

not tied to a date on a calendar, or to a certain specified number of divisions, ships, planes, or men. It is not to be identified with any one type of weapon or any one strategic approach. Rather, it depends upon our continuing and increasing ability to meet successfully a variety of challenges—military, political, and economic—while maintaining the essential soundness and health of our economy and our political system. And this we must be prepared to do perhaps for 50 years to come.

There is nothing transitory about the threat to our Nation and our way of life, and there is nothing cheap or easy or simple about the things which we must do to protect and preserve them. These difficult and

costly measures which we must undertake in our defense will demand the very best that is in us, the people of America. Among these responsibilities will be your own part in the great common effort we all must make to maintain our military readiness, our political solidarity, and our industrial and technological superiority over that of any possible enemy.

If we can do these things, we have an excellent chance for peace, and an accommodation between the free world and the Communist bloc which will effectively serve our interests.

From a plateau of great strength we can negotiate for the easing of tensions and the reduction of trouble areas dangerous to world

stability. For many years, it may be a peace, not of good will, but of power, in which our national strength will be the validating factor. But it will be a peace in which free men can live and breathe, and pursue those ends which tend to lessen the misery and increase the sum of human happiness in the world. It can, at the least, be a peace which will stop the flow of the Red tide which has engulfed so much of the world, and the opening of a more hopeful prospect for democracy than the one it has faced these past 20 years.

This is the peace which we must have, and can have, provided we remain patient, united, and strong.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 7, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, the sovereign ruler of the universe, Thy wise and beneficent laws are the inspiration and foundation of every just and righteous human law.

Grant that the laws, which are made and adopted here in this Chamber by the legislative branch of our Government, may always be in accord with the plan and pattern of Thy divine law.

May we daily be inspired with a lofty sense of respect and reverence for the sacred office of the Chief Executive of these United States.

We beseech Thee that our President, our Speaker, and all who are engaged in the high vocation of statecraft may be richly endowed with special gifts of wisdom and understanding and leadership.

May the citizens of our beloved country be great in loyalty and obedience to law, in righteousness and in peace and may our national strength and resources be used for the good of mankind.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Thursday, March 3, 1955, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 752. An act to amend section 102 (a) of the Agricultural Trade Development and Assistance Act of 1954, so as to eliminate the requirement that privately owned stocks exported thereunder be replaced from Commodity Credit Corporation stocks.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled

"An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 55-8.

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SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes today, following any special orders heretofore entered and to revise and extend his remarks and include certain statements and extraneous matter.

Mrs. FOST asked and was given permission to address the House for 25 minutes tomorrow, following the legislative business of the day and any special orders heretofore entered.

Mrs. GREEN of Oregon asked and was given permission to address the House for 25 minutes tomorrow, following any special orders heretofore entered.

THE HONORABLE MARY T. NORTON

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, I rise to call the attention of the House to the fact that today is the 80th birthday of that distinguished lady, Mary T. Norton, who represented the 13th District of New Jersey for so many years so gloriously and so well. As a resident of the city of Jersey City and one who lived in her district so many years, I felt it would be a great honor and privilege to remind you of her great work, which you all know, her wonderful achievements in the field of labor.

All of us in Jersey City remember her affectionately and I thought the House would be very much pleased to know that

she is celebrating her 80th birthday today, that she is in excellent health, and that she thinks many times of the great friendships she made here, and of her friends in this body.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. McCORMACK. I wish to associate myself with the remarks of my good friend from New Jersey [Mr. TUMULTY]. I sent Mary Norton a letter of congratulation on her birthday anniversary today. I am very happy that the gentleman from New Jersey made the remarks he did.

Those who served with Mary Norton remember her not only as a sweet lady, but also as a great American, one of the outstanding Members of this body. She served with devotion and courage the people of her district, of her State, and of our country, and I join with her many friends in congratulating Mrs. Norton on her birthday anniversary. I hope that God will continue to shower upon her for many years to come an abundance of His choicest blessings.

Mr. TUMULTY. I thank the gentleman from Massachusetts, for whom Mrs. Norton had great affection, as well as for the Speaker of this House. I may say that my first knowledge of this House came from Mrs. Norton and from her praise of the work done by you, Mr. Majority Leader, and the Speaker [Mr. RAYBURN], as well as by the minority leader [Mr. MARTIN].

Mr. Speaker, the Honorable Mary Theresa Norton was born and brought up and lives today in the congressional district she represented. She is a widow, having lost her husband, Robert Francis Norton, a businessman of Jersey City, several years ago.

Mrs. Norton attended parochial and public high school in Jersey City and business college in New York. Previous to her marriage, she was a secretary and businesswoman, and believes that this experience has been of great help to her during her public career. She became interested in welfare work in 1912 upon the death of her only child, a son. She was one of the founders of the Queen's Daughters Day Nursery, a volunteer non-sectarian day nursery, furnishing care during World War I to thousands of children of working mothers. She was president of the nursery for more than 12 years, resigning a few years following her election to Congress. Through her knowledge of welfare work and its de-

mands on citizenship she became interested in politics.

She was appointed to represent Hudson County on the Democratic State Committee in 1920, and was elected vice chairman of the State committee the following year. She served continuously until 1932 when she was elected chairman. In 1923 she was the first woman of the Democratic Party to be elected freeholder in Hudson County and in the State. In 1924, 1928, 1932, 1936, 1940, 1944, and 1948 she was elected delegate at large to the national Democratic conventions. She was cochairman of the platform committee in 1944 and chairman of the credentials committee in 1948.

In 1924 she was elected to the House of Representatives, reelected each succeeding Congress, including the 81st. She is the first Democratic woman ever to be elected to Congress and the first woman ever to head a legislative committee of the House of Representatives of the United States. She was chairman of the House Committee on the District of Columbia from 1930 to 1937, and chairman of the House Committee on Labor from 1937 to the opening of the 80th Congress, when all chairmanships went to Republicans, since they held the majority of seats in the House. The House was organized by the Democrats again in the 81st Congress and Mrs. Norton became chairman of the Committee on House Administration.

Mrs. Norton's best known work was her sponsorship of the wage and hour law, legislation in which she herself got the greatest satisfaction. She worked ardently for passage of the law to benefit thousands of American workers, although it was necessary to file a petition, requiring the signatures of 218 Members of the House of Representatives to permit it to be brought to the floor for action. Brought to the floor, it was recommended to the Committee on Labor, and Mrs. Norton again had to sponsor a second petition to allow it to be presented for consideration on the floor. She has consistently done all that she could to maintain gains made by labor during the Democratic administrations. She sponsored and actively worked for legislation to establish the Fair Employment Practice Committee as a permanent agency.

Because of her broad knowledge and experience in labor problems in 1945, she was appointed by the President to attend the International Labor Conference at Paris as an advisor and alternate delegate.

Mrs. Norton has always stood for constructive, liberal, and good government. She was a strong advocate of adequate defense of our country even before the war. She has always been very much interested in the problems of veterans, and is keenly and vitally interested in the problems of our present day veterans. The first large and constructive measure which she sponsored in Congress was the building of a veterans' hospital in New Jersey, which institution has been enlarged many times.

As a woman, she is greatly interested in child welfare programs. During the war she was sponsor of an amendment to the Lanham Act, which provided

funds for the care of children whose mothers were engaged in war work.

Mrs. Norton was dean of the New Jersey delegation. At times, when New Jersey had no Democratic representative in the Senate, Mrs. Norton handled matters not only for her own constituents, but for citizens of New Jersey as a whole who had no Democratic representation in Congress. She was concerned not only with general legislation, but hundreds of letters cross her desk dealing with individual cases, all of which required immediate attention. She is well known in the various Government agencies for the personal work that she did in behalf of individual constituents.

In 1930, Representative Norton received the first degree of doctor of laws ever conferred by St. Elizabeth's College, the oldest woman's college in New Jersey, in recognition of service in welfare and Government. In 1937, she received the degree of doctor of laws from Rider College, Trenton, N. J. The Women's National Press Club awarded her a citation for the most important contribution to Government in 1946. In 1947, she was awarded the Theta Phi Alpha medal—National Catholic University Women—as the outstanding Catholic woman of the year. An award for outstanding service was presented by the International Relations Club, St. Elizabeth's College, to Mrs. Norton in 1949. On June 4, 1950, she was awarded the degree of doctor of laws by St. Bonaventure's College, St. Bonaventure, N. Y.

Mr. Speaker, I ask unanimous consent that all Members who care to do so may extend their remarks at this point on the birthday anniversary of Mrs. Mary Norton.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, today former Congresswoman Mary T. Norton is 80 years old. Each of us joins in wishing her a happy birthday.

A COMMON CIVIL-MILITARY SYSTEM OF AIR NAVIGATION AND TRAFFIC CONTROL

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, I wish to make a brief announcement for the benefit of Members interested in the current controversy over the development of a common civil-military system of air navigation and traffic control.

The Transportation and Communications Subcommittee of the Interstate and Foreign Commerce Committee of the House will hold hearings in executive session at 10 o'clock next Thursday morning to make a thorough investigation of the facts in this dispute.

As stated by the gentleman from Arkansas [Mr. HARRIS], chairman of the subcommittee, last Wednesday, the In-

terstate and Foreign Commerce Committee of the House has fostered the development of a common system of air navigation. The common system grew out of recommendations made by a subcommittee of the Interstate and Foreign Commerce Committee in the 80th Congress, of which the gentleman from California [Mr. HINSHAW] was chairman. That subcommittee, in House Report No. 885, 80th Congress, urged the establishment of a single system which will safely and economically serve the requirements of both commerce and the national defense simultaneously.

Subsequently, the Air Navigation Development Board, representing civil and military agencies, was formed, and it developed a common system known as VOR/DME. This system now is almost completed.

As a result of developments during the Korean hostilities, the military pushed ahead with the development of a tactical navigational system now known as TACAN.

TACAN and DME/VOR are not compatible. If we are to have a common civil-military system, it must be one or the other.

Recently, ANDB voted to complete the development of TACAN and clear the way for its adoption as the common system. This action has brought numerous protests.

We must have a common system. That is essential for national defense and also for the orderly growth of civil aviation. In addition, there is the very important consideration of economy. It would cost the country a lot of money to support two systems.

For those reasons, your committee proposes to make a complete investigation of this problem in an effort to resolve this conflict. We cannot permit this conflict to develop to the point where it threatens the very concept of a common system.

The committee questioned the Administrator of Civil Aeronautics about this on February 11 in open session but because details of the TACAN system are classified, it was decided to postpone the investigation until an executive session could be held. On next Thursday morning, the subcommittee will hear Dr. Donald A. Quarles, Assistant Secretary of Defense for Research and Development, and others familiar with the facts in the case. Also, to appear are representatives of the Army, Navy, and the Air Force, the Department of Commerce, the Coast Guard, the Air Navigation Development Board, the Air Transport Association, the Aircraft Owners and Pilots Association, and the National Business Aircraft Association.

PRESIDENTS' DAY

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, in view of the fact that at my request our distinguished chaplain gave a prayer this morning for Presidents' Day, I think it appropriate that I call your attention to the fact that it originated in the great 23d District of California, which I have the honor to represent this my ninth year in the House; through the efforts of a very distinguished American, Mr. Hal Fischer, in the important city of Compton, Los Angeles County, Calif.

I call your attention to the fact that on March 4, in the daily CONGRESSIONAL RECORD, at pages A1404 and A1405 in my extension of remarks, I gave a brief history of the origins and processes of Presidents' Day as furnished me by Mr. Hal Fischer, the director of the Committee for Presidents' Day.

I think the prayer by our distinguished Chaplain, Reverend Braskamp, this morning was certainly most beautiful, appropriate, and pertinent. I wish to thank our distinguished chaplain for the beautiful prayer he gave this noon at the convening of this great legislative body.

Here is the proclamation which, according to Mr. Fischer, was used by some 41 governors of 41 States for Presidents' Day, 1954:

PROCLAMATION

Whereas the office of the President of the United States of America is the highest and most important that a citizen may attain, and it is the living and working symbol of the American flag and our Constitution; and

Whereas free peoples everywhere today face their greatest trials for the survival of their democratic way of life, which makes it incumbent upon citizens of this Nation to accept their just responsibilities in preserving the general welfare of this land; and

Whereas religion is our most vital asset, as it was with our Founding Fathers, and it is essential to remember and reaffirm our faith in God and our system of delegated authority under him:

Now, therefore, as governor of the State of —, I do hereby proclaim March 4 as Presidents' Day in and for this State, and urge that prayers be said in all churches and places of worship for the President of the United States of America, and urge that the opportunity be given our schoolchildren to acquire a better understanding of the American way of life by studying the lives of our Presidents and their wives and presenting special programs appropriate to the observance in the schools of this State on this date.

And, in 100,000 schools in our Nation last year particular emphasis was given to the study of the Constitution and the office of the President of the United States.

MILK DISPENSER MACHINES

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, at 11:30 this morning, members of the House Agriculture Committee, representatives of dairy districts, and the leadership officially christened the two milk dispenser machines which have been in-

stalled in the Republican and Democrat cloakrooms.

I made arrangements to install these machines through the cooperation of the National Milk Producers Federation so that the Members of this House could actually see a milk dispenser in operation. These milk-vending machines have been installed during the past year throughout the United States. At installations of the Defense Department where they have been installed, they have become the most popular type of vending machine in operation.

Milk and its products have been and continue to be the best food bargain in America today. The difficulties which the dairy industry has faced during the past 2 years have grown from underconsumption of milk and milk products. Here in our Nation's Capital, we can show the way to better health and longer life through the greater consumption of dairy products.

These milk-vending machines being installed in the Capitol symbolize the effective efforts which are being made by organizations such as the National Milk Producers Federation and the American Dairy Association to increase the consumption of dairy products. Since I have been a Member of Congress, I have worked for and have promoted the increased consumption of dairy products by the armed services and the Veterans' Administration. In my original testimony before the Agriculture Committee last year, I suggested the increased use of milk in our Nation's school-lunch program. Currently I am sponsoring legislation to further increase the use of milk and dairy products in schools throughout the United States. I particularly call attention to my bill H. R. 675 which provides for the continuation of the school-milk program for the next 2 years.

At the present time all 48 States have signed up under the school milk program and the latest figures available show an increase of 55 percent in the consumption of milk in our schools as compared with last year. This volume is increasing rapidly as more and more schools get started on the program. Under the new program, schools in Wisconsin and other States are being reimbursed for a large portion of the cost of the additional milk which they serve to schoolchildren. Our State was the first to go under this program and it is interesting to note that the milk consumption in Wisconsin schools has increased by 114 percent—more than double the amount of milk which was consumed by Wisconsin schools last year.

A survey which was recently released by the American Dairy Association shows that the per capita consumption of butter has increased over 5 percent during the past year. This survey showed that during the 9-month period of April to December 1954, butter purchases by householders was up 12 percent. The per capita consumption of fluid milk and cheese also showed a marked increase and the total consumption of milk and cheese is up even more because of our growing population.

I invite my colleagues to help me raise these consumption figures even further

by promoting the sale and use of dairy products in each of their individual districts. I thank the National Milk Producers Federation for their cooperation and it is my hope that each of you will enjoy the fresh, cold milk which is available as of today in the cloakrooms of both the Democrats and Republicans.

SPECIAL ORDERS GRANTED

Mr. TOLLEFSON asked and was given permission to address the House today for 30 minutes, following any special orders heretofore entered.

