light. There is some small benefit to the disabled and their loved ones. The relief provided is meager, indeed, and it is not extended to cover all those it should cover. It is not enough to meet current conditions and costs. But it is something—a half loaf is better than none, and it is in that belief, not satisfied at all with the niggardly degree of help that I will support this measure.

I wonder when we will come to a fitting realization of basic ethical values evidencing our gratitude and the Nation's gratitude to veterans. And I wonder especially that when war comes again with what enthusiasm or otherwise young men will rally to the dread, but urgent, all-significant call that will determine whether freedom lives or not, who see before them today our indifference and picayune treatment of veterans of our previous wars and their dependents.

Much of the great sums we have spent for veterans has been used wisely and well. A great deal more has been poorly administered. But the real pity is that in time of gigantic generosity to others in foreign lands we have done and are doing so relatively little for our own country and our own disabled veterans and those dearest to them.

POSTAL FIELD SERVICE EMPLOYEES

Mr. PHILBIN. 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 Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am very sorry that this important measure comes to the House in this way and in this form. I cannot possibly subscribe to it as it is presently constituted. It is not my purpose to question the legislative policy and strategy behind this measure except to state that I heartily disapprove of the failure to accord Members of the House an opportunity to be recorded on the separate, distinct provisions of this bill.

Various reasons are assigned to account for this single-package measure embracing not only postal-pay raises but rate increases and reclassification features as well. Primarily it is asserted that funds must be provided by the House to pay for the pay raises. I would normally have no quarrel with such fiscal procedure if it were logically and impartially pursued. But of course it never is and probably never could be. I noticed that the foreign-aid bills, NATO, European defense, mutual security, and other such measures never carry such requirements. The Congress manages to find plenty of money to meet these multibillion-dollar authorizations. In fact, now that the matter of fiscal balance and the principle of pay as you go has been stressed here as a basis for legislation, I might suggest that the Congress vote generous pay raises over and above the rates of the pending bill for postal and generally classified Government workers and then pay the cost of such well-merited increases by deducting necessary funds from foreign military and economic relief measures. In the light of Geneva, Indochina, and other recent changes in the world picture and the shift of our so-called allies toward Soviet orientation, we would be not only justified but very wise to restrict further foreign expenditures until we know where we stand. That would be reappraisal and a realistic approach to some solution of our present very pathetic international plight.

Be that as it may, I favor adequate pay for postal and Government workers to bring their wages and salaries up to the decent levels and standards of comparable positions in private industry. I am prepared to vote in favor of such increases on a generous and fairminded basis.

I am opposed to postal-rate increases at this time as proposed by the bill. I do not desire to argue this question at length. In brief, I believe that the present rates, particularly those on first-class mail, are high enough. To increase them further, having in mind that the post office is a public service devoted to the public welfare in so many respects, would be an imposition upon business, the press, and the general public which I deem unnecessary and highly undesirable.

To tie postal-rate increases to meritorious and richly deserved pay raises for postal workers is an injustice, an anachronism, and an economic fallacy. If such a principle is adopted, what sources can be tapped to pay for raises for other Government employees whose departments are not revenue producing. Obviously the only answer is that as to all pay bills as well as other activities of the Federal Government we must look to the general revenues of the Government.

Let me state that I have high and special regard, esteem, and pride for and toward our faithful postal workers. They have difficult jobs requiring high standards of diligence, steadiness, reliability, and ability. Their contributions to the Nation are very great and would be difficult entirely to measure. The record clearly shows that there is a serious, substantial lag in their pay scales which in my judgment should now be corrected.

This can be done only by enacting the original Corbett bill, or some similar measure. I hope the leadership will promptly bring this or some other suitable bill to the floor so that this House can do what it overwhelmingly wants to do, namely, extend just, generous consideration to the postal workers and soon thereafter to all Government workers as well.

VETERANS' LEGISLATION

Mrs. ROGERS of Massachusetts. 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 gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to state that the Committee on Veterans' Affairs has been flooded with regrets and protests because the money for the so-called nonservice-connected cases and for the Spanish-American War widows was stricken from the bill H. R. 9020 yesterday. Judge MACK introduced a bill to take care of those cases, and I believe firmly that the House and the Senate in their wisdom will pass that bill and the President will sign it before we adjourn. I do not think the Members realize that those people are so dependent on this money which was given to them by law, and certainly if we can increase everybody else, all of the Government employees, we should give those people, who are very seriously disabled, the same consideration.

RE ADMISSION OF CERTAIN CZECHOSLOVAK AND HUNGARIAN CHURCHMEN AS DELEGATES TO WORLD COUNCIL OF CHURCHES CONFERENCE

Mr. BENTLEY. 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 Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, in its press release No. 390 of July 17, the Department of State has stated that Secretary Dulles has recommended to the Attorney General that 11 churchmen from Communist Czechoslovakia and Communist Hungary be admitted as delegates to the second assembly of the World Council of Churches which is scheduled to meet at Evanston, Ill., the last 2 weeks of next month. There are other Protestant Church conferences at Princeton University and at Chicago this summer which these individuals may be expected to attend.

The Department admits that some or all of these delegates may have found it possible to reconcile their faith with public support of communism. The Department feels, however, that all invited delegates who are admissible under the law should be permitted to attend these meetings since their conduct will reveal whether they come as churchmen or as propagandists of an aggressive and materialistic philosophy fundamentally hostile to religious faith. The Department also expresses the hope that the meetings may have a beneficial effect upon these delegates and perhaps act to lend a spiritual strengthening of the Czechoslovak and Hungarian churches in the face of Communist pressure.

Mr. Speaker, I have discussed this problem with high officials of the State

Department as well as with certain prominent churchmen, members of the National Council of Churches of Christ in this country. I have attempted to carry on these discussions in a friendly, constructive manner but I have been firm in my expressed belief that the admission of these people would be a tragic catastrophe and would do incalculable harm to the best interests of this country and indeed of the entire free world.

I am assuming that these aliens would be mandatorily excludable from this country under the provisions of section 212 (a) (28) of Public Law 414, otherwise known as the Immigration and Nationality Act of 1952, and that they are being temporarily admitted in the discretion of the Attorney General under the provisions of section 212 (d) (3) of the same legislation.

I am not believing that these aliens would present any risk to the national security of this country from the standpoint of either espionage or sabotage—they are, I am sure, coming simply as propagandists for their cause. Neither am I concerned primarily over their possible influence upon the people of this country or upon the majority of delegates from other free countries of the world. What does cause me grave anxiety, Mr. Speaker, is the effect this will have upon the peoples now living in Communist slavery, especially in the countries of Czechoslovakia and Hungary, peoples whose liberation we have officially pledged ourselves to anticipate and hope for. I fear the shock to these people and to the cause of anticommunism everywhere behind the Iron Curtain will be tremendous.

In 1950 a religious conference was held at Luhacovice in Czechoslovakia which was attended by alleged representatives of many faiths from both East and West Europe. Among those in attendance, it should be noted, was Dr. Hewlett Johnson, the notorious Dean of Canterbury. Also present and taking a prominent part in the proceedings were Bishop Josef Hromadka and Dr. Viktor Hajek of Czechoslovakia and Bishop Albert Bereczky of Hungary, all of whom are among the delegates expected at Evanston next month. This conference adopted a unanimous resolution from which I would like to quote a few brief excerpts:

> We condemn with all the strength at our disposal the ungodly plans of the Western Powers, who in their futile attempts to prevent the victorious ascent of Socialist ideas want to plunge mankind into a new war catastrophe. These enemies of the peace of mankind, in the hope of lengthening the life of their immoral exploitive system, have resorted to the loathsome method of frightening the peace-loving peoples with the atom bomb. * * * We are Christians, preachers of Christ's teachings of love and peace and therefore we are for peace. This is why we are proud to declare ourselves part of the great peace camp, led by the Soviet Union. * * * We are confident that we will best serve the cause of peace if, in accord with the will of God, we devote all our priestly endeavors to helping our working people to build up socialism, the victory of which is also a guaranty of lasting peace among nations.

I might add that literature containing a comprehensive report of this Luhacovice Conference, including the text of the resolution from which I have quoted above, this literature has been circulated in this country by the Communist Czechoslovak Embassy here in Washington, which should clearly show the close ties between the Communist Government in that country and the so-called church delegates who are coming to the United States shortly from Czechoslovakia.

Mr. Speaker, I cannot believe that individuals who have subscribed to statements such as these can make any contribution to the church conferences in question.

I am not acquainted with the backgrounds of the other Czech and Slovak delegates, Bishop Chabada, Bishop Varga, Mr. Ziak, and Dr. Michalko. I do know something, however, of the Hungarians who are, in addition to Bishop Bereczky, Bishop Dezsery, Bishop Veto, Bishop Peter, and Dr. Papp. When I declare that all of these Hungarian Delegates are and have been thoroughgoing collaborators with Soviet communism, I assume the same to be true of their Czechoslovak brethren.

Mr. Speaker, if these individuals were free agents in any sense of the word, I would be among the first to welcome them to our shores. But they are not and cannot be free in any sense of the word. Either they must be devout, fanatical Marxists or they have close relatives in their homelands or they are exposed to some other form of pressure that must merely leave them as obedient automatons in the propaganda service of the Communist governments who have risked exposing them to the Western World.

The Department of State cherishes the hope that their visit here may serve to strengthen the Czech and Hungarian Protestant churches in the face of Communist pressure. Just how naive can one be? Far from having any salutary effect upon the people of Czechoslovakia and Hungary, the knowledge that these servants of world Communism who masquerade as men of God are coming to this country to advocate cooperation between the churches of east Europe and those of the free world and to promote the new Communist line of cooperation can have only a crushing blow to the hopes of those millions of anti-Communists behind the Iron Curtain who look longingly to the free world for the day of their liberation.

Mr. Speaker, I have the privilege and honor to be a member of the so-called Kersten committee which the Congress authorized last year to investigate the question of the communization of the Baltic States. This year the committee is working diligently on the investigation of the communizing of other satellite nations of east Europe. The Hungarian phase of our hearings, for example, is scheduled to open in Washington on August 20.

All of our witnesses have spoken, many times from first-hand experience, about the persecution of all forms of organized religion behind the Iron Curtain. Such revelations have been of considerable value and, I feel, have been well worth the money appropriated by the Congress for this purpose. The State Department also has endorsed our findings. But now the same State Department is admitting these Communist delegates to our country on behalf of the cause of organized religion when the truth is that they speak for no one except those atheists who control the governments of their homelands.

Think of the field day that their presence here will give to the propagandists of world communism. Imagine what a Czech or Hungarian will believe when he learns that these arch collaborators have been welcomed by some of the highest religious leaders in our land, to say nothing of the possible participation of national figures from other walks of life.

Mr. Speaker, I say that the participation of these false churchmen in our religious conferences is a shame and an affront upon those other Czech and Hungarian religious heroes who attempted to oppose the Communists and who suffered imprisonment or worse as a result. I do not confine my remarks to the well-publicized cases of the high Roman Catholic prelates. There have been many Protestant martyrs as well. I mention the case of Bishop Lajos Ordas of the Hungarian Reformed Church who was imprisoned while I was in Hungary because he would not sell his services to the cause of world communism. When we admit men like Bereczky and Hrowadka as representatives of their churches to our shores, we sully the memory of those brave individuals who have suffered in defending the cause of religious freedom behind the Iron Curtain.

It has been suggested to me that the Conference of the World Council of Churches at Evanston may issue a sweeping denunciation of international communism. I hope that this may be done. But I understand that a report which has been prepared by a committee of Protestant theologians for submission to the conference criticizes both communism and democracy with equal fervor. In discussing the report, the New York Herald-Tribune in its June 15 issue said:

> Democracy was accused of harboring inequality, injustice, discrimination and aggression and of "relying on naked power."

If this report should be adopted by the full conference, the Communist propagandists will know what to include and what to omit when they return home to "strengthen their churches" as the State Department puts it.

Mr. Speaker, the Communist connections of these Czech and Hungarian delegates are well known to and admitted by the State Department or there would have been no need for consultation with the Attorney General. Obviously, the Communists are only going to send delegates who are thoroughly reliable and who can be thoroughly controlled. The incredible naivete and persistent refusal to face realism on the part of the Department is most disheartening to one who, like myself, hoped far better things from the new regime.

When the Department hopes that spiritual contacts in this country might have a beneficial effect upon the Communist delegates and might make them more aware of their responsibilities to the peoples of their own countries, it is in effect destroying much of the work of combating Communist propaganda that our own organs, such as the Voice of America and Radio Free Europe, are carrying on. The State Department in recommending the admission of these delegates is hampering and sabotaging the work that so many of us are trying to do in exposing the real truth about international communism, the real truth about conditions behind the Iron Curtain, the real truth about the world menace we face today at home and abroad.

I am not crying "treason, treason" when I speak so. I am not accusing either the National Council of Churches of Christ, of which my own church is a member, or the State Department of being infiltrated with Communists who have engineered this accomplishment. But I do say that there are those in authority in both places who are blinded by their naivete, who stubbornly refuse to face the facts, who persist in an incomprehensible course of nonrealism. Those of whom I speak are persons, especially in the State Department, who should know better than to persist in this foolish attempt at peaceful coexistence and cooperation with international communism and its disciples. As our speaker said on July 9: "What possible chance is there for coexistence of this outlaw conspiracy alongside a civilization based on truth, trust, and faith, on freedom and the individual dignity of man"?

Mr. Speaker and Members of the House, certain of my colleagues and I recently spoke in our minority report on the mutual security program of the need for this country to exercise a spiritual and a moral leadership worthy of a great heritage and a great people. I stand here before you and say that a compromise with evil which admits these Communist delegates to our shores in the name of organized religion, that such a compromise is an abnegation of that moral leadership which the entire anti-Communist world is looking to us to provide. And I say shame on any who have lent themselves to the practice of this betrayal.

REVOLUTION IN RUSSIA

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include additional matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, when a Russian diplomat or a Red spy is chosen to operate inside the free world, his loyalty to communism has met all the incredibly thorough checking of the Reds.

After 12 successful missions behind the Iron Curtain, author-lecturer John Morley said:

> No one is approved for clearance outside Russia unless his record and credentials are checked and rechecked by one of the most secret departments of the Soviet Union.