Mr. HILL asked and was given permission to address the House for 30 minutes on Thursday next, following any special orders heretofore entered.

THE 105TH ANNIVERSARY OF THE BIRTH OF CZECHOSLOVAKIAN PATRIOT, T. G. MASARYK

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, today is the 105th anniversary of the birth of the great Czechoslovakian patriot, T. G. Masaryk, and it is an event celebrated by all Americans of Czechoslovakian origin, and by the Czechoslovak people all over the world.

Thomas Masaryk was a true patriot. He was a man who dedicated his life to the realization of freedom, democracy, and independence for his native Czechoslovakia. And Masaryk lived to see his fondest dreams fulfilled.

However, shortly after his passing in 1937, the republic to which he had contributed so much, fell victim to Nazi tyranny. After enduring the hardships of Nazi rule during the war years, Czechoslovakia regained its freedom briefly, only to lose it again to the advancing tide of Red communism which has engulfed that nation.

The Communists have attempted to destroy the ideals of freedom and democracy in the hearts of the Czechoslovakian people, but in this they have not succeeded. The words of Thomas Masaryk still inspire his people, and give them renewed courage to withstand Communist tyranny.

Thomas Masaryk is an inspiration not only to the people of Czechoslovakia, but to all the free world. His words and deeds bring a message of the blessings of democracy and independence, and inspire unceasing struggle to achieve the ideals of liberty for which he stood throughout the world.

REGULATION OF NETS IN ALASKA WATERS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 456) relating to the regulation of nets in Alaska waters. A similar House bill (H. R. 249) has been reported by the Committee

on Merchant Marine and Fisheries and is now on the House Calendar.

The Clerk read the title of the bill.

THE SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BONNER]?

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman from North Carolina kindly explain the bill?

Mr. BONNER. Yes. The necessity for the bill arises from a recent court decision in Alaska which classified gill nets as fixed fishing appliances, the location of which is specified by law.

For the past 25 years the Fish and Wildlife Service has treated gill nets as a type of fishing gear subject to its regulation and has made regulations governing their use based upon the particular conservation needs of each area. In the absence of this bill, gill nets as well as salmon traps would be governed by the law covering the latter. Not only would this require a prompt and drastic revision of the rules of the Service but it would work hardship on various groups of fishermen without any compensating advantage.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I should like to inquire whether this bill is the one that was referred to the Committee on the Interior and Insular Affairs?

Mr. BONNER. This bill was referred to the Committee on Merchant Marine and Fisheries which committee has jurisdiction over fishing matters in Alaskan waters.

Mr. MILLER of Nebraska. We had a bill before the Committee on Interior and Insular Affairs last year regarding the same problem, which was quite controversial, as I recall it.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. BARTLETT. I should like to inform the gentleman from Nebraska [Mr. MILLER] that this bill had no relationship to the one to which he referred. This is a separate matter entirely.

Mr. MARTIN. This bill was not necessary until the court decision, is that correct?

Mr. BONNER. That is what brought it about. I will say to the gentleman from Nebraska [Mr. MILLER] that there was no opposition to the bill.

Mr. MILLER of Nebraska. I will say to the gentleman that when the Committee on Interior and Insular Affairs dealt with a similar subject, there was considerable opposition.

Mr. BONNER. I can only tell the gentleman what took place in the Committee on Merchant Marine and Fisheries when we set it for hearing, and it had been set some time for hearings.

Mr. MILLER of Nebraska. Mr. Speaker, I do not want to be in the position of holding up an important bill, but I was wondering if it would be possible to let this matter go over until tomorrow so that I may have an opportunity to examine it.

Mr. BARTLETT. If the gentleman will yield further to me, I should like to

say that this bill has been agreed to by the Department of the Interior, by the Alaska salmon industry and by the fishermen in the areas concerned. It has no relationship whatsoever to the proposed legislation which was formerly in the Committee on Interior and Insular Affairs.

Mr. MILLER of Nebraska. The gentleman understands that the bill that was before the Committee on Interior and Insular Affairs did have some opposition?

Mr. BARTLETT. That is true, but I assure the gentleman that this is an entirely different subject and that there is general unanimity as to the desirability, the purposes, and even the necessity of the bill now before the House.

Mr. BONNER. Mr. Speaker, I will say further to the gentleman that the reports on the bill were all favorable.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

THE SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BONNER]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the last sentence of section 3 of the act entitled "And act for the protection and regulation of the fisheries of Alaska," approved June 26, 1906, as amended (48 U. S. C., sec. 233), is hereby amended to read as follows: "It shall be unlawful to lay or set any seine or net of any kind within 100 yards of any other seine, net, or other fishing appliance which is being or which has been laid or set in any of the waters of Alaska, or to drive or to construct any trap or any other fixed fishing appliance, except a set gill net, stake gill net, or anchored gill net, within 600 yards laterally or within 100 yards endwise of any other trap or fixed fishing appliance."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

On motion of Mr. BONNER, a similar House bill (H. R. 249) was laid on the table.

THOMAS GARRIGUE MASARYK: A GREAT MAN AND A GREAT WORLD CITIZEN (1850-1937)

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

THE SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, Thomas Garrigue Masaryk, who was the founding father and the first President of the Czechoslovak Republic, probably worked longer and harder than anyone else for its creation. No one was more patriotic, more persevering, and more devoted to the Czechoslovak cause than this scholar and philosopher. Consequently, it is not difficult to understand why the celebration of his birthday had become a national event in the Czechoslovak Republic before the advent of the Communist regime.

This great man was endowed with many talents, and he would have been a shining success in a number of pro-

fessions. His learning, his mellowed wisdom, and above all his forthrightness and forceful character served him supremely well in his chosen task, that of recreating the idea of Czechoslovak independence among his countrymen. It served him equally well when he was presenting the Czechoslovak cause to the governments of other countries. Through sheer force of character he enlisted the support of the Allied governments for the Czechoslovak cause. Our Government, always sympathetic to the struggling underdog, gladly followed suit. In 1918 when Czechoslovak independence was proclaimed and Czechoslovakia was recognized as a democratic republic, it was not only a victory for the deserving and brave Czechoslovaks, but it was also a personal achievement of that great and gifted man, Thomas Garrigue Masaryk.

Unfortunately, today, because of the treachery of the Communists, this Republic is far from what he had hoped it would be, and his compatriots are now suffering a tragic fate. We in the free world honor his memory on this day and devoutly hope that soon the Republic which was his own creation and for whose well-being he devoted his life, will arise once more and regain that freedom which it enjoyed under Masaryk's leadership.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his 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. RODINO. Mr. Speaker, Thomas Garrigue Masaryk, the founder-architect of the post-World War I Czechoslovak Republic and its President for more than 15 years, is rightly regarded as one of the great men of Europe. He was a man of many talents; he was distinguished as a teacher, as a journalist-editor, as a philosopher-statesman, and as a national leader. This son of a humble coachman, through hard work and sheer force of character, became the leading figure in a movement for reviving the idea of national independence among his countrymen. He probably did more than any other one man in securing that independence.

Profoundly grateful for his almost superhuman efforts in the cause of their freedom, he is regarded as the father of his country. He was elected to the Presidency of the Republic, and was reelected until 1935. At the ripe age of 85 he retired from office. Two more years of peace and tranquility brought him to rest on September 14, 1937, not long before his dearest work, the Czechoslovak Republic, was visited with destruction.

Thomas Masaryk doubtless would have been eminently distinguished in any land or in any age. His wide learning made him temperate and wise. He was a kind man and believed in the goodness of humanity. He was a staunch advocate of freedom for all, and was an undaunted champion of political democracy.

Today when we see many of the things for which this great man stood in danger of destruction, when we see them being sneered at and attacked by the leaders of the so-called people's democracies, we are dismayed but not discouraged. For we know that the principles of freedom and humaneness which Masaryk represents can never be destroyed even by the most ruthless tyrant. Today we pay tribute to his memory and pray that our generation will emulate Masaryk's strength and courage. If we do, we will certainly be victorious over those who seek to enslave mankind.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. ADDONIZIO] may extend his 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. ADDONIZIO. Mr. Speaker, on this 105th anniversary of the birth of Thomas Masaryk it might be well for us to restate the views of this great statesman of Czechoslovakia on the subject of religious toleration; for he was above all else a disciple of religious freedom.

Thomas Masaryk firmly believed that in a truly democratic republic "freedom of conscience and toleration must not merely be codified but realized in every domain of public life."

Truly this is an ideal to which all mankind can well aspire. But it is perhaps the greatest tragedy and at the same time the greatest paradox that the nation which gave the world Thomas Masaryk is today part of that world which denies the democratic concept of religious toleration and freedom of conscience. Czechoslovakia, like all States within the Communist orbit of power, has been undergoing a sustained attack upon its institutions of religion. Armed with total power, the Communists have denied religious freedom; they have decreed freedom for only the Communist creed. They have, in fact, even set out to destroy religion completely and in its stead infuse the philosophy of materialism and atheism into the structure of the Czechoslovak nation.

In Czechoslovakia today religion is under attack. Like all other nations in the Communist world, the light of religious belief in Czechoslovakia, as a consequence of sustained Communist persecution, might well slowly fade away. It is well, therefore, that on this anniversary commemorating the birth of Thomas Masaryk that we hold high the ideal of freedom of conscience and religious toleration which this great statesman advocated in the hope that its light may give some hope to the world's oppressed and perhaps do something to drive back the shadows of intolerance and religious persecution that have been enveloping the world.

EXTENSION OF THE RENEGOTIATION ACT OF 1951—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 101)

The SPEAKER laid before the House the following message from the Presi-

dent of the United States, which was read, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

I recommend extension of the Renegotiation Act of 1951, as amended, to make its provisions applicable for an additional period of 2 years. I make this recommendation because I believe the welfare of the country requires it.

In spite of major improvements which we have achieved in our contracting and price redetermination operations, there nevertheless remains an area in which only renegotiation can be effective to assure that the United States gets what it needs for defense at fair prices. In addition, I believe that the entire period of defense expansion and rebuilding which the United States has undertaken since the beginning of the Korean hostilities should be considered as a whole insofar as renegotiation treatment is concerned.

Continuation of the renegotiation authority is necessary for several reasons. Because of the complex nature of modern military equipment, the lack of experience in producing it and the frequent necessity for alterations during the life of a contract, it is impossible for the Government to determine, when the procurement contract is made, what constitutes a fair price and for the supplier to forecast accurately his costs. Moreover, because of limited sources of supply in many cases, there are situations in which the Government is unable to obtain the price benefits that accrue from normal competition.

Furthermore, in the interest of broadening and strengthening the mobilization base, we have encouraged the extensive use of subcontracting. Because the United States has no direct contractual relations with the subcontractors, the only protection against unreasonable prices by them is through the process of renegotiation.

All these factors become particularly important when it is recognized that expenditures by the Government during the next 2 calendar years will include paying the bills for the completion of the expansion of the Air Force to 137 wings. The next 2 years also will see an introduction into the Air Force program of the latest type of supersonic aircraft. New types of equipment also are being ordered for the Army and Navy and Marine Corps.

As a Nation, we recognize that so long as defense expenditures represent more than half of the national budget, we must do everything in our power to see to it that the maximum return is received for each dollar spent. On the other hand we must also be careful not to interfere unwisely in the traditional commercial relationship between the Government and its suppliers. In extending the Renegotiation Act last year, the Congress instituted new statutory exemptions. These have lessened the burden imposed on industry by renegotiation and, more important, have concentrated renegotiation in the areas where it is most needed.

I strongly urge that the Congress take action as promptly as possible so that both Government and business will know

that this important adjunct to speedy and effective defense contracting will remain available, at least until December 31, 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 4, 1955.

STRENGTH OF UNITED STATES ARMED FORCES

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 30 minutes.

Mr. SIKES. Mr. Speaker, the Congress has been asked to approve an unanticipated cut in the strength of the Army. It is a cut which, from testimony before committees of Congress in recent weeks, was decided on last December after Army budget figures already had been prepared calling for a larger number of troops. The original estimate of troop strength for which budget figures had been prepared was more in line with the recommendation of the Army Chief of Staff Gen. Matthew B. Ridgway, and the recommendations of the key Army planners who have first-hand knowledge of the Army's worldwide responsibilities. The new figures on Army strength now before us do not have the approval of those men. In order for these figures to be submitted to Congress an entire new set of budget figures had to be hurriedly assembled. As a matter of fact, this adjustment of Army budget figures is still in process, attesting to the unusual manner in which the presently projected Army strength was arrived at. With this in mind, I feel that the Congress should take a long and careful look at the situation which now confronts this Nation defensively, and I urge that we be very certain of our ground before we place our blessings on the current estimate. There is no similar reduction of Communist army strengths anywhere in the world. There is ample evidence that Communist armies have been materially improved in recent years in firepower, mobility, equipment, and supply.

I am continually impressed with the scope and complexity of Army missions, with the number and importance of the tasks which the Army is expected to carry out, at the same time Army strength is being reduced. Particularly am I concerned when I contemplate the possibility of war and the nature of the prodigious job the Army will be called on to do in war.

Regardless of how popular the notion is that we can win a quick, cheap war without the extensive use of soldiers, whether they be allied or our own, and that we can win it in a few days, let us not be wholly committed to that notion, lest we learn too late that we were wrong. History has demonstrated clearly enough that there is no easy, impersonal way to win a war without getting your hands dirty. The inescapable truth is that war is a dirty business and we are not likely to win it without fighting the enemy's fighters, without enduring all the sweat and pain and hardships that war entails.

The premise of various new and untried military policies, in accordance with the perennial search for a machine

that will do our fighting for us, appears to be that nuclear weapons delivered by airplanes will be decisive, if we are forced to go to war. This assumption may or may not be true. But it is dangerous for a great nation such as ours to stake its security upon the accuracy of that one premise, yet untested by history, even if the premise were supported by all the military experts, which indeed this particular premise is not, by any means.

No matter how much we seize the diplomatic initiative, it will still be beyond our power to prevent the development of situations such as Indochina, Korea, and possibly Formosa—which is the crux of the matter today—if we have tailored our strength to a single concept and have relied on that single concept, even for total war. I cannot help believing with all my conviction that our best life insurance is versatile military strength, in which a highly mobile and hard-hitting United States Army is firmly in the foreground. This Army must be able to reinforce our overseas garrisons promptly, whenever and wherever they may be threatened, in local wars or total conflict. I do not mean to deprecate the roles of the other services, which are vitally essential. In fact, I believe that certain Air Force programs, for example, should be expanded, particularly in the air transport field, where our military experts say we need to accrue some of the strategic mobility necessary for the movement of hard-hitting combat Army forces in coping with Communist aggressions.

No matter how much we would like to substitute machines for men, there is so far no evidence that we can afford to do so. As far as can be foreseen at this time, the numbers of ground fighters required in future wars will not be less than in recent wars, despite the presence of nuclear weapons in the arsenals of nations. In fact, there is a real possibility that nuclear weapons will never be used in a future war. Although nuclear weapons have been available since 1945, everyone knows that they were not used in Korea, and that it took large numbers of the fighting ground troops of the United States Army and United States allies, powerfully supported by air and naval forces, to stop the Communist armies.

But especially if nuclear weapons are used in a future war, there is good reason to foresee requirements for more, not fewer, troops. In the first place, the great normal characteristic of the atomic battlefield will be dispersion, sporadically interrupted by rapid concentration after atomic blows to exploit the power of the nuclear weapon and then followed again by rapid dispersion. Dispersion does not mean that an army can do the same job with fewer men. While, as a simple illustration, ground forces are dispersed laterally to avoid presenting massed linear targets, there will be urgent requirements for dispersion in greater and greater depth, to prevent enemy infiltration between the dispersed forward units and to prevent atomic breaches in the defensive areas.

Units will probably be smaller and more mobile than formerly, but many more units will be required. When you

disperse units over wider areas, you increase the problem of control and communications. More and better communications equipment will be required, which, in turn, means more and better trained communications personnel.

Replacements will be needed in higher ratios and greater numbers than heretofore, for the destruction possible by nuclear weapons may destroy large numbers of men, including whole units, at one time. The same increased effects will be felt in the enormous and vital logistical complex backing up the fighting field armies. For the evacuation and treatment of greater numbers of casualties, more medical personnel will be needed. All logistical operations will require greater dispersion. Great ports, for example, will be more vulnerable than heretofore; to avoid these vulnerable bottlenecks, we may have to use many small ports and beaches, which is a system expensive, not economical, in the use of manpower.

These are only a few of the considerations which provide the basis for considering that the Army, as I have said, may well need more rather than fewer men.

On purely pragmatic grounds, it would be an error of great magnitude to become overcommitted to untried strategies which leave the enemy's combat forces relatively unhampered. I do not know of any example in history of a great nation at war losing its will to resist until its armed forces have been decisively defeated. It is sometimes said that Japan's surrender in 1945 was brought about by strategic bombing on Japan's home islands, or even that the two atomic bombs alone brought about Japan's capitulation. This argument ignores the destruction of Japanese armies in New Guinea, in Burma, in the Philippines, and other areas; it ignores the strangling of Japan's naval forces and economic lifelines, primarily accomplished by United States naval power; it ignores the destruction of Japanese airpower, largely by United States carrier-based airpower; it ignores the fact that Japan put out surrender feelers before the atomic bombs were dropped—before, in fact, any strategic bombing attacks were made in force on the home islands; and, among still other factors, it ignores the fact that overwhelming land, sea, and air forces were poised outside the door, ready to apply the final invasion blows.

The missions and responsibilities assigned to the Army today are many, varied, and comprehensive. Mostly, they are missions which cannot be performed by any other organization or force, but must be performed by formidable organized land forces of adequate size and strength.

Among the missions and responsibilities assigned to our United States military forces, the Army has primary responsibility for all operations on land. In support of national objectives, the Army must defend the territorial integrity of the United States, establish and support strategic bases in vital overseas areas, and be prepared to assume an early offensive against the sources of

Soviet power. These are tremendously complex responsibilities whose full requirements are difficult to grasp. At the risk of repetition, the following list of general responsibilities officially assigned to the Army may give a somewhat more detailed understanding of what the Army must be prepared at all times to do:

First. To organize, train, and equip Army forces for the conduct of prompt and sustained combat operations on land. Specifically, this means to defeat enemy land forces, and to seize, occupy, and defend land areas.

Second. To organize, train, and equip Army antiaircraft artillery units.

Third. To provide Army forces, properly organized and equipped, for joint amphibious and airborne operations.

Fourth. To develop, in coordination with the other services, tactics, technique, and equipment of interest to the Army for amphibious operations.

Fifth. To provide an organization capable of furnishing adequate, timely, and reliable intelligence for the Army.

Sixth. To provide Army forces as required for the defense of the United States against air attack.

Seventh. To provide forces for occupation of territories abroad, to include initial establishment of military government.

Eighth. To develop, in coordination with the Navy, the Air Force, and the Marine Corps, the doctrines, and equipment employed by Army and Marine forces in airborne operations.

Ninth. To formulate doctrines and procedures for the organization, equipping, training, and employment of forces operating on land, at division level and above, including division, corps, Army, and general reserve troops.

Tenth. To provide support for the administration and operation of the Panama Canal; river and harbor projects in the United States, its Territories, and possessions; and certain other civil activities prescribed by law.

The Army, along with the other services, carries out its responsibilities in support of United States policies, interests, and commitments. In order to understand how far-reaching these worldwide interests are, the following roster lists the numerous countries with which the United States has commitments which may involve United States military action of one kind or another:

First. Through NATO: Belgium, Canada, Denmark, France, Greece, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, Turkey, and United Kingdom.

Second. Through the RIO pact: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala—pending—Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela.

Third. Through the ANZUS and Manila pacts: Australia, France, New Zealand, Pakistan, Philippines, Thailand, the United Kingdom, Cambodia, Laos, and Free Vietnam. Okinawa in this area has equal strategic importance.

Fourth. Through occupation: Germany and Austria.

Fifth. Through military assistance agreements: Spain, Yugoslavia, Iraq, and Iran.

Sixth. Through various bilateral mutual defense treaties: Canada, Japan, Formosa, Philippines, and the Republic of Korea.

Seventh. In addition, the United States is the principal bulwark of the United Nations, with its many member nations and numerous responsibilities.

In addition to these general missions, the Army must provide definite forces to accomplish certain specific missions:

The Army must provide certain forces which the United States has promised to NATO. The Army must garrison the outposts protecting the Western Hemisphere, such as those in Hawaii, Panama, the Caribbean, Alaska, Greenland, and Iceland. The Army must provide forces for defense of the continental United States. Mindful of the harsh fate of our forces left without reinforcement for months on Bataan, we want no more Bataans. Nor do we want any more Koreas, where a handful of troops, rushed onto the beaches, fought desperately to keep a foothold, hoping for early and strong reinforcements. Therefore, the Army must maintain combat-ready forces as part of our strategic reserve located in or near the United States ready to be deployed quickly to trouble spots, before disaster overtakes our side. There is no magic known by which trained forces can be created overnight. To create the additional powerful, trained forces required in emergencies, the Army must maintain in readiness a nucleus of training units, a nucleus of training installations, a nucleus of mobilization requirements of all kinds and a nucleus of the logistic structure to support the expansion that will be inevitable should war come.

In support of United States interests, and particularly in support of the specific responsibilities assigned, the Army is stretching its resources to accomplish its combat-ready mission, its training mission, its continental defense mission, its mobilization-base mission, and all its other missions in the United States, as well as maintain half its strength overseas in support of its overseas missions. In addition to Army attachés, there are Army personnel in more than 40 foreign nations, ranging in scope from small groups to the great field armies, the Eighth United States Army in the Far East and the Seventh United States Army in Europe. The presence of sizable United States Army forces stationed in key overseas areas on the ground, where the peoples of the countries concerned can see them every day, has been a strengthening factor in the determination of our allies to resist aggression, and the Army's presence has made a major contribution to such stability as exists in those areas of the world today. It is significant, I think, that there has been no Communist aggression against countries in which United States Army forces have been stationed.

The United States needs its entire arsenal of versatile, powerful forces sufficient to meet the many possible situations that may have to be faced in the cold war as well as in general war. The

Army's role is indispensable. The Army must, in the interest of United States security, be maintained at strength adequate to carry out the missions which the Army is expected to perform. It is a proud, successful, forward-looking Army which deserves the best of support from the Nation which it defends.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to my able friend from California.

Mr. JOHNSON of California. I have listened to what the gentleman has to say and it is very interesting. But, we have had some hearings in the Committee on Armed Services of the House where it was pointed out that the decrease in the armed strength was O. K.'d by the Joint Chiefs of Staff, and, of course, the Chief of the Army is Gen. Matthew B. Ridgway, himself, and he did tentatively say that he felt he ought to have more men than were allotted to him. But, I understand the final decision was based on this theory: That they balanced the capabilities of the groups, and that is not entirely measured by numbers. You made the point a while ago, it is true, that the Army has a great many commitments that it cannot shuffle aside, like the Army engineers, for instance, and others. But I received the distinct impression from the testimony before our committee that the total force we hoped to maintain, which includes deduction from the Army, is adequate to take care of any situation that might arise. But I do want to compliment the gentleman on raising this problem with other Members of Congress who have not heard the testimony given before committees.

Mr. SIKES. The gentleman's interest certainly is understandable and commendable because of his long service on the great Committee on Armed Services. I can tell you that I made careful inquiry into this matter during the hearings before the Committee on Appropriations on the defense budget for fiscal 1956. At that time I made very thorough inquiries of the Secretary of Defense, the Joint Chiefs of Staff, the Secretary of the Army and of the Army Chief of Staff, General Ridgway. It was clearly brought out that this is not a cut which has the approval of the Army Chief of Staff or of the Army's planners who must do the job which has been assigned to the Army. It was difficult to tie down responsibility for the cut in Army strength to any one particular person. Treasury Secretary Humphrey is credited by some as insisting that cuts be made somewhere in the military organization in order to present a stronger budget picture. The President himself is credited with accepting responsibility as Commander in Chief. The Secretary of Defense has assumed primary responsibility. But that does not mean that the Army's leaders who must do the job assigned to the Army, approve of it. I believe the testimony in our hearings bears that out in detail and I believe further that budget considerations were given more weight than they previously have carried where national defense is concerned.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to my distinguished friend, the gentleman from Oklahoma.

Mr. EDMONDSON. I think the gentleman is performing a great service by alerting the House of Representatives to what is taking place with regard to our national defense on the Army level. I think the point is well made when the gentleman emphasized the fact that we are not seeing a corresponding decrease in Army strength on the part of the Communists or their satellites. As a matter of fact, is it not correct to say that the proposed cut in the Army strength of the United States is more drastic than any cut being sought by any other major power in its Army strength at the present time?

Mr. SIKES. In my belief, that is true. Further, it is a cut which is not balanced by a proportionate buildup in our allied forces. There is a dangerous gap in Army strength where Communist forces have a definite advantage.

DEVELOPMENT OF NATURAL RESOURCES

The SPEAKER. Under previous order of the House, the gentleman from Oregon [Mr. ELLSWORTH] is recognized for 20 minutes.

Mr. ELLSWORTH. Mr. Speaker, a subject which is of utmost importance to Members of this Congress is the development of the natural resources of our country. One of the basic plans for comprehensive resource development lies in the program of construction of multiple purpose water resources projects. This is especially important in the Pacific Northwest where the Federal Government and local, non-Federal interests have constructed billions of dollars worth of dams and water control reservoirs. A vital part of these projects is the development of electric power.

The need for electric power is nowhere more urgent than in my own Pacific Northwest. Unless new power projects are started within the next 2 years, the Northwest will face a serious power shortage by 1960. In fact, in the winter of 1952-53 we experienced brownouts and temporary shutdowns of industries. At present the creation of new industries is awaiting power from projects now being completed.

The people of my State and of the entire Pacific Northwest, however, realize that the responsibility for constructing new power projects does not rest solely on the Federal Government. They have wholeheartedly accepted the principle that local agencies should aid in the construction of multiple-purpose projects.

This principle was long ago outlined by President Eisenhower. In Seattle during the election campaign of 1952 the President sketched in a few words what is now the policy of the administration:

We need resource development, and we need it on a river basin basis. We need resource development not to the limit of the whim of any administration in power, but to the limit of the capacity of the region to

benefit. And to do that, we need partnership to the limit of everyone's ability.

This principle strikes me as being a sound, efficient method to develop our natural resources. This is particularly apparent when such projects are small in nature and located within the service area of a locally owned utility. It seems entirely reasonable to me that such utilities should be allowed to relieve the Government of the power-generating and distribution costs of the project on a partnership basis.

I have today introduced a bill which represents an ideal partnership arrangement of this sort.

In the Willamette Basin in Oregon there have been authorized by Congress, two important multiple purpose water-resources projects. Both projects are primarily flood-control structures.

During the second session of the last Congress, however, both were authorized for the installation of power-generating facilities.

These projects are located in the heart of the territory served by two of Oregon's most successful electric utilities. One of these is publicly owned and the other is privately owned. These utilities are the Eugene Water and Electric Board, an arm of the city of Eugene, Oreg., and the Pacific Power & Light Co., a privately owned company whose service area includes a large section of the Willamette Valley.

The municipally owned utility was organized in 1911. It serves the parent city and a portion of the surrounding area. The total population in the area served is approximately 80,000. The board which administers the utility operation has made an outstanding record in the United States of efficiency, economy, and vision in the construction and operation of its electric system. In the 1954 report of the Federal Power Commission, the city of Eugene was cited as having the lowest residential electric rates of any city in the United States of over 2,500 population. The city owns and operates hydroelectric and steam generating facilities which supply the bulk of the community's power needs. This city's system is in need of the power which will be generated at the Cougar Dam. The city already has transmission lines which run close to the Cougar Dam site. It is logical, therefore, that the city of Eugene should be allowed to pay for and use the power facilities at the Cougar Dam.

The Pacific Power & Light Co. has been in business since 1910 and today serves 261,000 customers in a large area. It supplies electric service to all the principal communities affected by the flood-control problem on the Santiam River. In view of the fact that this company is at present the only electric utility serving the area and since it too has transmission lines in the vicinity, it is the logical utility to become the local participant in the construction of Green Peter project. The power that will be produced at the Green Peter Dam will not only benefit the region but also will materially strengthen the local power supply of a section of the State which has experienced tremendous growth in the

wood products industries during recent years.

Both of these utilities have done a complete and thorough job in engineering and planning for the future power needs of their customers. It has become imperative that these utilities develop additional electric-generating facilities due to the rapid increase in the population of their service areas and the continuing industrial development of the Pacific Northwest.

When the present administration announced its policy of encouraging local participation in multiple-purpose projects, both the city of Eugene and the Pacific Power & Light Co. made separate engineering studies of the projects I have mentioned.

The bill I have introduced today permits the Federal Government through the Corps of Army Engineers to make contracts with local utilities, either publicly or privately owned, for participation in the Cougar and Green Peter projects. The local interests would pay for and operate the power facilities, including the reregulating dams. The participating utilities would also share such proportionate costs of construction, operation, and maintenance of the two flood-control dams and reservoirs as may be charged to power development in accordance with the separable cost remaining benefits method of cost allocation, as set out in the report made by the Federal Interagency Basin Subcommittee on Benefits and Costs, dated May 1950. The participating utilities will, of course, be licensed by the Federal Power Commission and will be subject to the provisions of the Federal Power Act as well as to the provisions of the bill I have introduced. The power generated at both dams will be sent into the Northwest power pool and thereby become a part of the power resource of the whole region.

Although the additional power which will be obtained from these two flood-control dams is badly needed in the area, the flood-control benefits to be obtained from the dams are of far greater importance to the communities. The people there realize that the passage of the bill I have introduced will hasten the time when the urgently needed flood-control benefits can be realized by reducing the amount of Federal appropriations required.

Both of these projects are fundamentally flood-control structures. They were originally authorized by Congress for that purpose. These two dams are the only major units in the Willamette Basin flood-control system which are not either completed or under construction. Flood-control damage which these projects will eliminate annually amounts to more than \$2 million.

Under the terms of the partnership proposal which this bill authorizes, the non-Federal agencies would pay the total cost of the power features and would also contribute a portion of the cost of the flood-control structure. In the case of Cougar this means a payment of the city of Eugene of \$11 million toward a total cost of \$37 million. In the Green Peter-White Bridge project, the com-

pany would pay about \$29 million toward a total cost of \$58 million.

The two projects would have a total capacity of 135,000 kilowatts and would annually produce 436 million kilowatt-hours of energy. The power from these projects will integrate perfectly with all other power developments in the Pacific Northwest. Lines of both the city of Eugene and the Pacific Power & Light Co. are tied in with the Northwest power pool and their system operations are geared to the benefit of the entire region.