And he concluded:

> So when one of these "approved" Reds voluntarily escapes to the West, it's a sure sign that something critical is brewing behind the Iron Curtain.

Does this mean there are some weaknesses in the Soviet empire that may be exploited by the Free World for ultimate victory in the struggle against Communist aggression?

Very definitely—if there is substance to data filtering out by devious channels from behind the Iron Curtain which I am summarizing today. Naturally, it is impossible to recheck the sources of this information, and I do not certify its accuracy. My purpose is to lay it before you for your own evaluation.

However, important confirmation of much previously unsubstantiated intelligence was made in a dramatic fashion recently by one of these "approved" Red escapees. He is Nikolai Khokhlov, a former Soviet secret police agent.

Sent to West Berlin to murder an important foe of the Soviet regime, Khokhlov instead surrendered to his intended victim. On May 21 of this year Senator WILLIAM E. JENNER's International Security Subcommittee Investigating Soviet Assassination and Terrorism interviewed him.

Here in part, are his responses to questions by Senator JENNER and the subcommittee's chief counsel, Charles P. Grimes:

Mr. GRIMES. Now, it is true, is it not, that you have been an officer of the MGB for some 13 years?

Mr. KHOKHLOV. I was a collaborator, that is, a worker with the MGB, and the officer's rank I have had since 1950, since September 1950.

Mr. GRIMES. Now, what is the MGB and its predecessor, the NKVD, will you please explain?

Mr. KHOKHLOV. The MGB is a service which is engaged in the affairs of intelligence and counterintelligence. This service is engaged in sending agents abroad and in countering the activities of enemy agents.

When this organization exists alone, its name is MGB. When this organization is merged into a ministry of internal affairs, then its identity, or the name is lost, and it becomes a part of either MVD, or as it was NKVD.

Mr. GRIMES. NKVD was the original name?

Mr. KHOKHLOV. Before that, there was also another name, NKGB, which actually was the same.

Mr. GRIMES. Did you belong to any particular branch of the MGB?

Mr. KHOKHLOV. Yes.

Mr. GRIMES. What branch was that?

Mr. KHOKHLOV. During the war, the name of this service was the Fourth Administration. Then its official function was the partisan, that is the guerrilla warfare, with the Germans.

After the war, the name of this service was changed to the Bureau No. 1. It was stated officially that the purpose of this bureau was preparation for training for the future partisan warfare.

In 1953, this service once again was renamed, and this time it was known as the Ninth Section.

However, it is known to me for certain that the real purpose of this organization for all this period was diversionary activities and terroristic work for the Soviet benefit abroad.

Mr. GRIMES. Will you please describe what the terroristic activities abroad consisted of?

Mr. KHOKHLOV. In the official language of the MGB, official terminology of the MGB, the term "terroristic activities" means the implementation of directions dealing with the assassinations or murder of individual persons.

Mr. GRIMES. And what does the phrase "diversionary activities" mean as used by the Soviet Government and your agency and department?

Mr. KHOKHLOV. Diversionary activities include sabotage, organization of explosions, fires, in harbors and other installations, and the sabotage in plants, destruction of different types of war prdouction, throwing bombs in various cities in order to create panic, this is basically all.

The CHAIRMAN. Now, I want to ask how extensive is this organization of MGB? In how many countries is it operated to your knowledge?

Mr. KHOKHLOV. This is a very extensive organization, and one could say it covers all countries.

The CHAIRMAN. I want to ask if they have an American desk, this terrorist organization?

Mr. KHOKHLOV. Yes, within this organization, there is a certain section which is engaged in work on America.

The CHAIRMAN. Are you a member of the MGB?

Mr. KHOKHLOV. I am an officer of MGB.

The CHAIRMAN. Are you now?

Mr. KHOKHLOV. No; not since the moment of defection, I am not or have not been an officer.

The CHAIRMAN. Did you refuse to carry out an assignment to commit murder?

Mr. KHOKHLOV. Yes; I refused, I never performed the assignments to murder.

The CHAIRMAN. Why?

Mr. KHOKHLOV. Because I consider that the murder or assassination is a crime against religion and conscience.

Mr. GRIMES. Would you please state the events from the time that you received this assignment, where you received it, when you received it, and who gave you this assignment?

Mr. KHOKHLOV. I received an assignment on the organization for the assassination of Okolovich in the beginning of October 1953.

Mr. GRIMES. Who was Okolovich?

Mr. KHOKHLOV. One of the leaders of the emigre movement known as NTS.

The CHAIRMAN. What does NTS stand for?

Mr. KHOKHLOV. National Labor Work Alliance.

Mr. GRIMES. Is it really an alliance of workers, or is it something else?

Mr. KHOKHLOV. No; this alliance unites the most diversified strata of people.

Mr. GRIMES. Are they all emigres from Russia?

Mr. KHOKHLOV. Yes.

Mr. GRIMES. What is their purpose?

Mr. KHOKHLOV. To carry out a revolution in Russia and to replace the present regime with the one that would be more free.

Mr. GRIMES. Has this organization been in existence, to your knowledge, since the 1930's?

Mr. KHOKHLOV. Yes; approximately since that period.

Mr. GRIMES. Is it a large organization insofar as you know?

Mr. KHOKHLOV. Yes; it is a large organization.

Mr. GRIMES. What is the basis of your knowledge of this organization?

Mr. KHOKHLOV. The data that are in the possession of the MGB and the data that was given to me for my knowledge by my superiors.

Mr. GRIMES. And you had to study it intensively; did you not?

Mr. KHOKHLOV. Yes.

Mr. GRIMES. Mr. Khokhlov, you have testified about your assignment to head the assassination group of Mr. Okolovich and your study of the dossier of the NTS.

Did not the dossier presented to you as a preliminary step also contain a file on Okolovich himself?

Mr. KHOKHLOV. Yes, there was a special dossier on Okolovich in this file which gave detailed information covering all aspects of Okolovich's personal life to the extent which was known to Soviet Intelligence Service.

Mr. GRIMES. Did you learn from that file, or otherwise, of previous attempts made against Mr. Okolovich and Mrs. Okolovich?

Mr. KHOKHLOV. Yes, I knew the whole story, the complete story of attempts to assassinate Okolovich and also attempts to kidnap him.

Mr. GRIMES. Had there been an attempt to kidnap his wife also, do you know?

Mr. KHOKHLOV. No; they did not make any attempts to kidnap his wife. It was merely planned to kill her in case she interfered.

Mr. GRIMES. Not to kidnap; just to kill her if necessary; is that it?

Mr. KHOKHLOV. Yes, precisely.

Mr. GRIMES. Now, will you tell us, please, about this assignment, starting with when you first received word that this was to be your assignment?

Mr. KHOKHLOV. This assignment was given to me at first by my direct superior, Colonel Studnikov.

Mr. GRIMES. And who in turn was his superior?

Mr. KHOKHLOV. Panyushkin.

Mr. GRIMES. Panyushkin was the former Ambassador to the United States of America from Soviet Russia; is that correct?

Mr. KHOKHLOV. Yes; this is precisely so.

Mr. GRIMES. And you know that to be the same man who was our Ambassador here for some 5 years?

Mr. KHOKHLOV. Yes; this was the story mentioned within the ministry.

Mr. GRIMES. Now, what precisely was your assignment as given you by Studnikov?

Mr. KHOKHLOV. Studnikov told me that I am given an assignment to organize a liquidation of one of the most distinguished Russian emigres, who was the most dangerous enemy of the Soviet power.

I myself was categorically forbidden to assassinate him personally, inasmuch as I was the leader of this operation, the organization of the assassination. I was supposed to recruit two German agents to carry out the assassination. These men were to be selected from the personnel of the agents whom we had available in Eastern Germany.

Furthermore, I had to prepare the documents for them, to prepare the story for them, and order the weapons for them, and take steps to organize their trip to Frankfurt.

Furthermore, I was supposed to give them instructions as to how the plan should be implemented. I was supposed to give them instruction as to how approximately the deed had to be carried out.

For this purpose, several agents of Eastern Germany, and those who were in Western Germany, were given to me for my disposal. I had to send them to collect information and data on Okolovich and for taking pictures of the place of Okolovich's residence.

Such was the basic assignment in its main parts. As to the details, I had to work them out myself.

Mr. GRIMES. Now, in connection with that, were you given a file on the NTS to study?

Mr. KHOKHLOV. Yes; so that I would have the precise idea as to what this organization is.

Mr. GRIMES. Now based upon the file which you were given to study, in connection with this assassination assignment, what did you discover as to the purposes and effectiveness of the NTS, the National Labor Alliance?

Mr. KHOKHLOV. On the basis of my study of the material that was in the file that was turned over to me, and on the basis of the so-called briefing which was issued on the 5th of November 1953, I could come to a conclusion that MGB, in this particular case, considers that the NTS is a very strong organization in carrying its fight against the Soviet Union.

Mr. GRIMES. According to that information, do they carry on their fight against the Soviet Union preliminarily, as you have testified, to an ultimate revolution?

Mr. KHOKHLOV. NTS has a large volume of propaganda literature, such as bulletins, individual sheets, newspapers, and books, which it disseminates in the territory of the Soviet Union and the countries of people's democracy.

Mr. GRIMES. Based upon your intelligence information, how do they get it into Russia?

Mr. KHOKHLOV. They have their own cells and that is small organizations within the ranks of the Soviet Army and in the Soviet Union. For liaison with these cells, the NTS sends a large number of couriers regularly who cross the frontier and go to both the territory of the Soviet Union and the territory of the so-called countries of people's democracy.

Mr. GRIMES. Does he mean the satellite countries?

Mr. SEREBRENNIKOV (the interpreter). Yes, of course.

Mr. GRIMES. Apart from the many couriers which you have testified crossed the Russian border in behalf of the NTS to bring propaganda leaflets and other items of propaganda in, do they use the method of balloons to convey propaganda messages into Russia and into their cells within Russia?

Mr. KHOKHLOV. This method has been written up in the newspapers, but this method was not a subject of the investigation on the part of the MGB.

The MGB was interested in the work of agents, and the data on the activities of the agents I had in great quantity.

Mr. GRIMES. Were some of the agents of the NTS who crossed the border and went into Soviet Russia apprehended?

Mr. KHOKHLOV. Yes, a certain number and a certain part, certain agents were tried officially; and other agents just perished without a trace behind the prison walls of the MGB.

Mr. GRIMES. What position did Okolovich occupy in the NTS?

Mr. KHOKHLOV. He was a leader of the so-called activities, which can also be translated as secret activities.

Mr. GRIMES. Will you describe the closed or secret activities?

Mr. KHOKHLOV. First of all, this work consisted of sending personnel, which means that first you had to select, to train them, and to train them in work, and to instill in them the spirit of the organization, and finally to brief them and to train them as to how they can accomplish the task with which they are charged.

Mr. GRIMES. To send the personnel into Russia itself, as well as the satellite countries?

Mr. KHOKHLOV. Yes; also into Russia itself.

Mr. GRIMES. In a sense he, then, was in charge of the secret police of the NTS operating in very much the same manner that your branch operated for the Soviet Government; is that not so?

Mr. KHOKHLOV. He was the head and the soul of all secret intelligence work directed against the Soviet Union.

Mr. GRIMES. In a sense he was a sort of an opposite number of Panyushkin?

Mr. KHOKHLOV. Only with the great difference in their purposes, of course.

The CHAIRMAN. Panyushkin was an assassin and Okolovich was a propagandist; is that correct?

Mr. KHOKHLOV. This is precisely so.

Mr. GRIMES. Is it a fact that the Soviet Government very much fears the operations of the NTS?

Mr. KHOKHLOV. This is an absolutely exact fact.

The CHAIRMAN. What they really fear is the fact that they, the NTS, are Russian emigres, who have turned against Russia?

Mr. KHOKHLOV. Yes, of course; this is the most fearful thing for them, because this is the movement of the Russian people.

As evidenced by Khokhlov's testimony, NTS is an alliance of anti-Communist individuals and organizations. Extremists, moderates, and conservatives are all welcomed into the common cause.

As a consequence, NTS sometimes has been the target of criticism for the crackpot views of some of its members on subjects unrelated to liberating the people of Russia from the Soviet regime. Unbiased observers indicate, however, that NTS sticks to this primary objective with a remarkable singleness of purpose. They likewise feel that its secondary objective, establishing a democratic government adapted to Russian conditions and needs, is safe from extremist influences.

NTS has a following on both sides of the Iron Curtain. Its ideological basis is said to be Christian morals and recognition of human individuality. However, it is revolutionary in character because, knowing the nature of the Communist regime, it believes that nothing short of a revolution will destroy it. The NTS also believes that nothing short of a revolution carried out by the victimized people themselves will expose the nature of communism to the world.

Its program of action is:

First. To reduce the idea of revolt to terms generally understood and accepted by the people.

Second. To instruct the people how to fight; to develop leaders; and to speed up the formation of a revolutionary atmosphere.

Third. When the time is ripe, to overthrow the Reds and to substitute a democratic government.

To carry out this task, NTS has developed and put into practice a strategic plan adapted to conditions in a totalitarian state. It seeks to train and build a strong body of devoted and experienced revolutionary leaders to spearhead the revolt.

By various methods of underground propaganda the "molecular theory" of revolt described by Khokhlov is carried out. Individuals are encouraged to enroll in an organization, the members of which are unknown to each other except for cells or molecules of 2 or 3 trusted friends. One member only of each cell is known to one member only of another cell. As indicated by the testimony, to attain common aims and act uniformly, NTS couriers are in constant touch with these cells, passing along carefully planned instructions from revolutionary headquarters.

Aside from minor acts of defiance which can be carried on without too much risk, the present major effort by

these cells is the enlistment of like-minded, trustworthy individuals into new cells. The effort is stimulated by tracing symbols and slogans of the NTS on walls, railroad cars, and the like. In this manner individuals predisposed to throw off the Red regime are made aware that they are not alone. Moreover, the sight of such signs proves to the citizen that an act of defiance against the Government was committed with impunity. He realizes that anyone who takes elementary precautions can do the same without much risk of detection.

Since these symbols express a particular set of ideas and political principles, their constant appearance helps to organize thought and unite people into a coordinated effort. By the surreptitious tracing of an NTS symbol, the individual is actually voting not only against the regime, but for a determined and positive purpose.