These projects are vitally needed by my State. The partnership proposal, with local agencies contributing \$40 million of the total cost, will lead to their early completion.

This proposal represents a forward step in the thinking of the people of my State. In this bill we have a public agency and a private power company joined in a common endeavor to provide power for their customers and, at the same time, to hasten the development of two critically needed flood-control projects.

This proposal has received the overwhelming endorsement of both houses of the Oregon Legislature. A memorial seeking partnership construction of the projects was overwhelmingly approved within recent days and has been presented to the Congress.

During the second session of the 83d Congress a bill authorizing the participation of the city of Eugene in the Cougar project was unanimously approved by this House and was favorably reported by the Senate Committee on Public Works. Due to the last minute press of business in the Senate, it did not receive final action.

These specific projects received unqualified support from President Eisenhower in his January 17 budget message. I now quote from page M65 of that message:

My recommendations are intended to encourage States and local public and private groups to take the initiative in developing our valuable water resources with Federal cooperation where national interests are involved. This budget includes \$20 million under proposed legislation to enable the Bureau of Reclamation and the Corps of Engineers to participate, in 1956, in partnership water developments. Five million dollars of this amount is proposed for three multiple-purpose projects with power facilities in the Pacific Northwest. It is expected that local interests will install and operate the power facilities of the Cougar and Green Peter-White Bridge projects in Oregon and that the Corps of Engineers will build the flood control and other facilities in which there is a national interest.

This plan is a straightforward proposal which will give the State urgently needed power and flood control. It is a partial answer to the critical power problem which faces the Pacific Northwest. Under the partnership, everything is accomplished that could be accomplished by all-Federal development, and at a cost saving to the Federal Treasury of \$40 million.

We have before us an opportunity to do exactly what the President of the United States has suggested as a sound basis for public improvement, where the Government undertakes to supply the

money for that portion of the improvement which is of national interest, and local interests are prepared to put up every dollar of the cost where they and they alone can use the resulting benefit. I am hopeful that this legislation will receive early and favorable consideration at the hands of Congress.

Mr. Speaker, under unanimous consent I include the text of the bill at this point in the RECORD on this subject:

H. R. 4662

A bill to reduce the cost to the United States for the development of flood control, navigation, and irrigation in the Willamette River Basin, Oreg., by providing for the construction, operation, and maintenance of power facilities and appurtenances at the Cougar Dam and Reservoir on the South Fork of the McKenzie River, Oreg., and the construction, operation, and maintenance of power facilities and appurtenances at the Green Peter Dam and Reservoir and construction, operation, and maintenance of the White Bridge Dam and Reregulating Reservoir (including power-generating facilities and appurtenances) on the Middle Santiam River, Oreg., to be done with funds advanced by licensees; said facilities, to the extent of local participation therein to be subject to the licensing provisions of the Federal Power Act

Be it enacted, etc., That the comprehensive plan for the improvement of the Willamette River Basin, Oreg., as authorized by act of Congress, approved June 28, 1938 (52 Stat. 1215), as amended and supplemented by subsequent acts of Congress, including the act of Congress approved September 3, 1954 (68 Stat. 1265), is hereby modified to provide for the construction, operation, and maintenance of the power-generating facilities and appurtenances at the Cougar Dam on the South Fork of the McKenzie River, Oreg., and for the construction, operation, and maintenance of the power-generating facilities and appurtenances of the Green Peter Dam together with the construction, operation, and maintenance of the White Bridge Dam and Reregulating Reservoir (including power-generating facilities and appurtenances) on the Middle Santiam River, Oreg., under licenses issued in accordance with the terms of the Federal Power Act and with this act.

SEC. 2. The power-generating facilities and appurtenances including White Bridge Dam and Reregulating Reservoir (as described in sec. 1, hereof) of the respective projects may be constructed by the respective licensees hereunder, or, in the alternative, such facilities may be constructed by the Corps of Engineers as agents for the respective licensees with funds advanced therefor by such licensees. Construction pursuant to this section shall be in accord with the provisions of licenses to be issued by the Federal Power Commission in accordance with the Federal Power Act and this act. The respective licensees shall operate and maintain the power-generating facilities and appurtenances including White Bridge Dam and Reregulating Reservoir at their own cost and expense subject to the provisions of this act.

SEC. 3. The Cougar Dam and Reservoir and the Green Peter Dam and Reservoir shall remain the property of the United States and shall, except as specified in section 2 above, be operated and maintained by the Corps of Engineers. The respective licensees shall pay to the United States, through the Department of the Army, such proportionate shares of the cost of construction, operation, and maintenance of the Cougar Dam and Reservoir, and the Green Peter Dam and Reservoir as may be appropriately allocated to power development by the Chief of Engi-

neers under the direction of the Secretary of the Army in collaboration with the Federal Power Commission, in conformity with the separable-cost-remaining-benefits method of cost allocation as recommended by the Federal Inter-Agency River Basin Subcommittee on Benefits and Costs in its report dated May 1950 or by such other method as may be mutually agreed upon by the licensees and the Secretary of the Army and approved by the Federal Power Commission.

SEC. 4. The Chief of Engineers, under the direction of the Secretary of the Army, is authorized to enter into agreements with the respective licensees for the operation of the dams and reservoirs insofar as such operation affects the production of power so as to secure the maximum multiple benefits from the operation of the dams and reservoirs as set out in the comprehensive plan of improvement for the Willamette River Basin, Oregon, referred to in section 1 hereof, and for the advancement of funds by the respective licensees, in accordance with the provisions of this act, and for other matters incident to the construction, operation, and maintenance of said projects. Such agreements shall be for such periods as may be consistent with the terms of the licenses issued by the Federal Power Commission, and any renewals or extensions thereof, and may be amended from time to time by mutual agreement.

SEC. 5. (a) If no application for a license to construct the power facilities at the Cougar Dam and Reservoir is filed with the Federal Power Commission within 2 years from the date of approval of this act, or if such application for a license is denied, or if construction is not commenced and carried out within such reasonable period of time as may be fixed by the Federal Power Commission, the entire Cougar Dam and Reservoir, including power facilities, shall be constructed, operated, and maintained by the Department of the Army, as provided in the act of Congress approved June 28, 1938 (52 Stat. 1215), as amended and supplemented by subsequent acts of Congress, including the act of Congress approved September 3, 1954 (68 Stat. 1265), as though this act were not enacted.

(b) If no application for a license to construct the power facilities at Green Peter Dam and Reservoir and to construct the White Bridge dam and reregulating reservoir is filed with the Federal Power Commission within 2 years from the date of the approval of this act, or if such application for a license is denied, or if construction is not commenced and carried out within such reasonable period of time as may be fixed by the Federal Power Commission, the entire Green Peter Dam and Reservoir and the White Bridge dam and reregulating reservoir, including power facilities at both sites, shall be constructed, operated, and maintained by the Department of the Army, as provided in the act of Congress approved June 28, 1938 (52 Stat. 1215), as amended and supplemented by subsequent acts of Congress, including the act of Congress approved September 3, 1954 (68 Stat. 1265), as though this act were not enacted.

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include copy of a bill I am introducing today.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 3 minutes today, following any special orders heretofore entered.

THE HOOVER COMMISSION REPORT

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, I have asked and have been given permission to revise and extend my remarks and to include extraneous matter. I expect to speak today on the Hoover Commission and encouraging the family-sized farm and concerning a bill that has been introduced and also to include some correspondence in opposition to the proposal to sell the synthetic rubber plants. Some action must be taken pretty soon or they will be sold. I also expect to speak on credit unions.

Mr. Speaker, during the last week there has been a lot of publicity that has not been helpful to Members of Congress. This publicity leaves the impression that Members of Congress have permitted some great scandals to grow up and that the Members of Congress are not making any effort to correct these scandals. The information comes from the Hoover Commission.

One bit of information came out last Friday, published in the Washington Daily News, which stated in effect that the Government is wasting \$4 billion a year on red tape documents and correspondence. It was stated that this is costing the people \$100 a year per family to cover the cost of this unnecessary and wasteful paper work. I think that is very bad publicity for the Congress. I cannot believe it is true. I am ready to be convinced if there is any evidence to convince me because I certainly do not want \$4 billion spent in wasteful correspondence. I do not want even \$1 spent in wasteful correspondence. So I shall await with interest any proof that may be submitted.

On Saturday, March 5, 1955 the picture of a very intelligent looking, and I may say charming looking, lady was shown in the Washington Daily News. Under the picture it was stated that she has been appointed by the Hoover Commission to study ways and means of shortening and cutting down the 4 million letters that are being mailed daily by the United States Government at a cost of \$1 a letter. It is rather startling to me to think we are mailing 4 million letters a day at a cost of \$1 a letter. That runs into a lot of letters and a lot of money very soon, about \$20 million a week, which in the course of 12 months would add up to considerably over \$1 billion. Even that large estimate does not jibe with another Hoover Commission estimate of \$4 billion a year.

The thought occurs to me, Why should not congressional committees look into this? Why should we be told by an outside group, that is not elected by the people, about these things when it has not been presented to a congressional committee? Why should an outside group appoint someone to find out something for Congress? And then, in the district I am privileged to represent, last week more than one weekly newspaper mentions an item which must have been sent out to weekly newspapers generally, or it would not have appeared in more

than one of the papers, but the item says that when "750,000 people are employed to do a job that Herbert Hoover says could be handled by 10,000, it is high time some sort of a change should go into effect." Well, I never heard of 750,000 people being employed to do a job that 10,000 could do. I never heard that here in Washington, D. C., or in the United States Congress. But, that is rather sensational and borders on emotional propaganda.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to my distinguished friend from Michigan.

Mr. HOFFMAN of Michigan. Well, the gentleman said that he did not understand why the Hoover Commission should be called upon to do that. Now, perhaps there are two answers. One is—and I recall this very distinctly—when the Hoover Commission was created the argument was that the Congress could not do it, and another reason, perhaps, was that when we did suggest something to the executive departments, they did not follow along. But, unless I am mistaken, did not the gentleman vote for that approximately \$2 million to create the Hoover Commission and have it carry on its activities?

Mr. PATMAN. I did the first time.

Mr. HOFFMAN of Michigan. Yes.

Mr. PATMAN. And the gentleman correctly stated there that the argument was made that the Executive was lax in making these changes, but I think he is incorrect in saying that the Executive would not make the changes when called to his attention, because the very resolution itself calls for the Executive to make the changes that they recommend, where it can be done under reorganization, so certainly we would not be placed in the inconsistent position of voting for a resolution to cause changes to be made, because the Executive would not make them, and yet call upon that same Executive to make the changes that are recommended. That part does not seem to be very consistent to me.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. PATMAN. I yield.

Mr. HOFFMAN of Michigan. First I want to thank the gentleman, and I appreciate very deeply that concession of yours that I may be 50 percent right. That is a little above the average, perhaps. And, again, as part of your criticism, it cannot be due to the fact that these suggestions were made by a commission headed by Mr. Hoover, could it?

Mr. PATMAN. No; that would not necessarily enter into it. Look at the facts.

Mr. HOFFMAN of Michigan. Yes. There have been so many, many things charged up to the Hoover administration.

Mr. PATMAN. That is right. Well, Mr. Hoover said himself that he was honored by having the Hoover depression named for him.

Mr. HOFFMAN of Michigan. And he did recall, too, that the Democratic Congress had rejected practically everything of any value in his recommendations.

Mr. PATMAN. Of course, he did not correctly state that. I do not agree with

the gentleman there. The Democratic Congress tried to help save the country, and he even refused to cooperate.

Mr. HOFFMAN of Michigan. And you just came along and closed the banks, did you not?

Mr. PATMAN. Mr. Hoover caused it. But, they were, in effect, closed when Mr. Hoover went out, because his policies had been very damaging to our country, and his policies were devastating to our country.

Mr. HOFFMAN of Michigan. Yes, and if that was true, you recall that Mr. Roosevelt said that that was not Mr. Hoover's baby. He would not even wet nurse it a little bit.

Mr. PATMAN. I would rather discuss that some other time with the gentleman, if he would like to do that. It would be a pleasure to do it, because there is another side to what the gentleman has brought up, I assure you.

Referring again to the Hoover Commission—yes, I voted for it. That was in 1947, the beginning of the 80th Congress, when President Truman was persuaded that if he would just bring ex-President Hoover back into the Government—Mr. Hoover had been President, he had served under Woodrow Wilson, who had started Mr. Hoover out pretty well, he had been Secretary of Commerce, had held all these positions, and was in a good position to know something about the executive branch of the Government—it would serve a good purpose. Mr. Truman agreed to the creation of the Commission, with Mr. Hoover to be Chairman of the Commission, and for an outstanding Democrat to be vice chairman. They wanted it to be bipartisan; 7 Democrats and 7 Republicans. He thought that would be a fine thing. Congress voted for it unanimously. I voted for it. It sounded like a reasonable thing. During the first Hoover Commission, with their first reorganization plan, it was strictly bipartisan; there is no question about that. The Democrats had as much power as the Republicans. But in 1953 another Hoover Commission was set up and strange as it may seem, the word "bipartisan" was taken out of the resolution creating it. I discovered just recently that we do not have a Hoover bipartisan commission any more. It is a partisan commission. There are more Republicans on it than Democrats and they do not represent themselves to be a bipartisan commission.

If this was going to be a bipartisan matter under Mr. Truman, we should have had some outstanding Democrat as vice chairman—somebody like Mr. Acheson who was selected. Then when the Republicans came in, if they wanted to continue its work as bipartisan, they should have had an outstanding Democrat as chairman with Mr. Hoover as vice chairman. That is the way bipartisanship should work, as I see it. But instead of having the Commission with Mr. Hoover as vice chairman and an outstanding Democrat as chairman under the Republican administration, they struck out the word "bipartisan," indicating thereby that it was going to be a partisan commission. They made Mr. Hoover chairman and had no vice chairman at all.

The gentleman from Michigan [Mr. HOFFMAN] is a great believer in carrying out the strict letter of the law. The resolution providing for a second Hoover Commission said that the Commission "shall" select a chairman and a vice chairman. The language was mandatory. Ordinarily people carry out the plain letter of the law. Oftentimes they will debate whether the spirit of the law is so and so or such and such, but they never debate on the question of the strict letter of the law. But the Hoover Commission did debate on the strict letter of the law and elected Mr. Hoover chairman but refused—I will not say refused, but they have never had an opportunity to vote on a vice chairman. They do not have any vice chairman. They never have had any although the law says that they shall select a chairman and a vice chairman.

The gentleman agrees that they should not have done that, does he not?

Mr. HOFFMAN of Michigan. They should have done what?

Mr. PATMAN. They should have had a vice chairman and carried out the law, should they not?

Mr. HOFFMAN of Michigan. If the gentleman is yielding to me, I think they should.

Mr. PATMAN. That is right; I know the gentleman agrees.

Mr. HOFFMAN of Michigan. Will the gentleman permit me to finish my answer to his question?

Mr. PATMAN. Surely.

Mr. HOFFMAN of Michigan. Will not the gentleman acknowledge that the way things are going now it is pretty difficult to find anyone to serve as a Democrat or a Republican? There are so many New Deal Republicans and there are so many conservative Democrats that it is rather difficult to find a person to fill the bill. Moreover, does not the gentleman think that the way it is going along now it is all right?

Mr. PATMAN. No; I do not think so.

Mr. HOFFMAN of Michigan. What about that report that came in by this task force?

Mr. PATMAN. I was just referring to this sensational, emotional propaganda that is being sent out by the Hoover Commission.