NTS believes it is creating inside Russia a new and growing political force over which the Government has no control. The growth of such a force, they say, will instill a growing feeling of insecurity in the ranks of Government supporters and reduce their efficiency. Thus a double-pronged process of strengthening the resistance through united revolutionary thinking and weakening the Government's dictatorial power of oppression by demoralizing its machinery is underway.

NTS sees three basic stages in the process of revolution against the Kremlin:

The first, longest, and least conspicuous stage is the formation of these many, coordinated cells.

The second is a transitional period in which the development of cells is advanced enough to stir up some to open outbursts against the Government, but inadequate to support a general revolt. NTS expects these outbursts to be suppressed, but hopes such evidences of popular opposition will hurt the morale of the police organization which is supposed to control them. As these outbursts grow in scope and violence, the repressive measures of the police are expected to become less and less decisive.

The third and final stage of general revolt will come when the country is ripe for a planned and organized general uprising.

This analysis by the NTS is based on the existing situation in Russia. Such a contingency as war would introduce entirely new factors calling for an entirely new strategy.

There are some who believe events behind the Iron Curtain already have proceeded to the second, or transitional, stage. As outward signs of rising populace resistance they cite (a) the reluctance, and sometimes absolute refusal, of Soviet troops to take repressive measures during the East German uprisings in June, last year; (b) workers' strikes at heavy industry centers in Russia; (c) strikes, riots, and stubborn resistance to the MVD by inmates in a number of Soviet concentration camps; (d) subversive activity by students' political organizations in Moscow, Leningrad, and other large centers. Arrests were so many, and rumors so widespread, that the Kremlin had to break its curtain of silence and publish reports about them in its own newspapers, thereby acknowledging the existence of active anti-communism amongst the younger generation.

Stalin's death and the fall of Beria, it is claimed, seriously undermined the hypnotic power of Soviet propaganda myths. The myths of the indestructible unity of Stalin's loyal disciples of the invincibility of the MVD; and many others were exposed in all their absurdity. People began to realize that the monsters of the Kremlin and their MVD henchmen are but ordinary mortals after all.

The struggle for power between Malenkov, Beria, and others following Stalin's death, and still going on, is having its debilitating effect on the Red machinery of government another way, too. For it places every Red official in a tough spot. Big or little, he is constantly worried as to how he should behave in order to avoid suspicion and eventual vengeance from one of the rival factions.

Trained to demonstrate his loyalty through servility to his seniors and glorification of the supreme leader, he is at a loss how to meet the new situation. He knows what would happen if he glorifies a loser. Thus the Soviet official is no longer as efficient a servant of the regime as he used to be. His main preoccupation is to survive.

The plight of members of the MGB-MVD secret police organizations is even worse than that of the ordinary Soviet official. The purge of pro-Beria elements continues. Old hands, according to word from behind the Iron Curtain, prefer to play it safe. They refuse to use their initiative and imagination. Agents newly recruited to replace purged pro-Beria elements are generally inferior in quality and lack training and experience. Their work is crude and unreliable.

Exposure to anti-Communist literature, which it is their duty to collect, study, and criticize, also affects MVD and MGB men. It is interesting to note that Nikolai Khokhlov's tremendous respect for the NTS came almost entirely from his reading of the MGB dossiers on the organization. This general weakening of morale based on personal insecurity may help explain the unprecedented trek of MVD and MGB deserters to the West.

Conscious both of this increasing hostility from the population and a weakening in its police apparatus, the Kremlin recently embarked on a policy of concessions. Since totalitarian governments cannot go far along the path of reform, the effort backfired.

Soviet farmers began to spend more time in their own backyards and worry less about deliveries to the state. Soviet workers, disappointed with what they got, in many cases struck for more and actually got it because the MVD could not overcome their resistance. Amnesty to a few of the millions held prisoner by the Reds encouraged a general demand from concentration-camp prisoners for additional concessions, which again, the MVD proved powerless to deal with except by mass executions.

German prisoners of war who recently completed sentences at some of these camps report that the strikers even hoped the Americans would parachute weapons to them. Although the concentration camps submitted to force, these returned prisoners of war say the prisoners' resistance spirit has not been broken.

NTS appears to be highly encouraged by these events and claims a healthy share of the credit for bringing them about. Based on what it feels it has so far accomplished, NTS is making strenuous efforts to engage as many more individuals in its organization as possible. It seeks not only to draw civilians in its efforts, but boldly claims success in establishing revolutionary cells in the Red Army itself.

Since success or failure of an eventual open revolt depends on the quality of available leaders, NTS is said to direct much effort toward building up a large force of experienced revolutionary leaders and deploying them in strategical positions.

These elements are strictly forbidden to engage in any activities which could lead to premature disclosure of their anti-Communist connections. To reduce the danger of their exposure through betrayal they are isolated from contact with other NTS elements behind the Iron Curtain.

Khokhlov brought with him to the Jenner committee hearings two sample NTS propaganda pieces which were introduced into the record. One was a facsimile of a 100-ruble banknote on one side to attract attention to the anti-Soviet literature on the other side. The second was a handkerchief with a message printed on one side. They show the devious and various means NTS uses to spread its revolution propaganda behind the Iron Curtain.

If NTS claims are true, its printed propaganda barrage is a major effort indeed. Distribution of 9,693,350 propaganda pieces is claimed during 1951, another 11,220,000 pieces during 1952, and 17,847,130 during 1953.

Some of the propaganda pieces are in ordinary, undisguised leaflet form, as distinguished from the samples of disguised literature handed over by Khokhlov. They all contain basic information relating to the aims, nature, strategy, and tactics of the NTS. Two underground newspapers are of a similar nature.

Brochures and books dealing with ideological, political, and tactical problems and stories on revolutionary themes are bound inside innocent Soviet books, or in the covers of Soviet books. Facsimilies of major Soviet newspapers and magazines, railroad timetables, and similar publications containing concentrated or scattered propaganda material also are used.

Not only are such propaganda materials delivered by hand, dropped in public places, and otherwise manually distributed, but a number of mechanical devices and even balloons and rockets are used to gain wider clandestine distribution and protect individual NTS personnel from unnecessary risk.

As another means of spreading its views, NTS operates a mobile clandestine radio station known as Radio Free Russia. It operates mainly on Soviet shortwave frequencies.

Unlike the Voice of America, it is not inhibited by any diplomatic considerations. The station tries to transmit eight half-hour programs every day. Apart from such regular programs, the station interferes with Soviet radio programs and butts in on radio conversations between pilots of Red planes as they patrol over Germany.

During maneuvers tank crews can listen to it quite freely, and Radio Free Russia obligingly increases the number of its "wild" programs for their special benefit.

Deserters from the Red army claim the programs are very effective because it is the only radio station that teaches the soldier what he has to do and how he has to act to protect himself from the MVD.

The station is, of course, subject to Soviet jamming, but it changes frequencies every 5 to 7 minutes, asking listeners to try to relocate it by tuning. When it broadcasts on Soviet wavelengths, its main objective is to throw in a slogan or a caustic remark during pauses in Soviet programs whenever it has a chance.

Not overlooking any possibilities to ridicule the Soviet Government in the eyes of its slaves, NTS engages in a running battle of wits with the MVD. One of its most successful capers was pulled off when the Soviet Government purchased a large well-advertised shipment of oranges from Italy.

Underground agents of the NTS operating in Italy succeeded in placing artistically made imitation oranges containing propaganda leaflets in a number of the crates.

When the oranges were unloaded in Russia and prepared for delivery to retailers, the MVD was informed of the trick.

It immediately had all the crates opened and every orange cut in half. It had the satisfaction of fishing out every single leaflet, but the population, instead of long-advertised oranges, received small quantities of juice. A few grumbled, but the majority chuckled. Rumors travel rapidly in a country where all news is censored.

If only a small part of the "cloak and dagger" story I have related is true, there still remains ample evidence that revolutionary processes are developing in the Soviet world.

These processes are a natural consequence of the ideological, political, social, and economic bankruptcy of the Communist regime. Their development was inevitable; the call of freedom is in the heart of every enslaved person and it is irresistible.

In short, this is the great weakness of the Soviet regime that can be exploited by the free world to gain ultimate, final victory over Communist world aggression.

Victory will not come easy, nor is it likely to come as quickly as many would like. The Soviet Government is still very strong and tenacious. It will fight tooth and nail for survival. But there is hardly anything the Kremlin can do internally to win the real support of the oppressed population.

On the other hand, many things can be done to encourage that populations' active resistance to the regime. The dissemination of truth from the free world through the Iron Curtain to these people is basically no more than a technical problem which can be solved by funds, equipment, and courage.

One of the most basic and important truths that we must convey to these people is that we of the free world have no quarrel with the Soviet people themselves—that our only objective is to free them from the tyranny that enslaves them and now threatens destruction of our own freedoms.

There is but one conclusion to be reached from what I have placed before you:

Under present circumstances, we can gain victory over Communist world aggression; we can gain that victory without war; but only by channeling our most effective physical and moral support to expand the forces behind the Iron Curtain dedicated to the destruction of the Soviet regime from within.

APPROPRIATIONS PROVIDE SOUND FARM PROGRAM—SOIL CONSERVATION AND RESEARCH EMPHASIZED

Mr. HAND. Mr. Speaker, this Congress, under the lead of President Eisenhower, has done and is doing a job which will be approved by almost all farmers in south Jersey.

The House passed the farm bill, which marks the beginning of a flexible-support program, and the end, I hope, of the rigid program which has done great disservice to agriculture generally, and to our farmers in particular.

I shall not here repeat the statement that I made to the House on July 1 in support of the amendment to start flexible supports, and stop rigid supports, except to emphasize two paragraphs of that speech. I then said:

There are many thousands of farmers who, of course, are directly benefited by this apparently eternal guaranty of prosperity, but what is overlooked is the fact that there are also many thousands of farmers who are not benefited at all. The gentleman from Massachusetts [Mr. HESELTON] has called to your attention the situation with respect to New England farmers. I call your attention to the fact that the so-called basic commodities in my State of New Jersey which benefit from the present program of high, rigid price supports represent 2 percent of the total cash receipts of farmers in our State.

Of equal significance is that fact that our poultry, egg, and dairy farmers, who together represent 64 percent of the cash receipts in New Jersey, are not only not benefited, but are adversely affected by this program. The eggs that are sold in my district—one of the greatest egg-producing areas in this country—have to seek their support in the market place, while the grains that my egg producers have to buy are rigidly supported by artificially high prices.

The New Jersey Taxpayers Association has urged my help to move Government away from rigid 90 percent support program and the tremendous waste it has built up in unmanageable surpluses.

I wish there was time to quote in full the analysis of this serious and growing problem which has been reported by the Council of State Chambers of Commerce.

The worst part of this rigid support program and the resultant pileup of farm surpluses is that, if it is continued, it will react most seriously against the farmer himself. The time will come when the American taxpayer and the American consumer will no longer tolerate a tax burden and the cost-of-living burden which is imposed by a program which was essentially an incentive for wartime production, and not a perpetual guaranty of profits for the huge wheat, corn, and cotton farmers at the expense of all the rest of us.

I am convinced that the continuance of the 90 percent rigid program is bad for the Nation, and worse for the farmers and people of New Jersey, and I regret that it has been found wise even to compromise the issue. It should be met head-on, and we should revert, after too long a delay, to the flexible program which the Congress adopted 3 years ago.

I propose, therefore, to support the compromise embodied in the Harrison amendment with a little bit of reluctance. I would prefer to meet the issue directly, but I must remember that compromise is often the essence of reasonable legislation.

That compromise passed, and I hope the Senate will come up soon with a bill as good or better.

AGRICULTURE APPROPRIATIONS

Today, however, I want to speak of another great help to our local farmers, and that is the wise and generous action of the Appropriations Committee and the Congress in dealing with money needed for a sound program of aid to agriculture.

On March 10, I had the privilege of testifying before the House Committee on Agriculture Appropriations. I presented to them the views as I understand them, of our local farmers and farm organizations. I was received with great courtesy and consideration by the committee, which approved our views.

Among other things, I protested the proposed reduction in field area offices. A part of my discussion with the chairman follows:

Mr. HAND. The third point that he makes is, and I think possibly this might be almost the most important, the proposed reduction in field area offices.

Mr. ANDERSEN. You are correct. It is the most important.

Mr. HAND. As I understand it, the proposal is to reduce the authorization from 326 to 236.

Mr. ANDERSEN. Furthermore, the proposal is to increase the workload of each area office, Mr. HAND, from about 10 district units to 14. Many of us feel that that will be too heavy a load.

Mr. HAND. Yes, too heavy a load, and of course it does not effect too much saving. You might save some rent but I do not think you save too much staff if you are going to increase the staff.

Mr. ANDERSEN. As you know, in any of these programs you can spread supervision so thin that it becomes ineffective.

Mr. HAND. That is one of the problems we are facing in my own area right now. The supervision is good but it is spread too thin to be effective and we do not get the services of the experts that are sent down as much as we should. So that they have a grave question about that. They make the point

that there has been in the past a considerable reduction in these field offices and they think it has been reduced about as much as it should be in order to continue with effective service.

Mr. ANDERSEN. Just to complete the record, I might say that the budget before us, Mr. HAND, does not contain sufficient money to staff these new soil-conservation districts which are to be brought into being in the next fiscal year. Now, we think that is a mistake. We cannot expect the other soil-conservation districts to continually loan their manpower to the job in these new districts.

Mr. HAND. From my limited knowledge, let me say I am in complete agreement with the chairman because it is on the level where the work is actually done that we must be careful to continue the work. That is correct.

I discussed other phases of our problems, including forestry service.

I presented to the committee the statements of Dean Martin, of Rutgers, with respect to Federal support for research and extension work in New Jersey.

I concluded with this observation:

Mr. HAND. I want to add for the record very briefly that in the last 15 to 20 years, and perhaps I could limit it by saying the last 8 or 10 years, there has been an enormous change in agriculture in my area, and it has been a change for the better. Production has been greatly increased. Farm practices have been greatly improved. I think to a large degree that has happened as a result of the work of the Soil Conservation Service, and my people there are for it. They have taken advantage of it, and they want to continue to take advantage of it. Farms have been transformed from marginal farms that were making bare livings in many cases for the individual farmer, to farms that now, though still small farms, family farms, largely, nevertheless have been transformed into great producers and producers of cash crops; largely for quick-freezing process. There has been a very gratifying increase in the prosperity of the farmer and in the practices that he has been using, and the increase in production is something which I feel very strongly ought to be assisted and encouraged by our farm program.