Mr. HOFFMAN of Michigan. I agree with the gentleman; that is all wrong. They should not have anything emotional in it.

Mr. PATMAN. To continue, President Eisenhower selected some mighty good men in his Cabinet. I do not take any issue with him on his selections. He selected one of the ablest business men in the United States of America when he selected Mr. Wilson, the head of General Motors, as Secretary of Defense. I have Mr. Wilson's statement right here.

Mr. Wilson got out a pamphlet, *You and Your USA—Your Representative in Government—It Is Your Town Council, Your State Government in Washington—Your Government Depends on You—Study the Issues and Study the Candidates, Then Vote.*

That is a wonderful pamphlet, and I want to commend Mr. Wilson for getting it out. It is 11 pages long. This

pamphlet is intended for servicemen, who vote, of course. In this pamphlet, it says here on page 6:

Most pressure groups are watching out for the interests of some group of people. However, there are two phases we should know about. First, we should not permit a pressure group to force through a proposal which will benefit one group at the expense of all the rest of us. Second, pressure groups sometimes use unethical means to achieve their objectives. In trying to win public support they often arouse emotions and avoid the appeal to good judgment. Any organization which attempts to influence people by taking advantage of their prejudices is employed un-American methods of persuasion. The American way is through an appeal to the intelligence.

What confused me is that when Mr. Wilson, the Secretary of Defense, who got out this very excellent pamphlet, and he correctly described un-American activities, I am just afraid he is going to call the Hoover Commission an un-American group for putting out this emotional, highly prejudicial material, and I do not want him to do that.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Who published that pamphlet?

Mr. PATMAN. It is published at Government expense. The Secretary of Defense put it out.

Mr. HOFFMAN of Michigan. If the gentleman will yield further, I do not quite understand how this Hoover Commission can be so partisan when it or a commission created at the President's request came out the other day with a report on the public housing bill that the President had sent down. The gentleman noticed that, did he not?

Mr. PATMAN. Now, listen. I know the gentleman is one of the cleverest lawyers in this House.

Mr. HOFFMAN of Michigan. Answer that question, please.

Mr. PATMAN. I know, but I want to make this statement first.

Mr. HOFFMAN of Michigan. The gentleman has the floor. He can do anything he pleases.

Mr. PATMAN. The gentleman from Michigan is one of the cleverest Members of this House.

Mr. HOFFMAN of Michigan. Mr. Speaker, I protest. The gentleman is assailing me.

Mr. PATMAN. When a humble Member of Congress like myself gets up to talk about something that I know a little something about—

Mr. HOFFMAN of Michigan. Mr. Speaker, I object. The gentleman is just saying that because I am helping to furnish him an audience.

Mr. PATMAN. The gentleman has a habit of changing the subject to something that I do not know anything about from what I do know something about. So I am not going to yield to get clear off the subject. I will yield on this subject for anything the gentleman wants to ask.

Mr. HOFFMAN of Michigan. The gentleman was charging the Hoover Commission with being partisan in its activities. I asked the gentleman if he

did not realize that just the other day the task force or a commission created at the President's request brought out a report which has since, I understand, been suppressed, condemning the Eisenhower school bill, Federal aid to education. That does not look as though it was very partisan.

Mr. PATMAN. Of course the gentleman might pick out things here and there, because those task forces are composed of nearly as many members as we have members of the House and Senate. We have farmed out to them a lot of our legislative work. They even have subpoena power. They go out and have hearings. They have a conflict of interests, too. They have a right under the law to do that.

Mr. HOFFMAN of Michigan. We authorize them to do that.

Mr. PATMAN. That is right. I say they have a right under the law to have fellows sitting up there as Members of Congress who have a personal interest. The conflict-of-interest statute does not provide anything against that in view of the exemption. They call them up and ask questions, then they get out the record. They probably might fix the record so that it would make it look pretty good the way they want it to go.

Mr. McCORMACK. Do I understand correctly that the gentleman from Michigan said the task force made a recommendation that was suppressed?

Mr. PATMAN. I heard him say that, but I do not know anything about it.

Mr. HOFFMAN of Michigan. Either suppressed or the publication limited. I have not been able to get one yet.

Mr. McCORMACK. I do not think there is anything partisan about that. It is strange to say the least.

Mr. PATMAN. The point I am getting at next is this.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield once more?

Mr. PATMAN. I will be glad to yield to the gentleman.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN of Michigan. The gentleman has been complaining about this Hoover Commission and apparently its desire to advance the interest of the Eisenhower administration. Is not the State of Texas partly to blame or to be congratulated for Mr. Eisenhower's election? Did not your State cast its vote for Mr. Eisenhower?

Mr. PATMAN. Yes; under a misconception.

Mr. HOFFMAN of Michigan. Oh, yes.

Mr. PATMAN. I do not think they will do it any more.

Mr. HOFFMAN of Michigan. But you will admit you made one mistake.

Mr. PATMAN. We sure did, we sure did, that is a majority did, and a lot of your people made that mistake too. I did not.

Mr. HOFFMAN of Michigan. No; we do not think it is a mistake on our part.

Mr. PATMAN. As to this second part of this Hoover Commission, it is not right for the Members of Congress to farm out their duties anyway. Let us go back to fundamentals. The legislative branch of

the Government, I think, is the greatest of the three branches of Government because it has all of its power directly from the people. You know under our system, everyone of the 435 Members of the House is elected every 2 years. No person who sits in the House of Representatives comes here unless it is as the result of a free election by direct vote of the people. No Member of this legislative body is an appointed Member. No Member has ever been appointed or ever will be appointed. They are all elected. If they are here as Representatives of the people, they are elected by the people, and that is a fine thing. Thus, the people have control and they can change the trend in the Government every 2 years, if there is the desire to change the trend in Government. Furthermore, the Founding Fathers made it possible under the constitution for this body, the House of Representatives, which is so close to the people, to have certain powers over the purse strings which the other body does not have. The reason is obvious. The people want the House of Representatives which is the body closest to them to have charge of the purse strings. Therefore, certain bills cannot be introduced except in the House of Representatives. Certain bills cannot be introduced in the other body at all. The Founding Fathers were wise in having that provision so that this body which is so close to the people would enable the people to control their Congress and the Government by controlling the purse strings. They control the purse strings of the Nation by controlling the House of Representatives. It was a wise thing to do.

We should not farm out these legislative duties. Here we have people under the Hoover Commission, with almost as many Members of the Congress representing special private interests and selfishly interested going out and holding hearings just like Members of the Congress with almost as many people as there are Members in the Congress, getting out reports and getting up legislative bills for us, and naturally they have a lot of steam behind them by the time they get to the Halls of Congress. Should that be allowed at all? Should not Congress do this work? The other day Congress properly provided extra pay for the Members of Congress. It should have been done a long time ago. We are getting a man-sized salary for the work we do. The Members of Congress are honest and sincere people. I do not believe that the people could improve on the Members we have here, and I am not now talking from the point of view of partisan politics, but I make that statement because I feel that the people in the long run always make a wise choice in selecting people to come to the Congress in both the House and the other body to represent them. That salary increase was not voted for, at least by myself, in the hope that the people could improve their representation from any district in the United States. That was not the object at all. It was just to pay people a salary comparable to what other people get in similar or like work in business and industry. It was a well

deserved and a long deserved raise. But now since we have that raise, I think we ought to increase it a little bit and have an administrative assistant who could help us. Last year, we saw a tax bill go rushing through the Congress. The bill was 900 pages long. It might have had 900 loopholes in it. I do not know. We have had testimony that there are a lot of loopholes in it since that time.

If we had had 435 administrative assistants looking over that bill, pulling it apart when it reached the floor of the House, we would have had some intelligent discussion of that bill and would have knocked out some of these loopholes; but the Members have not been equipped to do that. They should be equipped to do that. They should be equipped to do a good job. We should not have these Hoover Commissions. We should not have these commissions appointed by the President looking into veterans' benefits. Why does he not refer it to the people who are elected by the people? Why pick out the head of some big life insurance company or the head of Standard Oil and ask them to look into veterans' benefits? Why not turn it over to the people in the United States Congress who are responsible to the people? If they make a mistake the people will penalize them for it. We should not have these commissions. We should stop them, and the Congress should do the work itself.

ENCOURAGE THE FAMILY-SIZE FARM

Mr. PATMAN. Mr. Speaker, almost a year ago I called the attention of the Congress to the disastrous rate at which we are destroying our family farms. I pointed out how we are building up the huge, absentee-owned and operated factories in the field, and displacing nearly 75,000 small farm families each year.

We have just concluded the joint committee hearing on the President's Economic Report, and soon will have a report of our own ready for the Congress. I hope every Member will read it.

Surveying the American scene today, what do we find?

Giant banks are merging in the great cities, concentrating the financial power to hitherto undreamed of extent.

Industrial concerns are being merged faster than ever before, as small business struggles unequally to maintain itself in an economy that is more and more passing into fewer and fewer hands. It used to be that when we spoke of a billionaire corporation we were talking in theoretical possibilities; today we speak of such corporation in terms of actual fact. There are 68 billionaire corporations today, and they control over one-half of American business, according to testimony before our joint committee.

And finally, we see more and more small, independent farmers, 75,000 a year, forced from their land, their holdings swallowed up in big corporate farms, and themselves forced to go to the cities, there to hunt for jobs. This matter is of urgent concern to all of us, and that includes organized labor, which is increasingly pressured for jobs by the augmentation of the working force. It is not

improbable that another 30,000 or 40,000 tradesmen, servicemen, and small merchants leave the small rural towns each year to go to the cities. The departure of the farm population strikes a continuing and deadly blow at the small town and the small merchant.

According to the latest figures I have been able to obtain, farm population has decreased more than 8 million since 1930, while our overall population has increased by some 41 million.

CONSIDERABLE INTEREST MANIFESTED

I confess that when I first spoke of this alarming situation a year ago, I feared that I might not even be heard, but the public reaction to what I said then has been overwhelming. Labor groups, churches, farm organizations, the Catholic Rural Life Conference, the National Council of Churches of Christ in America are concerning themselves most seriously with the condition—the blight, if you please—that has stricken our farm economy.

We cannot go on destroying our independent family farmers and hope to remain a strong Nation. History teaches us that. Every upheaval and political dissolution in recorded history has proceeded from the amalgamation of land and natural resources in a few hands, and the denial of those blessings to their rightful owners, the people. We can no more escape this fact than we can escape the law of gravitation. The Communists built the Russian revolution of 1917 on the campaign to take the land away from the nobility and give it to the peasants; the Chinese most recently have built their own revolution, and their subversive campaigns throughout southeast Asia, on the same program of propaganda. In Italy, Germany, Japan, and now in southeast Asia, we have taken the lead in effecting a redistribution of the land to give the people farms upon which to work and earn or grow a living.

But at home, despite the disastrous rate at which the family farm is being wiped out, we have chosen pretty much to ignore the whole problem.

I should like to remind the Members of what Thomas Jefferson, who saw very clearly the value of a family farm population, wrote to John Jay in 1785:

Cultivators of the earth are the most valuable citizens. They are the most vigorous, the most independent, the most virtuous, and they are tied to their country, and wedded to its liberty and interests, by the most lasting bonds.

The English historian, Arnold Toynbee, has this to say of the dissolution of Greece and Rome, which began on the farms:

The next stage of technical advance was an increase in the scale of operations through the organization of mass production based on slave labor. Here the technical advance was offset by a grave social lapse, for the new plantation slavery was a far more serious social evil than the old domestic slavery. It was worse both morally and statistically. It was impersonal and inhuman, and it was on a grand scale. The social consequence was the depopulation of the countryside and the creation of a parasitic urban proletariat in the cities and more particularly in Rome itself. * * * Thus this social cancer eventually extinguished itself by causing the death of the society upon which it had fastened.

History furnishes us with no example by which we may console or lull ourselves in the thought that political upheaval and time of trouble does not inevitably follow the dissolution of a family farm society.

LIMIT GOVERNMENT BENEFITS

That was why I proposed more than a year ago that we act to devise a program of support for the family farm, and that we limit the Government benefits which might be derived by the big, absentee-owned factory farms. That is why I proposed that we limit the Government payments to the family farm level of gross annual product, and that we allow all farmers to participate in the benefits up to that level of \$7,000 gross product, and thereafter cut off any benefit payments. I renew that proposal today. I said then, and I repeat it, that after the farmer has received benefit payments up to the family-farm level of gross annual product, \$7,000, he should receive no benefits above that level of product; and if he should produce \$25,000, or \$50,000, or a million dollars' worth of cotton, corn, wheat, or any other product, he should not be allowed to draw Government benefits for that amount. He should sell on the free market without the benefit of Government assistance any amount of product above \$7,000.

Thus I would provide full parity price support up to that level of production. Thus we would give full support to the 80 percent of farmers who sell \$7,000 or less of product each year, and we would immediately cut off the operators of enormous farms who are producing for the Government market in enormous quantities and swamping us with surpluses.

We have been and are still paying enormous and undeserved Government subsidies to these factory farmers, encouraging them to produce more and paying them more Government money with which they can expand at the expense of the general taxpayer. Since I first spoke, I have found that great numbers of citizens are becoming aware of this situation and will support a program designed to limit benefits to the family-sized farm. I have literally hundreds of letters testifying to this fact.

SPARKMAN-PATMAN BILL

I am advised that the President soon will submit his farm recommendations to Congress. It is my earnest hope that the program will include positive measures to provide family-farm supports without allowing at the same time an undue enrichment of mass-production farmers; and second, that the program will provide measures for assisting with credits, technical assistance, and other means the more than 1 million farmers who produce and sell less than \$1,000 of product each year. I hope the measures will be along the lines of the credit assistance bills introduced recently by Senator SPARKMAN and myself. By limiting the benefit payments to the average family-farm income level, to sustain that income; by giving assistance to our underprivileged farmers; and by cutting out unjust enrichment of the huge farmers, we can have a realistic and sound farm program.

Some of our economists and others tell us that we simply have to have consolidations and elimination of the small farmer in the name of efficiency. I take it they mean technical efficiency. I am waiting for them to speak up in the name of social efficiency, which means keeping a healthy economy, providing the greatest good for the greatest number of persons, including farmers. We know for a surety that the age of automation is upon us; we cannot possibly foresee the vast developments of automation that will come within the next 10 years; nor the possible effects on employment. But we can foretell without any difficulty that whatever the effects of automation may be, they will be compounded by the steady displacement of some 150,000 small farmers, artisans, and merchants each year, and their addition to the surplus-labor pool. It will simply create more unemployment pressure, more relief loads, more unemployment compensation payments.

How much better it would be then—for the farmer, for labor in the city, for small business, and even for big business, too—to have a workable family-farm program that would enable the family farmer to stay where he wants to be and where he belongs—on his own farm—and a program that would enable those in the city who might wish to return to the farm to do so with a reasonable surety of being able to make a living.

I believe that, if we enacted the program I have proposed, this objective would be achieved.

Lower prices—without hurting the family farmer in the least, who comprises over 80 percent of all our farm families—would enable us to regain in part our foreign markets. Lower prices would amount to an automatic wage increase for all of our wage and salary earners.

The factory farmer would be given a direct and compelling incentive to cease production for Government market and to break up and sell or rent his vast holdings to those families who now need and want land but cannot have it under our present system.