Congressman MARSHALL, of Minnesota, was good enough to say this:

Mr. MARSHALL. I would like to say that I had the opportunity of visiting Mr. HAND'S district last year with the Agriculture Committee and I saw some farm practices carried on in your district that I thought were fine examples of conservation. I was taken with some of the farming practices I saw in your district.

To sum up, the committee and the Congress passed an appropriation bill which I think is the most satisfactory bill for south Jersey that we have had.

EGGS

On this date—July 20—our great egg-producing area is suffering from a very unfavorable egg-feed ratio. Prices of eggs are low, and feed is high. This is partly caused by the rigid supports for wheat and corn which we are going to correct.

Production of eggs and poultry, vegetables and fruits, are basic to our whole south Jersey economy. Eggs are probably the biggest cash crop in our State, running last year to $130 million. I have thus been greatly concerned with the present conditions in the egg market, which I hope will soon improve, as our Department of Agriculture believes.

Not long ago I visited with a committee of producers in Vineland, who felt that the best immediate remedy would be the introduction to our markets of surplus feeds from Commodity Credit Corporation.

Accordingly, after further discussions, which included other Congressmen whose districts were affected, and with Chairman HOPE, of the House Agriculture Committee, I had a long and pleasant conference with J. A. McConnell, the Administrator of the Commodity Stabilization Service. I found him fully informed on our problems and completely sympathetic. He himself is the operator of a 7,000-bird farm.

I asked him to put in writing his present views on what has been done, is being done, and can be done to be helpful. He promptly did so, and his statement follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
COMMODITY STABILIZATION SERVICE,
Washington, D. C., July 15, 1954.

Hon. T. MILLET HAND,
House of Representatives.

DEAR CONGRESSMAN HAND: Yesterday you called my attention to the difficulties being encountered by the poultrymen in your area due to the low price of eggs and the high cost of operations, including feed. I am quite aware of the facts which you set forth.

There is a belief on the part of the poultrymen that the high cost of feed is associated with the Government acquiring great stocks of feed grains under the support program. Since the storage facilities of the country are bulging with grain it seems to poultrymen, who have no support, that we should find some way to release grains to relieve this high-cost feed situation.

I have before me figures showing that on July 10 the value of a case of eggs over feed costs is $2.95. A year ago it was $7.58. The beginning and the end of the present situation is contained in these figures. Under favorable egg prices, poultrymen of the Nation expanded production. It was inevitable that some adjustment would have to come about through lower-priced eggs. This is occurring. The feed ratio has been even more unfavorable than the present during the past few weeks.

It has been obvious for some time that this condition was going to come about. The Department has to the extent possible in its disposal program, tried to recognize this situation and tried to help it as far as possible within the law. For instance: (1) We had great surpluses of dried milk fit for human consumption. We have put on a disposal program running to August 31 of this year which makes this highly desirable feed product available to the poultry and animal industry. (2) We are disposing of about 170 million bushels of 1948 and 1949 corn stored in Government warehouses, mostly in the Midwest. It is true that this particular corn might not get to the eastern seaboard but it certainly had the effect of keeping the price of corn stable at around present levels. Stocks of corn in the free market would have otherwise been very scarce.

One of the reasons for the very high price of poultry rations was the very short crop of soy beans last year, plus the heavy exports which took place. This resulted in soy-bean meal, a main product in poultry rations, going to very high prices. The release of the dried milk knocked the price of soy-bean meal down about $20 per ton and has pretty well stabilized it so far. There is still plenty of dried milk that can be used until August 31.

We have also sold into the domestic market off-grade wheat supplies for feed purposes which have amounted to a very considerable amount.

I realize that all this does not help the poultrymen at the present moment, except that the condition would have been much worse if we had not done it. I know of no legal way in which we can divert Government stocks of grain into any particular area or even to the whole country under the present law unless those stocks can be declared out of condition. So far we have declared out of condition everything that can be properly classified as such. I am earnestly looking to see if there is anything more that can be done here on the east coast, but I am afraid that I can hold out very little hope in this direction.

In the meantime, there are some things which are hopeful. It looks like a bumper soy-bean crop is in prospect of being grown. With a plentiful crop and lower support prices, it should result in very much lower priced protein supplements. We also have bumper crops of all the feed grains. I can't see but what there will be considerable effect on feed prices this fall—probably within the next 45 to 60 days.

There is also every indication that the egg price will improve somewhat from this present level. Six to eight cents a dozen would give quite a different aspect to this situation.

If I can find anything more we can do within the law, I will advise you.

Sincerely yours,

J. A. MCCONNELL,
Administrator.

Mr. Speaker, if there is not a healthy adjustment—and I hope there will be—we shall have to deal vigorously with this problem.

FARM PROSPERITY A MUST

Given good weather conditions from now on in, our farmers generally should have a good year. It is essential to the prosperity of all of us that farm income should be reasonably stable.

I am satisfied, however, that so far as legislation is concerned, this Congress has done a good job, which will prove to be of real benefit.

COMMITTEE ON ARMED SERVICES

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file a report on S. 3458.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT OF OFFICERS OF THE REGULAR NAVY AND MARINE CORPS

Mr. ARENDS. Mr. Speaker, I call up the conference report on the bill (H. R. 6725) to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps, 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 Illinois?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2432)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6725) to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps, 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 1 and 2.

L. C. ARENDS,
PAUL W. SHAFER,
LEROY JOHNSON,
JAMES E. VAN ZANDT,
CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,
Managers on the Part of the House.

LEVERETT SALTONSTALL,
FRANCIS CASE,
JAMES H. DUFF,
JOHN C. STENNIS,
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. 6725) to extend the authority for the appointment of certain officers in the Regular Navy and Marine Corps, 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 first section of the Senate amendment would have empowered the Board for the Correction of Naval Records to review the case of nonpromotion of any officer holding the rank of commander in the Regular Navy, active or retired, or lieutenant colonel in the Regular Marine Corps, active or retired, that occurred under the wartime panel system of promotion in the Regular Navy or Regular Marine Corps between January 1, 1942, and August 7, 1947, inclusive, and to recommend appropriate advancement in grade or rank if there was in the opinion of the Board, any error, administrative delay, oversight, or injustice that caused the officer concerned to fail of an advancement in grade or rank which would otherwise have been made. The officer concerned would have been required to request such a review within 6 months of the date of approval of the act. In the case of an officer below the grade of commander or lieutenant colonel, the Board for the Correction of Naval Records, or such other appropriate board or boards as may have been appointed or designated by the Secretary of the Navy would have been authorized to function in the same manner and for the same purposes as in the case of commanders or lieutenant colonels. The President would have been authorized to submit to the Senate the name of any officer recommended by the Board for promotion to a higher grade while any advancement within grade recommended by the Board would have been effected forthwith by the Secretary of the Navy. No advancements to grades higher than captain or colonel were authorized. The pay and allowances of an officer who was advanced would have been based upon the grade or rank to which advanced and would have been computed from the date when he would have been advanced in normal course but for the error, administrative delay, oversight, or injustice which caused him to fail of advancement.

Section 2 of the amendment, in effect, would have authorized the promotion to the grade of captain of two retired commanders, United States Navy, who met either of two detailed sets of qualifications, and would have given them, retroactively, pay and allowances based on the grade of captain, computed from the date the officers next junior to them were promoted to captain.

The Senate receded from its amendment to the House bill.

The House managers were of the opinion that the Senate amendment, if enacted into law, would establish a precedent which might well impugn the integrity of the entire Navy and Marine Corps promotion system. While the amendment applied only to the panel system which operated during World War II, it might well be used as a basis for seeking similar reviews for officers who have failed or will fail of selection under the 1947 Officer Personnel Act.

The amendment would also have automatically promoted two officers who failed of promotion during World War II.

The House managers can find no present justification for the enactment of legislation which by its terms would result in the automatic promotion of two officers to the grade of captain with pay retroactive to the date that officers junior to them were promoted to the grade of captain. Such action would of course establish a precedent for many similar bills thus creating a review system in the Congress which could only have the effect of undermining the objectivity and finality of the promotion systems established for each of the armed services. To overcome this objection, there must be clear, undisputed evidence of substantial error and injustice.

L. C. ARENDS,
PAUL W. SHAFER,
LEROY JOHNSON,
JAMES E. VAN ZANDT,
CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,
Managers on the Part of the House.

Mr. ARENDS. 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

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks was granted to:

Mr. REED of New York and to include extraneous matter.

Mr. JENKINS and to include additional matter.

Mr. SIEMINSKI in three instances.

Mr. SHELLEY in three instances and to include with his remarks certain additional matter.

Mr. MILLER of Maryland.

Mr. PRICE.

Mr. YORTY.

Mr. HESELTON to revise and extend the remarks he made in the Committee of the Whole today and to include extraneous matter.

Mr. LIPSCOMB.

Mr. DONOHUE and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, 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. 4854. An act to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington;

H. R. 6725. An act to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps;

H. R. 6788. An act to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes;

H. R. 7434. An act to establish a National Advisory Committee on Education;

H. R. 7601. An act to provide for a White House Conference on Education;

H. R. 8571. An act to authorize the construction of naval vessels, and for other purposes;

H. R. 9040. An act to authorize cooperative research in education; and

H. J. Res. 534. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 252. An act to permit all civil actions against the United States for recovery of taxes erroneously or illegally assessed or collected to be brought in the district courts with right of trial by jury;

S. 2380. An act to amend the Mineral Leasing Act of February 25, 1920, as amended;

S. 2381. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of oil and gas on the public domain; and

S. 2759. An act to amend the Vocational Rehabilitation Act so as to promote and assist in the extension and improvement of vocational rehabilitation services, provide for a more effective use of available Federal funds, and otherwise improve the provisions of that act, and for other purposes.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 4 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, July 23, 1954, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1761. A letter from the Assistant Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of May 1954, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

1762. A letter from the Under Secretary of the Navy, transmitting a report of the number of professors and instructors and the amount of compensation for each employed by the United States Naval Postgraduate School during the fiscal year 1954, pursuant to section 3 of Public Law 303, 80th Congress; to the Committee on Armed Services.

1763. A letter from the Acting Secretary of the Navy, transmitting a draft of legislation entitled "A bill to amend the Fair Labor

Standards Act of 1938, as amended"; to the Committee on Education and Labor.

1764. A letter from the Acting Comptroller General of the United States, transmitting a report on audit of Rural Electrification Administration, Department of Agriculture, for the fiscal years ended June 30, 1951 and 1952, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

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. JACKSON: Committee on Foreign Affairs. Report pursuant to House Resolution 113 pertaining to Latin American technical cooperation; without amendment (Rept. No. 2442). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 5301. A bill to amend and supplement the reclamation laws to provide for Federal cooperation in non-Federal projects, and for other purposes; with amendment (Rept. No. 2443). Referred to the Committee of the Whole House on the State of the Union.

Mr. HINSHAW: Committee on Interstate and Foreign Commerce. S. 541. An act to extend detention benefits under the War Claims Act of 1948 to employees of contractors with the United States; with amendment (Rept. No. 2444). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 660. Resolution for consideration of H. R. 7840, a bill to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act; without amendment (Rept. No. 2445). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 661. Resolution for consideration of H. R. 9434, a bill to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy; without amendment (Rept. No. 2446). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 662. Resolution for consideration of H. R. 9924, a bill to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes; without amendment (Rept. No. 2447). Referred to the House Calendar.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. H. R. 9115. A bill to provide that contributions received under Public Law 485, 80th Congress, for the construction of a merchant marine chapel shall be invested in Government obligations pending their use for such construction; without amendment (Rept. No. 2448). Referred to the Committee of the Whole House on the State of the Union.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. H. R. 9584. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries; without amendment (Rept. No. 2449). Referred to the Committee of the Whole House on the State of the Union.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. H. R. 9987. A bill to amend certain provisions of title XI of the Merchant Marine Act, 1936, as amended, to facilitate private financing of new ship construction, and for other purposes; without amendment (Rept. No. 2450). Referred to the Committee of the Whole House on the State of the Union.

Mr. HINSHAW: Committee on Interstate and Foreign Commerce. S. 2420. An act to amend section 32 of the Trading With the Enemy Act, as amended; with amendment (Rept. No. 2451). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 9406. A bill to provide for the conveyance of certain real property to the town of Beaufort, N. C.; without amendment (Rept. No. 2452). Referred to the Committee of the Whole House on the State of the Union.

Mr. REED of New York: Committee on Ways and Means. H. R. 10009. A bill to provide for the review of customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, to repeal or amend obsolete provisions of the customs laws, and for other purposes; without amendment (Rept. No. 2453). Referred to the Committee of the Whole House on the State of the Union.

Mr. REES of Kansas: Committee on Post Office and Civil Service. S. 2665. An act to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes; with amendment (Rept. No. 2454). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 9997. A bill to amend the Tariff Act of 1930 to provide that the value of imported hops shall be computed, for purposes of determining the applicable rate of duty thereon, as of the date of purchase; to the Committee on Ways and Means.

By Mr. BATES:

H. R. 9998. A bill to amend the Tariff Act of 1930 with respect to the duties applicable to certain prepared fish; to the Committee on Ways and Means.

By Mr. BEAMER:

H. R. 9999. A bill to amend the Railroad Retirement Act to provide that the annuity of the widow of a deceased employee shall not be reduced on account of any benefits to which she may be entitled under the Social Security Act; to the Committee on Interstate and Foreign Commerce.

By Mr. REED of Illinois:

H. R. 10000. A bill to amend section 284 of title 18 of the United States Code relating to representational activities of former employees; to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 10001. A bill to change the name of the Fort Randall Reservoir in the State of South Dakota to "Lake Evans"; to the Committee on Public Works.

H. R. 10002. A bill to provide for the erection of a monument to Chief Red Cloud on the Pine Ridge Indian Reservation; to the Committee on House Administration.

By Mr. DONOHUE:

H. R. 10003. A bill granting the consent of Congress to certain New England States to enter into a compact relating to higher education in the New England States and establishing the New England Board of Higher Education; to the Committee on Education and Labor.

H. R. 10004. A bill to provide for emergency Federal financial assistance to the States and Territories in the construction of public elementary and secondary school facilities urgently needed because of overcrowding, and to encourage full and efficient use of State and local resources in meeting school construction needs, and for other purposes; to the Committee on Education and Labor.

By Mr. FRELINGHUYSEN:

H. R. 10005. A bill to amend section 112 (b) (7) of the Internal Revenue Code relating to the making and filing of elections; to the Committee on Ways and Means.

By Mr. JENKINS:

H. R. 10006. A bill to amend section 421 (d) (1) (D) of the Internal Revenue Code of 1954, and for other purposes; to the Committee on Ways and Means.

By Mr. LIPSCOMB:

H. R. 10007. A bill to authorize the Secretary of the Treasury to prescribe regulations relating to the qualifications of persons who assist taxpayers in the determination of their Federal tax liability, and for other purposes; to the Committee on Ways and Means.

By Mr. MATTHEWS:

H. R. 10008. A bill to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases; to the Committee on Veterans' Affairs.

By Mr. BYRNES of Wisconsin:

H. R. 10009. A bill to provide for the review of customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, to repeal or amend obsolete provisions of the customs laws, and for other purposes; to the Committee on Ways and Means.

By Mr. GARMATZ:

H. R. 10010. A bill to amend title 9, United States Code, entitled "Arbitration," so as to provide for correction of defects and omissions in the present law regulating arbitration, for judicial review of questions of law arising in arbitration proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. MARTIN of Iowa:

H. R. 10011. A bill to amend section 112 (f) of the Internal Revenue Code to provide that the sale of cattle necessitated by drought conditions shall be deemed an involuntary conversion of property; to the Committee on Ways and Means.

By Mr. O'NEILL:

H. R. 10012. A bill to amend section 201 of the Immigration and Nationality Act, so as to provide that all quota numbers not used in any year shall be made available to immigrants in oversubscribed areas in the following year, and for other purposes; to the Committee on the Judiciary.

H. R. 10013. A bill to admit 50,000 immigrants, natives and citizens of Italy; to the Committee on the Judiciary.

By Mr. SIMPSON of Pennsylvania:

H. R. 10014. A bill to amend the Internal Revenue Code of 1939 with respect to deductions from gross income of amounts contributed to employees trusts; to the Committee on Ways and Means.

By Mr. BUDGE:

H. J. Res. 567. Joint resolution establishing a joint congressional committee to study yield insurance programs for certain agricultural commodities; to the Committee on Rules.

By Mrs. FRANCES P. BOLTON:

H. Con. Res. 261. Concurrent resolution expressing the sense of the Congress with respect to the control of atomic energy and its derivatives; to the Committee on Foreign Affairs.

By Mr. MACHROWICZ:

H. Res. 663. Resolution to affirm the American people's opposition to the Communist enslavement of Poland and other captive nations; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CRETELLA:

H. R. 10015. A bill for the relief of Nicola Teodosio; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 10016. A bill for the relief of Edward L. Raymond; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 10017. A bill for the relief of William T. Dorminy; to the Committee on the Judiciary.

By Mr. HOWELL:

H. R. 10018. A bill for the relief of Honorato Carlos Dizon; to the Committee on the Judiciary.

H. R. 10019. A bill for the relief of Mrs. Elizabeth Goodall; to the Committee on Post Office and Civil Service.

By Mr. KILDAY:

H. R. 10020. A bill for the relief of Sister M. Conleith, Ellen Agnes Cousins; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 10021. A bill for the relief of Zeynep Hesna Turkkan; to the Committee on the Judiciary.

By Mr. PHILLIPS:

H. R. 10022. A bill for the relief of Armando Alfaro-Arciniega; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 10023. A bill for the relief of Mrs. Lina Gemora Ray; to the Committee on the Judiciary.

H. R. 10024. A bill for the relief of Salvador Guillermo Chofre, Mercedes Viray Chofre and Miguel Jesus Chofre; to the Committee on the Judiciary.

H. R. 10025. A bill for the relief of Pablo Ruiz de Alda, Maria Dolores Gomez Ruiz de Alda, Ana Maria Ruiz de Alda, and Antonio Ruiz de Alda; to the Committee on the Judiciary.

By Mr. THOMPSON of Louisiana:

H. R. 10026. A bill for the relief of Mrs. Esther Reed Marcantel to the Committee on the Judiciary.

By Mr. TOLLEFSON (by request):

H. R. 10027. A bill to authorize the President to place Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey, on the retired list, in the grade of rear admiral (lower half) in the Coast and Geodetic Survey, at the time of his retirement, with entitlement to all benefits pertaining to any officer retired in such grade; to the Committee on Merchant Marine and Fisheries.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1113. The SPEAKER presented a petition of the president, National Rural Electric Cooperative Association, Wausau, Wis., urging the clarification and satisfactory amending of the bills H. R. 9757 and S. 3690, which was referred to the Joint Committee on Atomic Energy.

EXTENSIONS OF REMARKS

Need for Government Support for Merchant Marine and Shipbuilding

EXTENSION OF REMARKS

OF

HON. JOHN F. SHELLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. SHELLEY. Mr. Speaker, debate on the Wigglesworth amendment to the supplemental appropriation bill which passed the House on July 20 showed that there is a great lack of understanding on the part of many Members of the House regarding the basic facts about the American maritime industry. The debate also showed a lack of knowledge concerning the laws which Congress has passed to give support to our merchant marine and our shipbuilding industry, and the reasons why those laws are necessary from a purely selfish standpoint—selfish on the part of the American people as distinguished from the maritime industry itself. The ignorance which was displayed on the floor of the House while we debated the wisdom of putting shipbuilding funds back in the bill would be pardonable in the average American. But it seems to me that those who are legislating on these matters in appropriations bills, if they are not content to accept the judgment of the House committees having jurisdiction, should be more familiar with the problems with which they are dealing and with the history and purpose of the Merchant Marine Act of 1936 in providing at least a partial solution to those problems. The frequent references to "boondoggling" which we heard applied to the vital Government supported shipbuilding program prove that this familiarity is lacking. For that reason I have decided to insert in the RECORD a series of remarks reviewing certain phases of our shipbuilding history and intended to show that the dollars we appropriate to build ships are far from wasted, but are actually a sound and necessary investment for the Government and for the American people. I trust that the points I bring out will have educational value, will perhaps persuade some of my colleagues that when similar requests for funds are brought to the House in the future they should think twice before opposing them.

Typical of the many loose statements we have heard in the debate on the supplemental appropriation bill, Mr. Speaker, was the remark that neither the A. F. of L. or the CIO supported these shipbuilding fund requests. I know personally that nothing could be further from the truth and that the major unions from both organizations whose members are employed in the shipyards or related fields have consistently supported these appropriations and have reiterated that position in connection with the bill we just amended. In fact, President Meany, of the A. F. of L., and President Reuther, of the CIO, have asked for the program in addition to the shipyard unions.

The ship construction differential subsidy provisions of the Merchant Marine Act of 1936 were enacted for the very sound reason that the experience of many years had proved beyond doubt that the American shipping industry by itself could not afford to have ships built in American shipyards, in competition with low-cost foreign yards. We had spent $2½ billion during the World War I period in a hurried and confused effort to rebuild a shipbuilding industry which had been allowed to die in the late 19th and early 20th centuries. Despite that $2½ billion we were unable to get any new vessels off the ways in time to help win that war—concrete proof that the few millions we are asked to spend now to preserve the industry are not wasted. With a large fleet of vessels on our hands after World War I, the tardy product of the war effort, it was not until the thirties that the growing obsolescence of that fleet forced a hard look at our entire maritime industry on the part of Congress, although some legislative attempts had been made in the meantime to encourage private construction of ships with little result. The Merchant Marine Act of 1936 was the result of several years of study by congressional committees. Results since that time have proved its value beyond question, especially in that, although the shipbuilding program it provided hardly had time to get under way before World War II was upon us, by the date of Pearl Harbor the subsidized shipping lines had 146 vessels built or building under its provisions which were quickly requisitioned by the Government. The so-called Harvard report prepared in 1945 for the United States Navy and the Maritime Commission stated:

> Because of the 1936 Merchant Marine Act, the United States had both a nucleus of modern merchant vessels before the disaster at Pearl Harbor in December 1941 and the machinery for greatly expanding ship production to meet the extraordinary requirements of World War II.

So this "boondoggling," as we have heard it called, was a major instrument in preventing a far greater disaster than Pearl Harbor—the possible loss of the war for lack of shipping in its early stages. Twelve billion dollars was spent by the United States Government during the war for construction of commercial-type vessels, and for putting up and restoring the shipyards in which to build them. We not only had to build ships in a hurry, but because of our improvidence in between wars many of our existing shipyards were in such a state of decay that they could not be quickly rehabilitated, and we had to funnel hundreds of millions of dollars into creating new yards on all coasts and on the Great Lakes to get ship construction going in the fastest possible time. Had our shipyards been more active during the prewar years, and had we spent a little money to keep more of the yards on

minimum production schedules to prevent their rusting away and to keep modern ships coming off the ways, it has been estimated that as much as $8.5 billion of the $12 billion spent during the war years might have been saved. Skyrocketing costs, shortages of material and labor, and lack of a nucleus of trained shipbuilders all contributed to the tremendous loss of time and money resulting from our unpreparedness.

Certainly if we had any common sense we would not let that happen again. But those who talk now of Government-supported shipbuilding programs as "appalling waste" or as a WPA program should learn that our private shipyards now have less than half as many people employed as they did in 1941. Our war-built fleet is obsolescent in economic terms and is actually obsolete when we consider a possible wartime need for fast modern vessels to evade the huge fleet of Russian submarines. Remembering the lessons of World Wars I and II, it seems to me that if we have any regard at all for our national security, we should be doing everything possible to encourage private shipping operators to build new and modern ships under the 1936 act provisions rather than refusing to honor the Government's contractual obligations to help them do so.

As I have said, the ship-construction program under the act had hardly begun when World War II began and the Government took over the entire shipping industry, thus suspending the act for the war period. At the same time all of the resources of the shipbuilding industry were diverted to the Government's shipbuilding needs and large new shipyards were hurriedly built for Government account, involving the tremendous additional expense I have mentioned. It was not until 1947 that the Government permitted our shipping lines to get back into something approaching a normal peacetime operation, and again gave the ship-construction features of the Merchant Marine Act a chance to work.

In the immediate postwar years new construction was not a vital problem since the war-built fleet was in process of being sold or placed in our reserve fleet. Ships which had been requisitioned from private shipping lines were being reconverted for peacetime use and returned to their owners. Many such vessels had been lost through enemy action and were replaced by their equivalent from the war-built fleet. This delayed demobilization incidentally cost the shipping industry tens of millions of dollars in postwar profits which might have been realized had they been allowed to function freely.

In view of the above facts, Mr. Speaker, those who have severely criticized the provisions of the Merchant Marine Act of 1936 regarding Government support for shipbuilding programs, and have taken cracks at the cost to the Government of some of the ships which have been built, should bear in mind that the act has been in actual operation for only a few prewar and postwar years. The ships built before the war and building at the time of Pearl Harbor saved the United States Government so much in terms of dollars and cents alone that it is fantastic to question the value received for the few dollars spent by the Government in their construction. It has been estimated that the availability of these vessels to the Government during the war saved us $500 million in charter costs alone. Up until December 21, 1952, the total subsidy liability of the Government on the 247 ships constructed and sold under construction-differential subsidy provisions of the act during the entire period of its existence amounted to only approximately $425 million. This includes both prewar and postwar vessels. As of December 31, 1951, the net cost to the Government, taking into account wartime requisitioning of vessels, amounted to only $88,311,326. This is surely a small price to have paid for the immeasurable advantages the ships gave us. On vessels built since the war a great deal of criticism has been leveled at the amounts the Government paid for aiding in the construction of the three great passenger liners, the *United States*, the *Independence*, and the *Constitution*. As I pointed out the other day lack of such troop-carrying vessels during the war cost us tremendous sums of money in payments to our allies for use of their vessels for that purpose. We now have those vessels available for that essential service. The only objection which can legitimately be raised on this score is that more of them have not been built, which brings me to the issue of construction of the four passenger-cargo ships for Grace Lines and Moore-McCormack.

While the funds for these vessels have now been voted by the House over the objections of the leadership of the Appropriations Committee, it is disturbing to me and I am sure it is disturbing to the industry that the committee majority apparently does not recognize the vital importance of this construction to the national defense, nor do they recognize the legal and contractual obligation of the United States Government to aid in the construction of these ships. Operating-differential subsidy contracts with the Government, under which the lines operate the ships which these vessels are designed to replace, require that the companies must replace them when they reach 20 years of age. These contracts were signed under authority of several sections of titles V and VI of the Merchant Marine Act requiring replacement of overage ships. All of the vessels to be replaced are well over that age. For well over 2 years the 2 companies concerned have been seeking to get the Government through the Maritime Administration to comply with the legal requirements and sign contracts for construction of the replacement vessels with the aid of construction-differential subsidy funds. The act requires that new ships be built to replace 20-year-old vessels for 2 reasons. First, continued operation of obsolete vessels is bound to be inefficient and costly. Such operation would increase the costs to the Government of operating-differential subsidies. Second, and more important from our point of view, the entire purpose of the Merchant Marine Act is to keep available to the United States for national security reasons a self-sufficient fleet of modern vessels for possible wartime use. Keeping 20- or 25-year-old vessels on the seas does not serve that purpose. Construction of new vessels does, and serves the additional purpose of keeping shipyards activated for further construction and expansion if and when the wartime need arises. The framers of the act knew what they were doing when those requirements were written. It is unfortunate that we must now fight to put the provisions into effect whenever expenditure of a few dollars is involved. I trust that the Members of the House who have opposed these expenditures in the well intentioned belief that they are serving the cause of economy by so doing will give some consideration to the thoughts I have expressed here so that in the future they will be more sympathetic to ship construction money requests.

Mr. Speaker, I expect to insert into the RECORD in the near future additional remarks on the purposes and operation of the Merchant Marine Act of 1936. In so doing I will attempt to answer criticism of the manner in which other provisions have operated. I will appreciate the attention of the Members to those future remarks in the interest of preserving and restoring the vital fourth arm of our national defense—the American merchant marine.