I have been asked what the family farm—production payments program would cost, based upon providing full parity for gross annual product up to \$7,000 per year. The question is a fair one, and the only answer is that it is impossible to tell with any finality. I have made rough calculations which show that it might be as low as three-fourths billion dollars per year, and as high as \$3 billion. A great part of the cost of the program could be borne by funds derived from the liquidation of our present surpluses down to reasonable stockpile levels. We need a stockpile as insurance against wars, droughts, floods, and other emergencies. But a part of the cost could be taken up by liquidation of our present surpluses to those reasonable levels.

In our capitalistic system which we all approve velocity of money helps the country as much as volume of money. Every dollar placed in the hands of a person who spends it causes \$1 more to enter the blood stream of business and

commerce. It will travel and travel fast from hand to hand and from business to business. If it only reaches 20 people in a year who pay the equivalent of 5 percent on it in income taxes to the Federal Government the dollar will be entirely repaid to the Federal Treasury.

Interestingly enough, Secretary Benson has submitted a report on the use of production payments in the dairy industry. It is printed as House Document No. 57, 84th Congress, 1st session, and is dated January 5. On page 9 of that report, it shows—and the Secretary's staff prepared the study—that the substitution of production payments instead of loan-purchase storage would greatly increase consumption of milk products, bring down food prices without depleting the farmer's income, and that the total overall cost increase to the Government by production payments would be \$350 million at 75 percent of parity, and \$1,225,000,000 at 90 percent of parity. I have had some other calculations prepared on the basis of the Department of Agriculture report.

These figures show that consumers would buy 3.2 billion pounds more of milk and milk products. The payments program would cost them \$350 million more as taxpayers, but their milk products would cost them \$100 million less as consumers. The studies show that as consumers the public would benefit, while as taxpayers the public would pay slightly more to sustain the programs. This, too, is without any limitation of benefits to family-sized producers such as I have proposed. Such a program would have the advantage of reducing food costs generally, but of particular importance to the low income, large-sized worker families which form the mass consuming base of the country; while the added cost, \$1,225,000,000 at the most without any limitations of production payments, would be borne by the groups which pay income taxes in accordance with their earnings.

Such a program should be undertaken for a trial run, and then improved upon as our experience directed.

I am glad that the Department of Agriculture is coming around to see some merit in such a program, and in fact, it has adopted just this program—again without limitations—in respect to wool production.

This program of payments plus limitations was first proposed more than a year ago by one of the finest Americans I have ever known, Mr. E. G. Shinner, of Chicago, a retired successful businessman. I believe that we will have to come to such a program; if we do not do so willingly and with foresight, we will be forced to do so by the stern logic of social efficiency, and the necessity to maintain a strong farm economy.

Some economists, as I said, disagree with the suggested program on the ground that it would subsidize or underwrite inefficiency. I do not agree with this. The factory farms, employing seasonal hired labor, would not make such a mark of efficiency if they were required to pay minimum wages, unemployment compensation, and other benefits commonly required of factory-type production.

Recently Mr. Shinner sent out letters explaining his program to many members of the National Grange. You will note that in his original letter he suggested the possibility of a graduated-support system. I make that point because this is an effort to reach an equitable and workable program that supports the family farm, sustains our economy, and proposes to withdraw the benefits from those only who do not need them.

Mr. Speaker, I place Mr. Shinner's original letter in my remarks at this point:

THE SHINNER FOUNDATION,
Chicago, Ill., December 17, 1954.

Nearly everyone agrees that some form of farm-price support is necessary to insure our whole economy against the effects of an agricultural depression, and that neither the present flexible supports nor high rigid supports are the final answer.

Your organization, the National Grange, has advocated a two-price system for wheat which would permit it to drop to the market price but provide that the farmer get a payment on that portion of his wheat used for domestic food; payments to the farmers to be made from money collected from the processors who use the wheat for domestic food products.

Your organization, likewise, is a valiant defender of the family-type pattern of agriculture.

I would like to have your reaction to a proposal that uses the adjustment-payment principle in your wheat plan to accomplish a little different end—family income support instead of a particular commodity price support. The suggestion is:

That new farm legislation be enacted which would provide for direct payments to farmers, in the place of a general price support, for the entire crop; that support be limited to the family-size farm on a graduated basis substantially along the following lines: 100 percent of parity on the first \$7,500 of gross production, 90 percent of parity on the next \$2,500 of gross production, 80 percent of parity on the next \$2,500 of gross production, 70 percent of parity on the next \$2,500 of gross production; thereby bringing the total amount of farm products on which a farmer could earn a payment up to a maximum of \$15,000; any production beyond this amount to be sold in the open market without benefit of Government support.

Payments would be the difference between the support level and the open-market price. Any payment which a given farmer may have earned during a calendar year would be paid to him in accordance with a report filed with his annual income-tax return. It is suggested that the Government maintain the ever-normal-granary idea, both to moderate commodity price fluctuations and to provide a reserve against floods, droughts, wars, or other emergencies.

Very sincerely yours,
E. G. SHINNER,
Chairman, the Shinner Foundation.

P. S.—The writer spent many years of his life on a farm and is seeking to advance this idea purely on his belief that it is in the interest of the general welfare.

E. G. S.

A great many of these letters were sent to the National Grange headquarters here in Washington for comment, as the members were plainly impressed by the equity of the Shinner program. So many letters were sent in that on January 26, 1955, the Grange economist, Dr. Lloyd C. Halvorson, replied directly to Mr. Shinner. Mr. Speaker, I place Dr.

Halvorson's reply in my remarks at this point:

NATIONAL GRANGE,
Washington, D. C., January 26, 1955.
Mr. E. G. SHINNER,
Chairman, the Shinner Foundation,
Chicago, Ill.

DEAR MR. SHINNER: We have received a number of letters from you. Many letters were forwarded to us by our members. We also acknowledge receipt of the two enclosures.

If we want to maximize the utility of farm products already produced, or if we want to maximize the potential utility-producing capacity of our agricultural resources, we should allow the free market to reign. (This is generally true, but possibly not in all cases). The problem is, of course, that if we so rely on the free market, farm income is unsatisfactory. Now we can raise farm income either by interfering with the free market so as to increase the gross and net income of farmers, or we can leave the free market alone and raise farm income by direct subsidies.

As you may know, for farm products with an inelastic demand it is possible to raise the gross and net income by curtailing the supply. In some cases production is not curtailed and instead the surplus is in effect bought by the Government. Here the taxpayer's money is used to buy the surplus, and in such cases, we believe, the Government has a responsibility to see that the surplus is not wasted but it is used to some advantage. When the production of a commodity has not been curtailed and the surplus is at hand, the attainment of a certain producer's income might not cost the taxpayers any more through the direct payment route than through the nonrecourse loan or purchase agreement route. However, if the demand for the product was very inelastic, the direct payment route would cost taxpayers considerably more than the nonrecourse or purchase agreement route. However, the total cost of the direct payment route to the American people (taxes plus consumer expenditures for the commodity) would be no greater and the people would be ahead by having the product to consume rather than to pay storage on.

Aside from economics, many people consider it a political evil for farmers to be dependent upon the Treasury, that is upon politicians for part of their income, and for consumers to have food at low free-market prices, below a price which would reflect an American standard of living to farmers.

There is and always will be some stigma upon those citizens of our country who receive a direct subsidy from our Government. Direct subsidies will always be looked upon as a dole or handout. Farmers are a self-reliant group and want to earn their income in the market place. If the free market does not give them a return for their labor and investment comparable to that received in industry and commerce, they want to see adjustments made in the market place. Farmers feel that the main reason for their low income is that the small size of farms and the large number of them puts them at a disadvantage in the market place, and that this situation needs some remedy.

A direct payment program for all farm commodities, or just the major ones including livestock and livestock products, would have cost the Treasury several billion dollars a year during the 1930's. Of course, the total cost to the American people of raising farm income this much above the free market level would be the same by either the price or subsidy method, but in the one case most of it comes from taxpayers, and in the other

through the price system. The incidence of the cost of raising farm income is much different in the two cases and some feel it is morally wrong to put the cost upon our taxpayers rather than upon the consumers. Raising farm income through the direct payment route, because it increases taxes, may have more of a stultifying effect on our national economy than doing it through the price system.

The school of thought which favors the direct payment route points out that to raise farm income through the price route involves a curtailment of production or the withdrawal of supplies from the market. This reduces the supply of food and fiber available for consumption, and this is contrary to a rising standard of living. It is, they say, a philosophy of scarcity. Also, this school of thought points out that if we try to raise farm income through the price or market route, we regiment farmers in their production and we get Government into business, and, even worse, we destroy the resource allocating function of price. However, even the compensatory payment method, unless done in a particular way, would also be guilty on this charge.

If Congress implemented your farm program with its schedule of support prices (100 percent of parity on first \$7,500 gross production down to 70 percent of parity for \$15,000 gross), it would likely get production more out of balance with consumer demand than anything I can imagine. The support level has to be related somehow to the commodity's doing in the market place or else there has to be production control. For example, under your schedule, the farmers could all shift to producing cabbage, if that parity price were especially attractive. Your schedule of supports from 100 percent of parity for small farms down to 70 percent for large farms would continue in existence, even if we raised enough cabbage to make a stone wall all around our country 20 feet high and 10 feet wide.

Apparently you would abolish the tobacco program and let anyone grow tobacco. Any small farmer (under \$7,500 gross) would get 100 percent of parity. What would you do with all the tobacco that would be produced?

We recognize that the policy of using restriction of production (beyond simple adjustment or balance within agriculture itself) as a means of raising net farm income is of debatable soundness, because of the often repeated indictment that it is a philosophy of scarcity. Our two-price plan on wheat would not require production control after the present accumulated surpluses were disposed of, but the amount of wheat that would be supported at or near parity would be directly related to the quantity sold for cereal food uses, rather than according to size of farms as you propose.

I could go into the direct-payment plans proposed by farm economists, starting about 1945 to show how they are more realistic than your proposal, but I cannot take the time.

Some people doubt that a direct-payment system would be administratively feasible. They feel that farmers should, in collusion with local buyers, show larger sales, the basis of subsidy, than they really had. Also, it would not make sense to pay a direct subsidy of a few dollars to millions of farmers if the purchase of a few hundred carloads of the product at a certain time would have obviated the need of this gigantic administrative task.

The direct-payment method would mean cheap food for those who are employed, and even those with good jobs. Some argue that these people should pay farmers a price in the market place reflecting a fair rate of return for labor and investment and that the surplus should be disposed of to people who are unemployed, are handicapped, or are unable to afford an adequate diet for

some reason or other. In other words, these people feel the stamp plan is superior to the direct-subsidy plan.

For storable commodities it may be wise for the Government to carry some reserve, but for perishables this is rather impractical or unwise.

The Grange program does not favor the direct-payment method as a general method of supporting farm income for the reasons advanced against it above, but we do recognize that in some cases it may be the best method of supporting the income of some commodity producers, especially in the perishable field. Even then we believe it should be used as a last resort if other methods are unsatisfactory.

You favor reducing payments for farms with a gross income over \$7,500. About 800,000 farmers do have gross sales in excess of \$7,500. We know that many of these are efficient family-sized farms. I do not think we should discriminate against efficiency nor put a ceiling on opportunity in agriculture. Some businessmen have Cadillacs and vacation in Florida. We should allow capable people to prosper in agriculture just as people in other fields than agriculture are allowed to prosper.

We do believe it is sounder for America to have her food and fiber supply produced by people who largely own or rent the land they operate rather than by people who are only employees with indefinite tenure. Our agricultural communities would be lacking much if they were not made up of independent owners with enough security of tenure to have community pride and to take an active part in civic affairs. We probably get a more equal distribution of income with a family-type agriculture than we would with a corporate-type agriculture seeking cheap labor.

Another point of view is that society does not really sanction the subsidization of the income of people who are really well-to-do. A taxpayer of small means really wonders why he should pay taxes so that someone with a \$200,000 wheat or cotton crop can have even more income. Especially this is true when some big farmers say they can produce for less than the support price. Of course, on this premise we really get to the question of why do we subsidize the income of family-sized farms and not the income of city people no better off or even worse off than family farmers.

To a large degree we can defend the farm program on the basis that it provides (1) needed reserves, (2) eliminates extreme and harmful price fluctuations, (3) promotes technological progress, (4) gives agriculture better merchandising methods, and, more nearly, equal bargaining power (we do not look upon the large Government acquisitions of surpluses in recent years under the loan program as normal), and (5) promotes soil conservation. If these devices raise farm income, even for the better farmer, maybe it is fully justified.

As for the low-income farmer, we believe there are better ways to help him than give him a subsidy for being poor. We must try to get them into situations where they can make more productive use of their efforts, in particular combine their brains and brawn with more land and capital. We need more education and credit to aid them to reach desirable income levels based on their own productivity. What we need is equal opportunity—not a handicap race.

We believe in more equal distribution of income, not by taking from the productive and giving to the poor by subsidy, but rather by making our economic machine reflect fairness in income distribution for equal effort and by raising the productivity of those who lack knowledge or capital, or lack opportunity for their labor to be used productively.

In the CONGRESSIONAL RECORD excerpt entitled "The 1953-54 Recession, the Paradox

¹ "Inelastic demand" means that even though a larger quantity is sold, the price drop is so great that less income is received for the larger volume.

of Efficiency," you seem to think that efficiency caused the recession. You seem to be practically against increased efficiency. We can hardly agree with this thinking. We agree that as our society becomes more productive and further above the level of necessities, we can well give thought to sacrificing efficiency for some other values. For example, we may want to preserve and promote the family-sized farms, even if they should not be as efficient as large corporate farms. Similarly, we might feel that small-business people are the bulwark of democracy and the kingpin of community welfare and improvement. As such, we might want to preserve them, even if big business and chains are so efficient as to drive them out. However, we need considerable sociologic research before we decide that some forms of business organization are so good that we should sacrifice efficiency to preserve them. Big business is showing more and more recognition of the necessity of the company itself and their top executives contributing to the welfare of the community and its development educationally, esthetically, and culturally.

We are in full accord with the objective of preserving a fair basis of competition between small and big business. It is vicious and unsound to allow a big business to put out of existence a small and more efficient business if it does so by lowering its prices only in the territory of this small, efficient business. It is also unsound to allow big business to grow bigger simply because of its greater bargaining power in buying from manufacturers, but if this benefits consumers, we must allow it to continue, and small business must find some way to also buy from manufacturers at favorable prices. Many small businesses have formed buying cooperatives in order to get the same advantages of large-scale purchases from manufacturers that big chains already have. There are certain economies in large-scale purchasing that we need to preserve.

We believe that by preserving an equality of opportunity, and by preserving the right of cooperative marketing and purchasing, without unfair taxes or other burdens, that family-sized farms will meet the competition of corporation farms very well. Family-sized farms are getting larger and should even grow larger because with mechanization a family can farm more land than ever before. To try to preserve a larger number of people on farms than is needed with present technology is to divide the national farm income among more people than necessary with the result that the per capita income in agriculture would be much too low. If we tried to force consumers to pay more for food than the free market would charge, we would probably have to go in for curtailed agricultural production or for direct payments from the Treasury. All this, in order to keep more people on farms than necessary at satisfactory incomes, hardly makes sense. The fewer people any nation has in food and fiber production, the more people it has for producing television, cars, etc.