One Hundred Years of Service

EXTENSION OF REMARKS

OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. SIEMINSKI. Mr. Speaker, I am pleased to note the forthcoming 100th anniversary of the founding of St. Mary's Roman Catholic Church in Jersey City, N. J.

St. Mary's has served the downtown section of Jersey City for all of these 100 years. It has nurtured and guided great men. It has developed thousands of wonderful Americans. It has given to four wars, noble and courageous sons.

St. Mary's is the first church in America that was dedicated to the dogma of the Immaculate Conception of the Blessed Virgin Mary, and on December 8, 1954, its wonderful parishioners and old friends will celebrate this anniversary. They have much in common during the close of this Marian Year.

St. Mary's was the first church in Jersey City to found a hospital, long before any municipal hospitals ever existed, and strangely enough the first 50 patients were orphans of Union soldiers during the Civil War.

The pastors and clergy that have served St. Mary's have been wonderful men richly endowed and dedicated for God's service. The heritage that has been left to those who remain is one of service and dedication to God.

Today the pastor of St. Mary's is the Reverend John Henry Byrne, a man like

his predecessors, humble and assisting, always.

That God may continue to shower His blessings on St. Mary's faithful clergy and parishioners is the wish of all of us who know of the service His church has given to the people of Jersey City.

What the Veterans' Administration Means to Local Communities

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. JENKINS. Mr. Speaker, the Administrator of the Veterans' Administration, Harvey V. Higley, issued a statement which shows the important part the Veterans' Administration plays in the economic life of virtually every community in the State of Ohio.

The facts are so significant that this information should be of interest to the veterans and other citizens of Ohio, and to the people, generally. Under leave to extend my remarks, I want to review what he has to say.

Mr. Higley said approximately 95 cents of every tax dollar that the Veterans' Administration receives in any year goes back to the local communities in the form of cash or other benefits to veterans, their widows, or orphaned children.

The remaining 5 cents goes for the cost of administering Veterans' Administration. It is paid out in salaries and other expenses that are necessary to distribute the 95 cents in direct and indirect benefits to veterans or their dependents.

Mr. Higley said that because most of VA's employees work and live in local communities across the Nation, the salaries they receive from the 5-cent cost of operation are spent locally and thereby benefit the communities directly.

In the last year for which the Veterans' Administration has figures—July 1, 1952, to June 30, 1953—the State of Ohio received $199,600,000 in direct and indirect benefits to veterans or their dependents. That does not include certain life-insurance payments and a few other expenditures of a minor nature which cannot be broken down by States.

Of this amount, $123,600,000 was paid in cash to 177,000 living veterans or dependents of deceased veterans in the form of compensation or pension payments.

The remainder covered such benefits as GI bill education or training, vocational rehabilitation for the disabled, hospitalization, medical care, death indemnity, burial benefits, and the like.

Mr. Higley said the Veterans' Administration benefits the local communities of Ohio in another way. The GI loan program, he said, has brought the State of Ohio and its local communities many tax dollars in the 169,500 GI home loans totaling over $1,156,000,000 made to date.

The GI bill education and training program also has made its contribution to the general welfare of Ohio's local communities, Mr. Higley said. He explained this program not only has raised the general educational level of each community, it also has increased the taxes that GI bill trainees are paying from the higher earning power resulting from their training, according to a Census Bureau study.

The Veterans' Administration medical program, while of direct benefit only to veterans, has been recognized and is still being recognized for its contribution to the improved standards of medical care everywhere, Mr. Higley said.

In the treatment of tuberculosis alone, Mr. Higley added, VA has played an outstanding part in reducing the Nation's TB death rate since the end of World War II.

In short—

Mr. Higley said—

the Veterans' Administration is your good neighbor in every aspect of your community life—economically, educationally, medically, and taxwise.

But Not Ireland

EXTENSION OF REMARKS

OF

HON. JOHN F. SHELLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. SHELLEY. Mr. Speaker, an editorial recently appeared in the San Francisco Examiner commenting on the attitude of Sir Winston Churchill toward the application of his statement that free peoples, divided against their wills, should have free elections to regain their unity. Mr. Churchill made it very plain that Ireland was not included. Hence I ask, "and why not Ireland?"

The London Parliament divided Ireland in 1920, although it was opposed by the entire population of Ireland at that time. The partitioning of Ireland has been the pattern used in partitioning Germany, Austria, Korea, and now Vietnam. Mr. Churchill believes that it is wrong for other nations to divide and partition free nations, but somehow it is right for Britain to enforce partition in Ireland. If partitioning of a free nation is an evil, and none will deny that it is, then why not root out the evil at its source, namely, in Ireland.

Idealistic statements make excellent reading, but leave their hearers unimpressed when the ideals are not to be applied equally and forthrightly. So long as partition continues as a prototype in Ireland it is folly to mouth platitudes about the evils of partition elsewhere. If Mr. Churchill means what he says, if he would leave one outstanding act of integrity in diplomacy as a memorial to his name, then let him initiate the removal of the nefarious border in Ireland and bring about the unity of this country, which more than any other is geographically and ethnically one. When Ireland is united, then and then only will we be able to put confidence in the statements of Mr. Churchill and give credence to the musical mouthings of pleasing platitudes with which his speeches ring.

The argument in favor of the unity of Ireland is so well set forth in the editorial of the San Francisco Examiner, that I desire to make it a part of these remarks. The editorial reads as follows:

BUT NOT IRELAND

For a sardonic commentary on the practical application of an ideal, we call your attention to the reaction of Winston Churchill to a suggestion that the partition of Ireland be put to a vote in a free election.

One of the points in the declaration coming out of the Washington meeting of President Eisenhower and Sir Winston was that they would seek to achieve unity in free nations divided against their will by free elections supervised by the United Nations.

If such an election were held, the 26 counties of the Irish Republic would, of course, vote overwhelmingly to end partition.

But the interesting thing is this: There is a strong feeling also against partition in the six countries of northern Ireland, which is part of the British Empire.

As we understand it, and we think our facts are right, about 35 percent of the people of northern Ireland are against partition. When you come to the border counties, the people of Armagh and Fermanagh are preponderantly against partition, as also are the people of the southern half of County Down and the western half of County Tyrone.

So Cahir Healy, Irish Nationalist Member of Commons, worked the squeeze on Mr. Churchill the other day. Would he support the principle of free government for countries whose people wanted it, asked Mr. Healy?

Certainly, said Sir Winston.

Well, continued Mr. Healy, would he undertake to apply the principle to Ireland?

He would not, said Sir Winston, the terms of the principle were not applicable there.

It is curious, sometimes, what happens when ideals and self-interest meet.

Unified Ireland Essential to National Defense

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. PRICE. Mr. Speaker, one of the most strategic positions in the world today is Ireland, sitting as it does where it may be used as a base to protect the Atlantic shipping lanes, so essential to our national defense.

It is essential to our ability to defend ourselves that this strategic bastion be strong; and to be strong Ireland should be unified.

Whereas the United States cannot force the unification of Ireland, we can lend our great influence to that achievement. One way to accomplish this would be for the Congress to reaffirm the position taken by the 65th Congress in 1919, when we supported the right of the people of Ireland to determine the form of government under which they desire to live.

We can do this by passing the Fogarty resolution, which has long been pending. A discharge petition has been filed to bring the Fogarty resolution before the House. I was one of the first Members

to sign this petition. I urge my colleagues to sign it, so that we may place the prestige of the House of Representatives behind a unified Ireland, which would be of immeasurable benefit to our national security.

Once Was Too Often

EXTENSION OF REMARKS

OF

HON. EDWARD T. MILLER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. MILLER of Maryland. Mr. Speaker, approximately 6 years ago, the 80th Congress was winding up its work. The accomplishments of that Congress had been outstanding. The 80th Congress had provided adequate national defense; balanced the budget; paid billions on the national debt; given substantial relief to the overburdened taxpayers; reversed the trend of inflation; eliminated price controls and many of the wartime measures that had hampered and harassed business. It enacted over Presidential veto the Taft-Hartley law, which was to bring about vastly improved labor-management relations; initiated the investigations which landed Alger Hiss and other traitors in prison and led to the exposure of grafters, petty chiselers, and purveyors of special privilege.

The 80th Congress set up the Hoover Commission and laid the groundwork for a more economic and efficient government, and exposed to the white light of public opinion the recipients of mink coats and deep freezers.

In spite of this outstanding record, accomplished in the face of fierce opposition on the part of entrenched bureaucrats and selfish politicians, the New Deal-Fair Deal partisans and left-wing pinks began a smear campaign which labeled the 80th Congress a "do-nothing Congress," and the "second worst" in the history of the country.

False as were these charges, long and continued repetition sufficiently confused the thinking of enough voters to send down to defeat many fine Members of that Congress. The result was a change in legislative leadership, disastrous to the American people and to the Nation. Once again we were turned back on the road of deficit spending to such an extent that to this date we have not been able to achieve a balanced budget.

Members of the 80th Congress, absorbed in the needs of the moment, failed adequately to inform the people of the splendid record of accomplishments. This failure cost our country dearly. Already the same left-wing forces and political adversaries have initiated a similar smear against the present Congress.

We cannot afford a similar catastrophe in this year of 1954. It behooves us to rise above modesty and to proclaim proudly and loudly to the American people the story of the great accomplishments of this 83d Congress in cooperation with the present administration. We should see to it that the rank and file of American citizens are acquainted with the legislative performance of the past 2 years; legislation designed to advance President Eisenhower's program for the building of a stronger America where every citizen has reason for bold hope, where effort is rewarded and prosperity is shared.

We should point out that under this program the Nation has not been engulfed in the depression so glibly forecast by the prophets of doom. Over 62 million people are gainfully employed; in 1953 the gross national production amounted to a billion dollars a day; inflation has once more been checked; over $12 billion was saved during the first 17 months of this administration out of the planned spending of the last administration. The biggest tax cut ever made in the history of this or any other country—nearly $7½ billion—was effected this year and dozens of inequalities and inequities in the tax laws have been wiped out by the first general overhauling in 78 years. This Congress has enacted the most far-reaching Federal-aid highway program in history; abolished over 200,000 unnecessary Federal jobs; increased unemployment compensation coverage; expanded hospital construction; ended the tidelands controversy and restored the offshore lands to the States.

It has moved to get the Government out of competition with private business, and provided for the sale of the federally operated synthetic rubber industry. The groundwork has been laid for revising the atomic energy law, looking to peaceful application of scientific developments.

A new Hoover Commission has been set up and 12 reorganization plans adopted in the interest of greater economy and efficiency. Laws have been passed making it possible more effectively to combat communism and subversion at home. Successful prosecutions and deportations have greatly increased the hazards of treason and subversion, and more than 2,400 security risks have been eliminated from Federal jobs. Great improvements and increased benefits have been provided in broadened social security. A constructive agricultural program has been enacted, including a plan for a $1.3 billion farm surplus disposal abroad. Veterans benefits have been increased and our armed services and national defense streamlined and strengthened giving us more security for less money.

Mr. Speaker, I have mentioned only some of the headlines. The 83d Congress has made an outstanding, brilliant and constructive record, second to none.

We should make these facts and accomplishments clear to the American people. This Congress has been guided by the same leadership which led the 80th Congress. The greatest mistake made then, I believe, was the failure to make clear to the American people what had been performed. We must not repeat this mistake. It was so expensive that once was too often.

H. R. 8300

EXTENSION OF REMARKS

OF

HON. GLENARD P. LIPSCOMB

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. LIPSCOMB. Mr. Speaker, as the passage by Congress of H. R. 8300 becomes imminent, we should be more aware than ever of the taxpayers' need for professional help in the determination and settlement of his Federal tax liabilities. Although the Internal Revenue Code of 1954—H. R. 8300—will result in simplification and improvement of the administration of the tax code, it contains a multitude of changes which in themselves will result for a time in considerable confusion for the taxpayer. In order to take full advantage of the tax relief Congress intended them to have, many individuals are going to require professional advice. At least until the new regulations become settled, an abnormal number of disputes can be expected to arise between the Commissioner and the taxpayer. Again, it is imperative that the taxpayer have competent representation when such disputes arise.

In March of this year Commissioner of Internal Revenue T. Coleman Andrews stated that the Government receives 65 million returns a year and at least 10 percent of the taxpayers submitting these returns get professional help. He also indicated that many others probably need such help but they either do not recognize the need or they cannot afford it. It is apparent that it is to the interest of the United States to encourage professionally competent persons to engage in such work. To the extent that such professionals are available, the Government profits from a collection process which is efficient, economical, and equitable. This is recognized by Commissioner Andrews. In a talk delivered in Texas last year the Commissioner made it very clear that his agency wishes to encourage those who render such services. I quote Commissioner Andrews:

> Now, my friends, in a system such as we have we cannot for 1 minute admit that anyone may restrict the right to practice before the Internal Revenue Service. There are too many people subject to our laws; there are too many tax returns that have to be filed, and there are already too few of us who are qualified to help. We cannot under any circumstances reduce the number who are qualified. Rather, we think that to the fullest extent possible, the right to practice ought to be extended rather than restricted.

The very success of the Internal Revenue Service depends on maintaining this attitude on who may help the taxpayer and the Government in this monumental task.

Recently this matter of who is qualified to render professional assistance to a taxpayer in settling disputes which may arise in the course of determining his tax liability has been thrown into a state of confusion by certain State court decisions. Apparently the State courts are

not certain just what functions may be performed by agents enrolled to practice before Treasury. What has in the past been considered well within the scope of the legitimate activities of an enrolled agent has recently been held by a California court to be the unauthorized practice of law.

The purpose of H. R. 10007, which I have introduced, is to grant the Secretary of the Treasury authority to promulgate regulations which will clearly define who may represent a taxpayer in the course of any administrative conferences which may arise in determining his tax liability. If we are to give the Secretary of the Treasury and the Commissioner of Internal Revenue the administrative latitude they need in collecting the taxes required to finance the Government of the United States, it is imperative that the Congress grant this authority.

The Men's Apparel Industry of Philadelphia

EXTENSION OF REMARKS

OF

HON. JAMES H. DUFF

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, July 22, 1954

Mr. DUFF. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement I have prepared on the men's apparel industry of Philadelphia.

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

STATEMENT OF SENATOR DUFF

For two and a half centuries, the men's apparel industry of Philadelphia has served the Nation in peace and in war. In this year of its auspicious 250th anniversary, I take this opportunity to salute its long and continuous production record, an event which is being commemorated in cities all over the country and which is being given official recognition in the largest city of my own Commonwealth of Pennsylvania.

Long before our forefathers met in Philadelphia to found this great Republic, the American clothing industry came into existence in a few small shops on the shores of the Delaware River. In the intervening centuries it has developed into a $200,000,000-a-year industry, providing work for 10 percent of the entire industrial labor market of the Greater Philadelphia area.

There is not a city, large or small, through the vast expanse of our land, where Philadelphia-made men's apparel is not sold. The industry's progress and prosperity has been tied in closely with the national economy. Its harmonious employee-employer relations, uninterrupted for a quarter of a century has provided a happy pattern for all other industrial areas.

This industry provided uniforms for General Washington's army and in every war in which our country has since engaged. Its peacetime production has grown in step with the development of our Republic and today, as it observes its 250th birthday it is at the peak of its quality production.

It is a record of which this industry is justly proud and I hope all Americans will join in my sincere salute to the men and women who have made it great and to Philadelphia which nurtured so well its growth.

The Merchant Marine Act, 1936

EXTENSION OF REMARKS

OF

HON. JOHN F. SHELLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. SHELLEY. Mr. Speaker, continuing the remarks I addressed to the House on July 20, defending the need for Government support for shipbuilding programs and explaining the purposes of the Merchant Marine Act of 1936, I wish to comment on certain often repeated criticisms of the act's operations—criticisms which I believe to be unmerited and unjust.

My remarks today will deal with attacks that are continually made on the construction-differential subsidies paid for ship construction by private shipyards under the terms of the 1936 act, and on the operating-differential subsidies paid to subsidized shipping lines operating on trade routes on which it has been determined that it is essential to the United States that regularly scheduled commercial sailings be maintained. A principal burden of such attacks is a complaint that—somehow and in some never completely explained way—American maritime labor is profiting outrageously at the expense of the American taxpayer from the subsidy payments made to the shipping lines and to those who contract to build ships under the Merchant Marine Act. In my opinion, those attacks are aimed not so much at the principles upon which these subsidies are based, as they are aimed at the traditional high standard of living enjoyed by American workmen as a result of receiving a decent living wage. That standard of living is the main basis of the continued economic prosperity of the United States. It is asinine to demand or expect that we can keep a merchant marine on the seas, manned by American seamen, without paying them wages which will enable their families to live as well as their neighbors. It is equally foolish and unjust to expect to keep our essential shipyards operating with crews of skilled American workmen unless we enable shipbuilding firms to pay their men a scale of wages competitive with those paid in other industries employing men with the same skills.

Realizing the vital importance of building our merchant marine around a hard core of citizen seamen, the authors of the Merchant Marine Act of 1936 wrote into section 301 of the act a requirement that subsidized shipping lines pay their seagoing personnel a minimum wage scale and provide a minimum standard of working conditions for the officers and crews, and requiring also that all of the licensed officers and at least 90 percent of the crews of all vessels built with construction-differential subsidy aid or operated under operating-differential subsidies be American citizens. Section 603 (b) of the act provides that the amount of operating-differential subsidy paid the subsidized shipping lines shall include the "excess of the fair and reasonable cost" of wages and subsistence of officers and crews over the estimated fair and reasonable cost if the vessel were operated under the registry of foreign countries whose vessels are competing therewith. Section 502 (b) of the act, in a similar effort to encourage maintenance of domestic shipyards and trained shipbuilding personnel, provides for payment of a similar subsidy, the construction-differential subsidy, to cover the excess costs of building ships in American yards as compared to the estimated cost of construction in foreign yards. The cost differentials include, of course, the higher American standard of wages paid our shipyard workers.

Mr. Speaker, if it were not for the higher cost of every phase of ship construction and ship operation using American-made materials and American labor as compared with foreign costs, we would not need the Merchant Marine Act of 1936 or any form of encouragement to private industry to keep an adequate merchant marine and an adequate shoreside industry to keep it afloat. Free private American enterprise would do the job. But neither American businessmen nor American workmen are dumb enough to invest their funds or invest their time in an enterprise from which they can expect no adequate return. People in the maritime industry, like those in any other industry or in any other profession, have every right to expect a fair return from their investment, or a fair living from their labor. If that return is not forthcoming they have every right to turn to other fields.

Experience and commonsense both tell us how disastrous the abandonment of the American merchant marine would be to our national security. The provisions of the Merchant Marine Act which I have mentioned were designed to prevent that abandonment. Until someone comes up with a better plan, it behooves us to ignore the false prophets of doom who attack the provisions, and to implement and strengthen them instead.

Mr. Speaker, those who attack the higher wages paid American seamen and American shipyard labor as compared to foreign wages should examine their own consciences before shooting off their mouths. Let us consider some examples in this regard: For instance, American seamen's wages have been attacked on the ground that they are four times those paid British seamen in comparable jobs. But an American Congressman receives a $15,000 a year salary as compared to the $2,800 a year received by a Member of the British Parliament, more than 5 times as much. I do not hear any arguments that we should gear our salaries to the scale of the British Parliament, and I think we can all agree that there would be no sense in so doing. How does the case of the American seamen or shipyard worker differ from ours?

The American merchant marine is universally recognized as being the fourth arm of our national defense. As Fleet Admiral King said in November of 1945 in evaluating the part the merchant

marine had played in the successful war effort:

A large merchant marine is not only an important national resource; it is, in being, an integral part of our country's armed might during the time of crisis.

We do not expect our general or our admirals, our captains or colonels, or our other officers and enlisted men to take the same pay received by the British or by the members of the armed forces of any other foreign country. Neither do we determine their pay scales by any comparison with foreign wages—they are established on the basis of what is required by the American standard of living and the need to induce qualified personnel to join the services and to continue in them as a career. Why should we try to set any other standards for the members of the American merchant marine and the people employed in its supporting establishments?

The subsidies paid to American farmers are not based on any formula involving a form of parity with foreign agricultural prices—they are determined both at present and in proposed legislation on a system of maintaining for farm income an equitable relationship with the general cost of living in America. What sound reason is there for those who support this subsidy to those engaged in the essential job of farming to attack subsidies for the no less essential jobs of building and sailing ships?

We have a long-established system of tariffs and import duties levied against the industrial, mining, and agricultural products of cheap foreign labor as a means of protecting American industry and American workingmen in those fields against undue competition from that source. This protection, highly questionable in the case of many nonessential industries, places the Government in the position of imposing indirect subsidy payments on the American consumer for the benefit of protected industries. Yet those who are the most rabid supporters of high protective tariffs and who most strongly oppose the principle of reciprocal trade are all too frequently the same people who hamstring the appropriations for subsidies to the essential merchant marine and the maritime industry. The subsidy provisions of the Merchant Marine Act have been called tariff operations in reverse. They are the law of the land just as much as are the laws imposing tariffs. I do not see how refusing to appropriate the necessary funds to carry out maritime subsidy law can be justified any more reasonably than our customs collectors would be justified in refusing to collect the tariffs and duties due on foreign imports.

Mr. Speaker, the proposition is as simple as this: Our national security depends on maintenance of an adequate, modern maritime industry here in the United States. This has been proven in two wars. In the face of low-cost foreign competition such an industry cannot be maintained unless American businessmen and American wage earners in the industry receive just compensation for their investments and their labor. Foreign competition makes it impossible to insure such compensation without Government aid. The Merchant Marine Act of 1936 subsidy provisions were written into law to provide that aid on a reasonable basis and as a result of long study. Study after study by Commission after Commission has produced no more effective way of meeting the problem. The provisions of the act, for want of a better substitute, are still in full force and effect. The act as written contains provisions to protect against abuse if properly administered. Refusal to permit the act to operate is an inexcusable evasion of congressional and executive responsibility to maintain the security of the United States, and should not be tolerated either by the Members of this House or by the people of the United States.

In further support of that position I am preparing an additional statement with regard to other phases of the overall problem of keeping a modern merchant marine afloat. This statement will appear in the CONGRESSIONAL RECORD within a few days. In the meantime I urge that those of my colleagues who may have questioned the need for maritime subsidies in the past do some soul-searching and serious thinking on the problem in the light of these remarks and those I inserted in the RECORD on July 26.

The Atomic Energy Bill

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. DONOHUE. Mr. Speaker, it is said hereabouts that the atomic energy bill will soon be considered in the House and that only 2 days will be allowed for debate and discussion.

The bill is compiled of some 107 pages of technical provision and complex phraseology. It affects a $12 billion investment of the American taxpayers and whatever final law we enact will reach into the destiny of many generations to come.

It is, therefore, my earnest hope and plea that the leadership will insure that no restriction of time be placed upon discussion of perhaps the most vital subject yet to be presented to this Congress or indeed any other Congress.

As the bill now reads it is objectionable to me, and I think a great many others, primarily because it negatives the nonpartisan public-power policy of this country that has been developed since 1902. That occurs because of the current absence in the measure of any reliable safeguard against exploitation of atomic power by private utilities. It practically forbids the Atomic Energy Commission to operate in the commercial power field which simply means that the taxpayers will have to pay for further experimentation, from which the private utilities will ultimately benefit.

There are many deficiencies in the bill as it now stands but, in the public interest and recognition of the tremendous amount of money that has come out of the average taxpayer's pocket, two major improvements must be inserted in the act before, in my judgment, it should be approved.

The present patent provision must be corrected to insure that no atomic development monopoly can be established by those few firms privileged to carry out the original atomic energy research under Government contract and subsidy.

The provision restricting the Atomic Energy Commission from producing atomic power for Government-operated plant uses and also making it available for public consumption through rural electric cooperatives and municipal agencies must also be removed in deference to the power-consuming public and protection against unjust profiteering.

I sincerely remind the Members of this House that a heavy moral obligation rests upon us with respect to this particular legislation. Let us give this vitally important subject the long and careful and serious consideration it warrants. We can do no less to merit the continuing trust and confidence of the people who sent us here to legislate for the general welfare.

Impounded California Tidelands Funds Should Be Released by Justice Department.

EXTENSION OF REMARKS

OF

HON. SAMUEL W. YORTY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. YORTY. Mr. Speaker, although the so-called tidelands controversy has long since been settled by legislation which was upheld by the Supreme Court, the Federal Government is still holding approximately $25 million which rightfully belongs to the State of California. These impounded funds should be released to California without further delay.

The attorney general of California has diligently sought release of these funds. They are reported to be on deposit in banks where they draw no interest. Whether or not this is true, California is being deprived of funds to which the people of the State are the rightful owners. Unless the funds are released to California without further delay, I shall ask the Judiciary Committee of the House to investigate the reason for the dilatory tactics of the Justice Department.

The Eagle and the Storm

EXTENSION OF REMARKS

OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. SIEMINSKI. Mr. Speaker, the new 4-cent airmail stamp, to be issued by the Post Office in September, for use on post cards, underscores the significance of the American spirit and recalls a legend of the eagle and the storm.

Displayed in the Washington Post and Times Herald on Friday, July 23, 1954, the new airmail stamp shows a beautiful uncrowned, bald-headed American eagle in powerful flight, high in the clouds. It moves with an ease that arrests the eye.

Legend has it that when severe storms come, some birds flee in fright to hide in the lee of any convenient shelter. Others continue head on into the wind, flying until exhausted. The American Eagle, symbol of our Nation, spirit of our people, soars above the storm and keeps going.

The Post Office is to be congratulated for issuing a stamp which underscores so well the American spirit.

Highlights of the Republican Tax Revision Bill

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. REED of New York. Mr. Speaker, the Republican tax revision bill, H. R. 8300, which I sponsored and which is now to become law, is the most monumental legislative undertaking in the history of the Congress.

It is the first comprehensive revision of the internal revenue laws since before the turn of the century and the enactment of the income tax.

Approximately a half a million man-hours of work have gone into this gigantic achievement.

Over 3,000 changes in the revenue laws are contained in the tax revision measure. In general, the purpose of these changes has been to remove inequities, to end harassment of the taxpayer, and to reduce tax barriers to future expansion of production and employment.

The new law closes over 50 loopholes through which taxpayers today can avoid paying their fair share of taxes.

The new law contains $827 million relief for individuals and $536 million relief for business. In addition, the new law will extend the present 52 percent corporate income for 1 year which means an additional $1.2 billion tax on business. This increased tax on business practically pays for all of the tax relief granted so that the net cost to the revenue will be only $163 million.

Without attempting to give a technical interpretation, the following represents some of the highlights of the new tax law. These changes in general are effective last January 1 so that the taxpayers will receive the benefit from them this year.

DEPENDENTS

First. A parent can claim a deduction of $600 for each child regardless of the child's earnings if the child is under 19 and the parent continues to furnish more than half the child's support.

Second. A parent can also claim the $600 dependency deduction for a child over 18 regardless of the child's earnings if the child is attending school or college, or receiving on-the-farm training, and the parent continues to furnish more than half the child's support.

Third. An aged parent or other dependent cared for by several members of a family can be claimed as a deduction by one of the members of the family.

Fourth. A taxpayer can claim a $600 dependency deduction for a foster child.

Fifth. A taxpayer can claim a $600 dependency deduction for a child awaiting adoption.

Sixth. A taxpayer can claim a $600 dependency deduction for any other person, regardless of relationship, if the taxpayer supports that person in his home.

Seventh. A taxpayer can claim a $600 dependency deduction for a cousin who is institutionalized because of physical or mental disability.

Savings to taxpayers, $85 million.

CHILD-CARE EXPENSES

First. Single working parents, such as a widow, are allowed a deduction up to $600 for the expense of child-care for children up to 12 years of age.

Second. The same deduction is allowed for a married woman who must work because her husband is incapacitated.

Third. The same deduction is allowed with respect to any dependent, regardless of age, who is mentally or physically incapable of caring for himself.

Fourth. A similar deduction is allowed a married woman if the combined income of her husband and herself does not exceed $5,100.

Savings to taxpayers, $130 million.

MEDICAL EXPENSES

First. Medical expenses can be deducted when they exceed 3 percent of income, instead of 5 percent as under present law.

Second. Example: A family with $3,000 gross income and medical expenses of $150 will be able to deduct $60. The same family can deduct nothing today.