You apparently believe that we can produce more than we can consume and that our productivity will be our undoing. It is true that we can produce too much of some things, but it is obvious that most American families could spend at least \$10,000 to \$20,000 a year with little difficulty. Because the average annual family income in this country is around \$4,000, it is clear we are not anywhere near overproduction, nor are we too efficient. It is true that if we increased our output per man 100 percent and if we produced just twice as much of everything as we now have, we would be in an overproduction mess, but if we tailored our production to what people with a \$8,000 or \$10,000 income would buy, we would all be living probably on a level closer to what you, Mr. Shinner, are now enjoying.

In your CONGRESSIONAL RECORD excerpt you say: "Much has been said and much lip-

service has been paid to the subject of small and independent business and its value to the Nation, with all of which I am in full accord. However, as long as we cling to the theory that what we need is an ever and ever greater productivity per man-hour, more efficiency, with constantly lower prices to the consumers—to create a bigger and cheaper pie so that all may share in it—we are in reality paying lip service to small business and fighting it at the same time. Once we get a general recognition of the fallacy of this theory, we shall then be in a position to really contribute something to the welfare of independent business—the real mortar that holds the economic bricks together."

We disagree with this statement in two respects. First of all, we are not fighting small business if we let the free market decide who is most capable of producing efficiently. Many small businesses are more efficient than big business, and it is wrong to say that we are fighting anyone who cannot keep up with the pace of competitors. Secondly, we see no right in protecting inefficiency or handicapping the efficient and thereby increase the cost of goods to consumers. We in agriculture have promoted efficiency in farming in spite of the surplus problem, because it is obvious that not only farmers, but consumers also would be much worse off if we had not encouraged research and education to increase productivity.

I could comment on many other statements made by you, but I have indicated our fundamental concerns. It seems to me, offhand at least, that you are willing to enhance small business for the sake of small business, even if it stops progress and retards living standards for millions of American families.

Sincerely yours,

LLOYD C. HALVORSON,
Economist.

Subsequently, Mr. Shinner replied to Dr. Halvorson, and I place Mr. Shinner's letter at this point in my remarks:

FEBRUARY 7, 1955.

Mr. LLOYD C. HALVORSON,
Economist, National Grange,
Washington, D. C.

DEAR MR. HALVORSON: I wish to acknowledge receipt of and thank you for your letter of January 26, wherein you comment upon my proposed solution to the farm problem.

I am highly pleased to note that you favor legislation designed to protect the family sized farm, that you favor a free and open market on farm products, and that you are opposed to paying subsidies or making outright purchases of unlimited quantities of products produced by corporate or factory-in-the-field type of agriculture.

While your letter raises many theoretical arguments which I shall answer presently, I think the crux of it lies in these sentences, regardless of the other arguments (excerpts quoted from pp. 1 and 3 of your letter):

"If we want to maximize the utility of farm products already produced, or if we want to maximize the potential utility-producing capacity of our agricultural resources, we should allow the free market to reign."

"When the production of a commodity has not been curtailed and the surplus is at hand, the attainment of a certain producer's income might not cost the taxpayers any more through the direct-payment route than through the nonrecourse-loan or purchase-agreement route."

"We do believe it is sounder for America to have her food and fiber supply produced by people who largely own or rent the land they operate than by people who are only employees with indefinite tenure. Our agricultural communities would be lacking much

if they were not made up of independent owners with enough security of tenure to have community pride and to take an active part in civic affairs. We probably get a more equal distribution of income with a family-type agriculture than we would with a corporate-type agriculture seeking cheap labor."

I cannot forbear pointing out to you that these are the identical things at which my program is aimed. My program, I believe, is more certain than any other program yet proposed or tried, to accomplish exactly the results which, according to your letter, you and I are both seeking.

It is encouraging to know that you endorse and approve of the objectives which I have proposed, in spite of arguments thereafter given as to why these objectives are theoretically unattainable. Since our aims apparently are identical, I deem it proper to comment upon the objections which you have raised:

1. It is your contention (p. 3) that my program would be too difficult to administer. First of all, let me remind you that the most worthwhile objectives in life are often beset with difficulties and we must not let minor or even major difficulties deter us; as a matter of fact, I have discussed the situation with many capable students of the subject and they agree that my proposal would be less complex than the present law. It is one of the first laws of nature that remedial action of every name and nature is virtually always both difficult and unpleasant, and frequently opposed for that reason alone. That applies to our personal physical well-being, economic, political, and sociological problems; hence, we cannot and should not cast a possible solution aside because of the mere fact that it looks difficult. Certainly, it would be no more complicated than a system of (a) acreage allotments, (b) marketing quotas, (c) cross-compliance regulations, (d) loan and/or purchase, (e) storage.

Speaking quite humbly, I do not see how administration of my program could be made more complicated or difficult than the present law.

2. You raise the question of honesty in connection with reporting the amount of products that a given farmer might sell and on which he might be entitled to compensatory payments, or a subsidy if you will (p. 3). I do not recognize this as a problem. Certainly there is no more opportunity or incitement to commit fraud than there is in filing the ordinary income-tax report, and the matter of checking the amount of a given product produced by a farmer would be vastly more simple than checking the average businessman's overall income. Or for that matter, a farmer's abiding by the cross-compliance rules.

3. You express a fear that my program would result in a glut of certain products. You state: "For example, under your schedule, the farmers could all shift to producing cabbage, if that parity price were especially attractive. Your schedule of supports from 100 percent of parity for small farms down to 70 percent for large farms would continue in existence, even if we raised enough cabbage to make a stone wall all around our country 20 feet high and 10 feet wide" (p. 2). I find it hard to believe you are serious in this argument of reductio ad absurdum.

Let me remind you that, first of all, cabbage is not a basic crop, is not in Government storage, has not and presumably will not receive price support. Furthermore, any law which we enact cannot be regarded as a final solution nevermore to be amended. In case of uncontrollable gluts of any commodity the parity price would, of necessity, have to be readjusted. You, of course, are well aware of what happened in connection with support for the potato market and you are likewise familiar with the fact that the glut was not the result of the potatoes raised

by the family-sized farmer. On the contrary, the glut resulted from vast operations set up by financiers from the money centers of the country, on factory farms.

4. You are fearful of the cost of my proposed program and state: "A direct-payment program for all commodities, or just the major ones, including livestock and livestock products, would have cost the Treasury several billion dollars a year during the 1930's" (p. 2).

In this respect, let me remind you that the great depression of the thirties really started on the farm and, had farm products been given a reasonable amount of support, the depression, which it has been estimated cost the Nation some \$600 billion, could have been largely avoided or at least greatly alleviated. Even several billions of expense, say \$10 billion annually, would have been a rare bargain had it resulted in relieving the depression even to a minor degree. If we act in time, in emergencies, the costs are always lower than if we let the emergency grow to major proportions before acting. To make a homely analogy: it is cheaper to inoculate an entire community against polio or smallpox than wait until the disease is epidemic before acting. Furthermore, it seems to me that your argument conflicts with your statement, quoted on page 1 of this reply, that "the attainment of a certain producer's income might not cost the taxpayers any more through the direct payment route than through the nonrecourse loan or purchase agreement route." I find these two statements somewhat conflicting.

5. You recommend a stamp plan as a means of disposing of our unmanageable surpluses. Presumably, you would be willing to make such a program permanent (p. 3).

I submit, Mr. Halvorson, that such a plan is un-American in concept and I cannot help but feel that both you and I are unwilling to create and maintain a permanent class of poverty-stricken citizens which the stamp plan would surely create.

You state: "There is and always will be some stigma upon those citizens of our country who receive a direct subsidy from our Government." What is the stamp plan but that? I should also like to point out, in this respect, that under my plan farmers would get nothing unless they produce. Under your stamp plan, persons would receive a subsidy for remaining in idleness. Moreover, the stamp plan, on every marketing day, would stigmatize an entire section of our population; it would become a publicly displayed badge of pauperism. Also, I am more impressed with your statement on page 1 of your letter, "if we want to maximize the utility (use) of farm products already produced . . . we should allow the free market to reign."

My concept of our free enterprise system is that as goods and services move in trade and commerce, and this most certainly applies to all farm products, that it should be accomplished via the cash register. The Government's buying and giving away of products even in small quantities should be avoided. Our energies should be directed, rather, toward improving the economic climate in which our underprivileged people now exist.

They don't want Government stamps; they want a decent, livable income and the chance to buy in the marketplace.

6. On the subject of free markets, the United States as a leading exponent of the capitalistic system should, above all things, attempt to demonstrate by example what it advocates—yes, fights for in theory. Our European cousins look upon us aghast as we talk free enterprise, free markets, and in turn legislate these concepts right out of existence. For our own good, we ought to be consistent in these things,

7. You state on page 2: "I do not think we should discriminate against efficiency nor put a ceiling on opportunity in agriculture."

I fail to see where supporting the family-sized farm in any sense discriminates against efficiency. I regard it, instead, as exactly comparable to the minimum wage law. Limiting support to family-size farms on the basis of sales would in nowise prevent the ambitious and efficient farmer from producing an income of \$100,000 a year or even more. It would simply place him in a position where he must do it in the open market (the American way) and not at the expense of the taxpayer. I see nothing wrong with that. As a matter of fact, the family-farm support program should encourage efficiency, and expand opportunity.

As you state, there are some 800,000 farmers who have gross sales in excess of \$7,500 and, accordingly, there must be, roughly, 4½ million farmers with annual incomes of less than this amount. (Actually, 45½ percent of farms in 1950 had annual gross incomes of less than \$5,000.) My theory of sound Government policy is that laws should be enacted which will result in the greatest good to the greatest number, without abrogating the rights of the minority; hence, our concern is for the 4½ million, rather than for the 800,000. It is not necessary to make an extended argument that the 800,000 with large holdings and great volumes of production are well able to take care of themselves.

8. You speak of the ease with which farmers might spend an annual income of \$10,000 or \$20,000, or 2½ to 5 times the average income for the Nation (p. 5). I know of no one, least of all myself, who has proposed a limitation on income. I am and always have been in favor of good wages, good salaries, and a high income level as necessary to a healthy economy. But surely you cannot be serious in presuming that such an increase in income would be possible without a corresponding rise in the price structure throughout the economy; in other words, pure inflation. It is a fundamental principle of our capitalistic society that income for the average citizen is derived from the sale of his services, or the product of his labor.

Mechanics presently employed in the building trades in Chicago are earning \$25 per day for 8 hours' labor. Increase their pay either 2½ or 5 times and it would not be difficult to calculate what that would do to the price of homes. What we are seeking to do is to stabilize our economy, rather than indulge in wild inflation. I feel that I can safely assume that you are not serious when you suggest the possibility of an average income of \$10,000 or \$20,000 per person for the entire Nation. If you are serious, how are you going to achieve it without inflation of the most serious and flagrant type?

9. You suggest that the low-income farmers need access to better and more liberal credit (p. 4) and again, I find myself in disagreement with you. I disagree because I think this ignores the real heart of the matter. My 15 years as a banker have taught me that the basis of all credit is the ability to repay. Extending credit to underprivileged farmers would simply increase their burdens. What they do need is an improved economic condition—an opportunity to market whatever products they are able to produce at a fair market price; and once they are able to demonstrate a given earning power, credit will flow to them as a matter of course. The problem is not one of increasing debts; but increasing the ability to repay debts.

You point to the title of my article, "The 1953-54 Recession: The Paradox of Efficiency," which appeared in the CONGRESSIONAL RECORD and you comment that I seem to think that efficiency caused the recession.

Mr. Halvorson, I mean just that. I believe it is very easily susceptible to proof, and

I would point to the condition in your industry. Efficiency has removed some 12 million people from the farms in the last generation and you and I are both aware of the fact that through purely improved technological conditions (efficiency) the present farm population can supply the food and fiber for a population approximately double that which we have today. Through purely efficiency measures, if we should see fit to apply them, we can dispense with another 2 million families, or roughly 10 million people now living on farms. The traditional academic economist will contend that these displaced persons should find employment in the urban centers in industry, and in case they do not find such employment, that becomes a sociological problem, rather than an economic one.

It is my observation that sociological, economic, and political problems are so interrelated that they are impossible of separation. The traditional economist will further point out that industry has been able to absorb this vast array of people who were, technologically displaced from the farms but the economist fails to analyze and state how this came about.

During the past 60 years, which is all well within my memory, the only real prosperity with full employment has resulted either from war or a war economy, bitter as that fact may be. During the depth of the depression, we had some 15 million people unemployed and it took a world war to give our economy sufficient momentum to restore our citizenry to a decent standard of living and a reasonably prosperous condition. The great sustaining factor in our present economy is the \$40 billion presently being spent each year by the Government for national defense. No one wants war, but we cannot blink the fact that it has stimulated our economy. Reduce our defense expenditures by one-half and I believe you will agree with me that our economy would almost overnight go into a disastrous tailspin.

Again, on the subject of efficiency against waste: I cannot forebear pointing out that few, if any, thinking people will deny that we are presently living in a war prosperity and have been for the past 15 years; neither will they deny that war is a total waste—a waste, which it so happens, we have been well able, economically speaking, to afford.

I repeat, we prosper by waste (Webster defines waste as a useless or unnecessary expense). We Americans are the greatest wastrels on earth. And therein lies the secret of our high standard of living. Compare, if you will, our prodigal use of food, clothing, autos, liquor, cigarettes, cosmetics, sporting goods, money spent for travel, etc., to say nothing of the huge amount of war munitions (tanks, planes, etc.) which lie rusting out in the open fields; yes, compare these with other nations of the earth and you have the answer to our national well-being. It should now become our goal to help the 4½ million low-income farm families to improve their economic position so they, too, can afford to indulge themselves in a reasonable amount of "waste," rather than that we go about shedding crocodile tears for the 800,000 top-bracket group of which you speak. Supplying our underprivileged urban population with food stamps and advising our so-called submarginal farmers to throw in the sponge—get off the land—is in my humble judgment, the epitome of unsound economic reasoning.

On this subject of waste versus efficiency, I would conclude with the statement that every man has a right to his opinion but no man has a right to be wrong in his facts. And I believe that the facts point directly to one of the greatest problems with which we have ever been faced: namely, technological unemployment. Unemployment, from whatever cause it may result, is the basis of all depressions.

No one is suggesting that we subsidize inefficiency. Even your letter implies that many small family farmers are efficient and are capable of being more so (given the incentive). It so happens that, involved in this problem, we have a way of life for some 10 millions of American citizens. On page 4, you say: "What we need is equal opportunity—not a handicap race." I say, "Amen," and that is what I propose.

If we are seeking only efficiency and cheapness of production, why not then rub out the fences and consolidate the land into vast factory enterprises? Then General Motors, Ford, International Harvester, and like companies could take over operation and management of these vast farms. By supplying their own machinery and buying other necessities in great bulk at cheaper prices, they could greatly increase efficiency and lower costs. But I submit that more is involved than mere efficiency. On page 5, you seem to take the position that it is better to have fewer people in food and fiber production, and more people in the factories. With this also, I disagree.

Overproduction is not peculiar to farms alone. The capacity of our industry, with its present labor force, to produce vastly in excess of our consumption is too well known to require any debate. It does not require much imagination to see what would happen to the 2 million families if they were driven off the farm, into urban centers where according to the latest Government figures there are already 3.3 million unemployed.

I trust, Mr. Halvorson, that you will accept the above remarks in the spirit in which they are intended, and as I have accepted yours, as constructive criticism and as an effort to explore and resolve this, one of our most difficult national problems.

Yours very truly,

E. G. SHINNER,
Chairman, the Shinner Foundation,
Chicago, Ill.

I believe you will agree that this is a most interesting exchange of thoughts on one of the great and vital problems facing Congress. I hope that the Members will study this correspondence, for I know that they, like I, are seeking all possible light on this problem.