Third. The bill doubles the present maximum limit on the amount that can be deducted.

Savings to taxpayers, $80 million.

HEAD OF FAMILY

First. A single taxpayer who has a dependent son or daughter will be entitled during the first 2 years after the death of his spouse to the same income-splitting privilege as is accorded married couples.

Second. A single individual can receive half the benefits of income splitting if he has a dependent parent and if the taxpayer maintains a household for the father or mother.

Savings to taxpayers, $11 million.

RETIREMENT INCOME CREDIT

First. All retired people 65 and over, including schoolteachers, firemen, policemen, and civil servants, will in effect be exempt on all retirement income up to $1,200. This will mean a tax reduction for these retired people of up to $240 a year.

Second. Example: A retired single individual over 65 who has a total retirement income of $3,000 today pays about $300 in income tax. Under the bill, his tax is reduced to $60—a saving of $240.

Third. The same exemption will extend to individuals under 65 if they receive a pension from a public retirement system, such as do teachers.

Savings to taxpayers, $141 million.

CREDIT PURCHASES

The bill allows a deduction for interest up to 6 percent on installment purchases.

Total saving to taxpayers, $10 million.

CHARITABLE CONTRIBUTIONS

The bill increases from 20 to 30 percent the allowable deduction for charitable contributions to churches, hospitals, and educational institutions.

Total saving to taxpayers, $25 million.

AID TO FARMERS

First. Deductions up to 25 percent of farm income are allowed for soil and water conservation.

Second. The bill permits more rapid write-off of the expense of farm machinery, equipment, and construction.

Third. Removes tax on the proceeds of the sale of cattle when the sale is necessitated by disease.

Savings to taxpayers, $10 million.

SICKNESS AND ACCIDENT PLANS

First. Premiums paid by employers to health and accident plans will not be taxable to their employees.

Second. All accident and health benefits paid as reimbursement for actual medical expenses to employees, their wives, or children, are completely exempted from tax.

Third. Payments to employees for loss of wages due to injury or illness are exempted up to $100 a week.

Savings to taxpayers: No estimate possible.

DEATH BENEFITS

The bill exempts all death benefits up to $5,000 paid by an employer to the widow or other beneficiary of an employee.

Savings to taxpayers: No estimate possible.

PENSIONS AND ANNUITIES

In addition to the $1,200 exemption extended to retirement income, the bill also provides a simpler method for taxation of pensions and annuities, ends annual 3-percent tax paid on annuities and provides instead a method of computing tax on basis of cost divided by years of life expectancy.

Savings to taxpayers, $10 million.

DIVIDEND CREDIT

First. Excludes first $50 in dividends from taxation and provides a credit against tax equal to 4 percent of the balance.

Second. Example: An individual with $50 or less in dividends from his savings will be entirely exempt from tax on that amount.

Third. Example: An individual with $250 in dividends from his savings will exclude the first $50 entirely, and then reduce his total tax by $8—4 percent of the balance of $200.

Savings to taxpayers, $204 million.

DEPRECIATION

The bill will permit the more liberal writeoff of the cost of new equipment. For example, in the first year of life of new equipment, the taxpayer will be able to write off twice the amount now allowed.

Savings to taxpayers, $375 million, of which $75 million represents savings to individuals such as farmers, shopkeepers, and salesmen.

DECLARATIONS OF ESTIMATED TAX

The requirements are eased for filing declarations of estimated tax. Upward of a million taxpayers will be relieved of the present requirement for filing.

FILING TAX RETURNS

Tax returns will be due April 15 instead of March 15, giving taxpayers 1 additional month in which to prepare their final tax returns and make their final tax payments.

RESEARCH AND EXPERIMENTATION

The bill grants taxpayers an option to either deduct as an expense or to amortize research and experimental expenditures.

No revenue estimate possible. The provision is designed to encourage business research with the objective of creating new products, new processes, and new jobs.

METHODS OF ACCOUNTING

The bill brings tax-accounting rules into harmony with business accounting, thereby eliminating to a great extent the necessity for taxpayers to maintain two sets of books. It provides realistic computation of net income for tax purposes in conformity with sound business practices.

Savings to taxpayers, $47 million.

DEPLETION

The bill increases the rate of percentage depletion on a variety of critical and strategic minerals in order to encourage the development of domestic sources of supply.

Savings to taxpayers, $34 million.

PARTNERSHIPS

First. The bill adopts comprehensive provisions concerning the tax treatment of partners and partnerships in order to remove confusion of existing law. Principal objectives are simplicity, flexibility, and equity between partners.

Second. Certain proprietorships and partnerships are given the option to be taxed as corporations.

Savings to taxpayers, $20 million.

INVENTIONS

The bill extends capital-gains treatment to proceeds realized by an inventor on the sale or exchange of a patent.

No revenue estimate possible. The new provision is designed to encourage invention and thereby promote a healthy economy and an improving standard of living.

NET OPERATING LOSS

The bill extends the net operating loss carryback to 2 years and makes certain other adjustments.

Savings to taxpayers, $120 million.

LIFE INSURANCE

The bill lessens the estate tax on the proceeds of certain life-insurance policies.

Savings to individual taxpayers, $25 million.

CONSOLIDATED RETURNS

The bill removes the 2 percent penalty tax with respect to consolidated returns filed by regulated public utilities.

Savings to taxpayers, $35 million.

IMPROPER ACCUMULATIONS

The bill eases the penalty tax on certain accumulated earnings in order that business, especially small businesses, may have greater freedom in retaining their funds for legitimate business purposes.

Savings to taxpayers, $10 million.

CORPORATION INCOME TAX

The bill extends for 1 year the present 52 percent corporation income tax.

Total increase in revenue, $1.2 billion.

REPUBLICAN ACTION FOR TAXPAYERS

The 10 percent reduction in Federal income taxes which went into effect last January 1 saves individual taxpayers a total of $3 billion annually. This tax cut would not have been possible if the Congress and the administration had not cut the Truman budget for fiscal 1954 by $12 billion.

Nor would the $2 billion tax saving by elimination of the excess-profits tax have been possible without this budget cutting.

The Republican excise-tax reduction law saves taxpayers an additional $1 billion.

The tax revision act will save taxpayers $1,400,000,000.

A total of $827 million of this tax saving is for individuals. The remainder, $536 million, is tax relief for business.

The overall tax-cut program will save $7,400,000,000. Of this amount, individuals receive an overall total tax saving of $4,700,000,000. The tax savings so far surpass any previous total in the history of Congress.

Mutual Security and the Spirit of Forty-Nine

EXTENSION OF REMARKS

OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1954

Mr. SIEMINSKI. Mr. Speaker, what sense of security did the 49'ers have in their rush to the West?

Did their sense of reward override the risk of ruin?

Does the sense of reward in the bill soon to come before the Congress on mutual security override the risk of ruin?

Would the cry "anti-Communist" or "offensive for peace" have spurred the rush to the West that helped to develop the United States in 1849?

In presenting this bill for approval of the House, do we play the chords that propel men to greater things?

There is literature that holds that the gold rush of 1849 choked Communist dogma in the United States, then being sown in Germany and France as well, by Marx and Engels. This same literature holds that Communist dogma was kept in its crib in America for the next century, from 1848 to 1948, because of the swift economic development of the United States. Depressions were overcome, labor was enlightened, and America fought on moral grounds, hence, Communist dogma produced little that was revolutionary to America. The wheels of government cared for the justified grievances of men, correcting them.

Is it proper to say that Americans were so busy, in 1849 and later, developing their lands and filling out their lives that communism had scant chance?

What would have happened had gold and its discovery not added impact to the development of the West?

Overlooking the embargo placed against our wheat in 1816 by the British, thus forcing our people to move westward, to develop markets, some literature would hold that were it not for the gold rush, in 1849, America would have been in ferment as was Europe—Germany, England, and France—and that Communist doctrines would have taken hold in the United States as they did in Russia and as they try to do in many parts of the world where vacuums in the life of men and nations develop.

It is interesting to note however, that in 1848, in Germany and France, industrial strife set in. Economics and the working conditions of man was a foremost topic of the people in their quest to live.

In America, at about that time, John C. Calhoun argued for the right of the South, on its terms, to compete with the North. A few years later war broke out between the States.

The working conditions of man were taking on more and more importance. For in the early 1890's a famous encyclical warned man to make economies his servant, not his master, warned man to run his industrial plant to the fullest measure of man's benefit, not to make man a slave of his industrial plant.

Then came a great war, the war of 1914.

Then came depression and another famed encyclical on the conditions of man in the early thirties.

Then there was another war, the war of 1939, and again the war of 1950 with Korea and Indochina now history.

What is next?

Is there a lesson in the items above, and if so, can they guide the free world to roll up an impact such as the 49'ers and the pioneers had on America? They

sensed reward that overrode the risk of ruin.

Would it be correct to say that one can gage the extent of the success of the mutual-security bill by the degree to which it can help others develop and defend their lands and resources for a fuller life as free as possible of pain and suffering?

Does the mutual-security measure hold out for people a sense of reward that overrides the risk of ruin? Or does it appeal to people to crouch in fear in shelters with their weapons because the Reds are coming?

If the mutual security bill, soon to be voted on by the Congress, does not hold out the hope for more and more people, by their own effort to do and own more and more in greater safety for themselves and their families, to the greater prosperity of their Nation, then it avails little to label the bill "anti-Communist" or an "offensive for peace." They would have been strange words to the 49'er and the pioneer. They loved life. Fought and died for it because they loved it.

There is the gold of life in the mutual security bill, Mr. Speaker. It must be refined and brought out so that the sense of reward it holds for freemen everywhere will override the risk of ruin.

Why does not the mutual security bill include in it, Mr. Speaker, a provision enabling the United States to have in motion a continuing series of expeditions to Antarctica at a cost of about $1 million each expedition?

Surely the sense of reward for the United States in the venture overrides the risk of ruin. There is precious land on Antarctica. There are wonderful statements on the project which have been presented to the Congress in several hearings. I think of two. This year, before the other body, less than a month ago, by Capt. Finn Ronne who made an expedition there in the late forties and who was executive officer to Admiral Byrd on the admiral's famed expedition to Antarctica. The other statement was presented in the 1954 hearings on mutual security by Miss Elizabeth A. Kendall, taxpayer, citizen, U. S. A.

We should put a rider to this effect in this year's bill, Mr. Speaker.

SENATE

FRIDAY, JULY 23, 1954

(Legislative day of Friday, July 2, 1954)

At the expiration of the recess the Senate reassembled.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Utah [Mr. BENNETT] will offer the prayer.

PRAYER

Mr. BENNETT. Our Father in heaven, as we resume our work after this brief pause, we come before Thee to ask Thy blessing upon our labors and upon ourselves. We ask, for ourselves, continued protection from accidents and impairments of health that would diminish our efficiency. We ask, for our labors, that our minds may be clear, that we may approach our tasks with singleness of heart and sincerity of purpose, and that the problems that lie before us may be solved in a manner which will be for the best and the highest good of our beloved country. Be with us during the hours of this day as we attend to our tasks. We pray in the name of Thy Son, Jesus Christ. Amen.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. The Senator from California.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the reading of the journal of the preceding day be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that we may have the usual morning hour—parenthetically, a very early morning hour—under the usual 2-minute limitation on speeches.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAPEHART. Mr. President, would this be a good time to call up the conference report on housing? [Laughter.]

Mr. KNOWLAND. If the Senator will yield, I suggest that the report be withheld for the time being.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

APPOINTMENT OF ADDITIONAL COMMISSIONED OFFICERS OF THE REGULAR ARMY

A letter from the Acting Secretary of the Army, transmitting a draft of proposed legislation to provide for the appointment of additional commissioned officers in the Regular Army, and for other purposes (with accompanying papers); to the Committee on Armed Services.

TRANSFER OF FIRE-FIGHTING BOAT TO CITY OF GULFPORT, MISS.

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, on the proposed transfer of a fire-fighting boat to the city of Gulfport, Miss.; to the Committee on Armed Services.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to amend the Fair Labor Standards Act of 1938, as amended (with an accompanying paper); to the Committee on Labor and Public Welfare.

RELIEF OF CERTAIN MEMBERS OF THE ARMED FORCES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to provide relief of certain members of the Army, Navy, and Air Force, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

YAM LAU—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Yam Lau, which was recently transmitted to the Senate, involving the provisions of section 4 of the Displaced Persons Act of 1948; to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by Waltham Post 2152, Department of Massachusetts, Veterans of Foreign Wars of the United States, Waltham, Mass., favoring the establishment of a State Department Academy similar to West Point and Annapolis for the proper training of qualified leaders for the diplomatic service; to the Committee on Foreign Relations.

Resolutions adopted by Local No. 1466, United Steel Workers of America, Bessemer, Ala., favoring the enactment of Senate bill 3553 and House bill 9430, relating to the unemployment-insurance program; to the Committee on Finance.

OPPOSITION TO FREIGHT-RATE INCREASE LEGISLATION

Mr. WILEY. Mr. President, I have received from a number of businessmen in my State, messages opposing any effort which may be made to steamroller through quick freight-rate increase legislation in connection with proposed trip-leasing legislation. One such message comes from the manager of the public affairs department of one of Wisconsin's great stores, Ed. Schuster & Co.

I send to the desk the text of this representative message and ask unanimous consent that it be printed at this point in the RECORD and be thereafter appropriately referred to the Senate Interstate and Foreign Commerce Committee.

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

ED. SCHUSTER & CO., INC.,
Milwaukee, Wis., July 22, 1954.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: We are definitely opposed to the passage of the quick freight-rate increase bill S. 1461 which we understand may be tacked on to the trip-lease bill, H. R. 3203, as an amendment. This would mean that all of those who oppose bill S. 1461 would have no chance to be heard in opposition to it and certainly the opponents should be granted that right.

We understand that S. 1461 would force the Interstate Commerce Commission to grant carriers general increases in rates within 60 days of their application. No hearing would be scheduled prior to granting the increase to determine whether or not the increase was justified. We cannot see the logic of granting an increase without a hearing and then placing the burden on those who pay the freight to prove the increase, already granted, was not justified.

We will greatly appreciate your checking into this situation and doing all possible to prevent the passage of such unfair and illogical legislation. Certainly your office should not be burdened with the appeals