Personally, I regard the family farm program as exactly comparable to the minimum wage law and the benefits which unions provide for their members; it puts a floor underneath the farmer, and provides benefits only in accordance with the amount of his production up to a maximum gross product of \$7,000 per year. In my opinion, this is workable and fair.

I cannot accept Dr. Halvorson's arguments. I recall that in the early 1930's economists argued against the social security law, old-age pensions, the railroad, bank, stock exchange, and utility holding company legislation. And some argued for these bills. We were told by some that we were on the way toward wrecking the economy, or that we were going Socialist. Actually, nothing like that happened. We gave our economy the firmest base it had had in 130 years of our national history; we built in economic stabilizers into our law that have been a major factor in preventing the 1949 and 1954 recessions from sliding into depressions.

We have provided stabilizers for business, wage-hour laws and union guarantees for labor, insurance for the banks, unemployment compensation for the

jobless, pensions for the aged; we have yet to build a set of sound and workable economic stabilizers for the family farm.

I do not for a moment argue that our farm programs have not benefited the family farmers; they have. But the lion's share of the benefits have gone to the 484,000 factory farmers who produce more than half of our gross annual farm output, while a minor trickle has gone to the millions of farmers who produce \$7,000 or less each year. The record of family farm displacement since 1935, and growth of the huge factory farms, proves that we have not done the job. I do not believe we are doing the job so long as we are permitting 75,000 family farmers to be "washed out" each year, and another 40,000 or 50,000 or more of small townspeople to be driven with them into the city labor forces.

Such a process, if carried to the only possible conclusion, means ruin. I believe it means ruin just as surely as night follows day, just as surely as an ever-increasing concentration of business into fewer and fewer gigantic corporations means ruin.

There is a point at which such concentration passes purely economic significance, and becomes socially and politically significant. I believe we have long since passed that point.

That is why I desperately hope that the President and his advisers will resolutely come to grips with this program and submit a realistic program, a program that provides for family farm supports along the line of the Shinner program, and that will not allow the rich, vast, factory farmers to enrich themselves further at Government and the taxpayers' expense.

In my own mind, I believe there is only one answer: That is to work out a realistic family farm support program with a limitation on the amount that any farmer may produce for the benefit payments. Only then will we really get at the "cancer" which Historian Toynbee described. I would further favor limiting the total payment any farmer might receive in any year to \$2,000. I urge the Members to read the correspondence I have placed in the RECORD.

SYNTHETIC RUBBER PLANTS TO BE SOLD UNLESS CONGRESS ACTS QUICKLY

Mr. PATMAN. Mr. Speaker, it looks like the big rubber companies are going to get the synthetic rubber plants built by the Government at a price that will give them a 3-year payout on their investment. The price is not as important to the general welfare as the privileges and opportunities it will give the purchasers of these plants.

On June 25, 1953, the House had before it a rule providing for the consideration of a bill to permit these plants to be sold under certain terms and conditions, with Congress only given the veto power if exercised in certain ways, in which Congress is greatly handicapped, retarded and almost wholly prevented from effectively considering the matter. At that time, I made a speech

in opposition to the rule, in which I stated:

POSSIBLY NEED THE FACILITIES AGAIN

Mr. PATMAN. Mr. Speaker, I am opposed to this rule and to the bill. The first reason why I am opposed to this rule and to the bill is because it is possible we will need these facilities again and we should not have them in hands where they will be out of our control. We have been embarrassed in the past by reason of the lack of production of rubber. We should not again place ourselves in a vulnerable position.

No. 2. The big rubber companies or a few of them—there are just a few—would like to have these facilities disposed of now in this tight-money, hard-money, policy. No one will be able to bid on these facilities except the big rubber companies. The committee has been rather generous in its bill in that it does not require a deposit of more than 10 percent on a bid, or more than \$500,000 per bid. But, the little fellows cannot put up that kind of money.

LITTLE FELLOWS WILL SUFFER

Now, the people who will suffer under this proposal, when the big rubber companies buy these plants, are the little fellows, and under this proposal and under the present situation they cannot go any other place except to the large rubber companies. The small independent producer and fabricator of goods using rubber as a basic material will be dependent upon these large companies as a source of supply. Well, these large companies have similar fabricating facilities which they own, and naturally the large companies are not going to be very sympathetic and generous to the little fellows across the street from their own facilities in allocating rubber from their plants. This is a serious proposition. It will destroy the little rubber fabricators throughout the United States except those who will live by sufferance, because the big fellows will own them.

One word of warning I have for the Federal Reserve Board. They have caused half a dozen major and minor depressions in this country. They are very insecure. Another depression, and the Board of Governors and the Federal Reserve System are both gone. They are out, because people are tired of their going in and causing depressions at every opportunity they have. They have started now to plan a depression. They had better stop it, and they had better use some weapons and vehicles a little bit different from the ones that they are using to help a selfish few.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I notice on page 6, paragraph (e), with relation to the payment of the purchase price, that they can take a purchase-money mortgage in an amount not to exceed 75 percent of the purchase price, and that the rate of interest is 3 percent. We are paying 3½ percent ourselves on the last long-term bond issue.

Mr. PATMAN. That is right.

Mr. McCORMACK. They ought to pay at least 4 percent, it would seem to me.

Mr. PATMAN. That will be of help to the little big rubber companies. The little big rubber companies are the only ones that can bid on this. Look at the testimony. Look who testified for this. The big rubber companies. They want it done, of course. Get it out in the open, and they are going to buy. When they buy, they can punish every competitor they have in the business. They can withdraw the supplies from the competitors of their subsidiaries. They cannot do it now, but they will be able to do it when they buy. As the distinguished acting minority leader just pointed out, they will have

an interest rate of 3 percent. The Government bond going rate is $3\frac{1}{4}$ percent on a 30-year term right now. Of course, that is a small matter, but it just goes to show the opportunity that is given to them. I am not impugning anybody's motives in doing it—it just happens that way. But the big companies are the only ones that can buy these facilities. Now is not the time to sell them.

CREDIT UNIONS ARE THE ANSWER FOR UNMERCIFUL LOAN SHARKS AND RUTHLESS SHOTGUN LOAN OFFICES

Mr. PATMAN. Mr. Speaker, a recent article in the New York Times—January 17, 1955—tells how household workers, tradesmen, and Government employees in Pakistan are burdened by excessively high interest rates. A Hindu launderer pictured in the Times with his family is reported to have paid over \$1,200 interest on \$30.58 borrowed in 1941.

It was not too many years ago that Americans faced with emergencies of one sort or another, and in need of credit to finance payment found themselves in somewhat similar circumstances.

Even today there are many individuals who are not accommodated by their local banks. They turn to the small loan and finance companies where they pay large sums of interest on their borrowings.

However, unlike the Pakistani, these people can avoid excessive borrowing costs. This has been made possible by the organization of credit unions. I insert in the Record the remarkable story of the credit union which appeared in the September 1954 issues of Changing Times, the Kiplinger magazine.

I also insert the article from the New York Times of January 17, 1955, entitled "Poor of Pakistan Sorely Burdened."

[From Changing Times of September 1954]

YOU CAN START A CREDIT UNION—THE PROCEDURE IS SIMPLE AND YOU WILL GET PLENTY OF HELP—THEN YOU HAVE A GOOD PLACE TO PUT MONEY AND TO BORROW FROM

By starting a credit union, a group of people solve two common problems—where to borrow money at reasonable rates and where to save it at profitable rates.

If this idea appeals to you, and you do not already belong to a credit union, you may want to get one going. But first you will want to know more about what a credit union is, how it operates, and how much work is needed to set it up.

The simplest definition of a credit union is this: An organization of people—usually people employed together—who agree to save their money together and to make loans to each other at low rates of interest.

Members of a credit union deposit money, preferably on a regular basis, in any amount from 25 cents on up, for which they receive shares in the credit union. Usually a share is worth \$5. The money they deposit becomes a fund, available to all members for borrowing. The maximum rate of interest on borrowed money is 1 percent a month on the unpaid balance. In some credit unions the rate is a bit lower.

Loans are made on the approval of an elected credit committee, and no security is required on loans under \$300 to \$500, depending upon the operating charter of the credit union. Amounts in excess of the unsecured limit may also be borrowed on a car or some other security. Loans are granted quickly with a minimum of red tape.

The credit union will, of course, show a profit from its lending operations if every-

thing works out O. K. After expenses are paid and a small reserve for bad debts is set up, the remaining money is returned to the shareholder members as dividends. The amounts of dividends vary, but they average 3 percent a year.

How can a credit union lend money at lower rates and pay its members higher dividends than most comparable commercial organizations? Because the credit union is a nonprofit cooperative organized among a selected group of people—which means that it pays less in taxes, in salaries, in credit investigation and collection costs, and in general overhead.

NINE MILLION MEMBERS

Because the credit union is such a simple device and is so successful in meeting the financial needs of a large number of people, credit unions are springing up all over the United States and Canada at a rate that has surprised even their most enthusiastic supporters.

At this moment there are roughly 9 million credit union members in the United States and Canada. There are some 18,000 credit unions with assets of more than \$2½ billion. It is estimated that credit unions were the source of roughly 11 percent of all consumer borrowing last year.

Some of the largest credit unions with assets of millions of dollars employ a large staff of paid clerical help. Others operate with no paid help whatsoever. (Officers always serve without pay, except the treasurer, who may get a salary.) Credit union operation is fairly standardized, and experts in bookkeeping and accounting, although desirable, are not necessary to the successful operation of a small association. As few as 50 people actually can have a credit union.

IT'S EASY TO GET GOING

You will be pleasantly surprised to learn how easy it is to form a credit union. You don't need a lot of money and a battery of lawyers or accountants, and it doesn't take much time. A credit union can be organized in a month with the work of only a few people, and you can get expert help in organizing one without any charge whatsoever.

But first ask yourself which group of people would be the most logical to organize. Would it be the people you work with, the members of your union, the members of your church, or the people who live in your neighborhood? Credit unions have been established under the sponsorship of all kinds of groups. One credit union limits its membership to descendants of certain families, and another was formed by members of a poker club.

Most credit unions, however, are established by groups of employees in factories, offices, banks, schools or government. About 80 percent of credit unions are based on occupational groups, some of them under trade union auspices and some under employer auspices.

If you are a member of a group that is likely to be interested in organizing a credit union, here is a step-by-step outline showing how one can be set up.

1. Your first move is to get in touch with the Credit Union National Association, Filene House, Madison 1, Wis. Ask for literature describing credit unions and for the help of an organizer. His services are free. CUNA has a staff of 19 such men, and many State credit union leagues also employ organizers. If a regular organizer isn't available, someone from an existing credit union in your area will be asked to help you get started.

2. The organizer will go directly to the employer, the minister or the union president, depending upon the group to be organized, and explain the way a credit union works and how it can help its members. He will request and will usually get the coopera-

tion of the sponsoring organization. In most cases, the company, church or union provides small office space for the credit union. Employers sometimes sanction payroll deductions for the purchase of credit union shares.

With cooperation assured, the organizer will then ask the sponsoring organization to call together a group of 15 or 20 people from all ranks of the organization. The purpose of this meeting is to sell the credit union idea and to get the charter application signed.

3. At this charter meeting, the organizer will again explain the aims and usefulness of the credit union and will answer questions. And in order to get things going, he will then ask whether the group is really ready to go ahead and file an application for a charter.

4. Seven or more members are required to sign the application, and each of them may be asked to contribute a small amount, usually about \$5, toward the charter fee. Later on, these signers of the charter application will be given shares in the credit union to reimburse them for their initial contribution.

5. With your application for charter you will also have to file a set of bylaws for the operation of the credit union. Copies of a standard set of bylaws are available from the organizer or directly from CUNA.

6. At this same charter meeting you will select a committee to nominate a slate of officers for the credit union, including a president, a vice president, a treasurer, 3 members of the credit committee and a 3-man supervisory committee.

7. With the slate of officers ready, the next step is to call an organization meeting. All members of the union, church or neighborhood or fellow workers will be informed of the meeting and asked to attend. At this meeting officers will be elected, and a general summary of credit union aims and methods will be given to all prospective members.

Immediately after this meeting an open meeting of the newly elected board of directors and officers will be held to accomplish the following jobs:

Apply for a bond for the treasurer so that he may handle the funds; select a bank in which credit-union funds shall be deposited; set a limit, if any, on the amount of shares that any one member may hold; establish the rate of interest to be charged (not more than 1 percent on the unpaid balance); authorize the expenditure of enough money to buy supplies—a set of books, membership cards, etc. (usually it takes from \$60 to \$150, including the charter fee, to get a credit union going); set the time and place at which deposits may be made and loan applications received; approve all applications for membership; set the time and place of the monthly meetings of the board.

After these preliminaries, the credit union is ready to begin operation.

TAKES TIME TO GROW

Typically, only a small percentage of the potential membership will join the credit union at its earliest stages. Within the first year fewer than 10 percent of the group may sign up. But as a rule, credit-union membership doubles every year for the first 5 years, and assets do, too.

The number of participants in the credit union depends largely upon the kind of group you have and their experience with cooperative activities. In a plant where there are bowling and baseball leagues or in an office where there are frequent social affairs, a credit union will usually attract a large share of the potential members. Sometimes, however, the credit union itself is the magnet that draws people together.

During the first year of operation, credit union officers and committee members should be in close contact with the organizer

or with officers of a nearby credit union. Difficulties are bound to arise, and experienced help will be a blessing.

OBSTACLES YOU MAY ENCOUNTER

Sometimes, of course, organizing a credit union turns out to be difficult. Here are some of the stumbling blocks.

Lack of leadership: The organizer and others interested in forming a credit union should be careful to pick as leaders people who are respected and who have influence among the members of the group that will form the credit union. The election should not be a popularity contest. The office of treasurer is particularly important. He or she should be a person to whom other people can bring their troubles—and a person of excellent reputation.

General or specific opposition: Occasionally the sponsoring group for the credit union will oppose the organization on principle. And in some cases, opposition comes because the credit union may interfere with an existing and profitable loan-shark racket.

Most often it is simply a lack of understanding of how a credit union works that causes friction. A good organizer can overcome most of that opposition. As a matter of fact, there are far more credit-union supporters among company presidents and union leaders than there are critics.

Poor timing: A successful credit union cannot be organized unless there is some live, current need for it and some willingness—at the crucial time—on the part of a small group of people to do the organizing job.

If your efforts are successful, you will have created an organization that is truly a help to many people. As the credit union grows, you will notice that more and more of its members develop regular habits of thrift and that fewer and fewer of them become overburdened with heavy debts at high rates of interest—in short, that the members begin to learn how to manage their money wisely.

HOW A CREDIT UNION STACKS UP FOR BORROWING AND FOR SAVING

As you can see, it is a better-than-average place to get a loan and a good place to keep your money.

If you borrow \$100 and repay it in 12 monthly installments you will pay this much interest or carrying charge:

Personal loan from a bank: \$4 to \$12; most loans range between \$6 and \$8.

Life insurance policy loan: \$2 to \$3 if repaid monthly.

Auto loans from banks or finance companies: \$3 to \$6 on new cars; \$5 to \$18 on used cars.

Carrying charges on installment purchases: No common rate; may cost from \$3 up to \$25 or more.

Small-loan company: \$13 to \$24.

Credit union: \$6.50 most common; may be a bit lower.

If you have \$100 in savings you will get this much in annual dividends or interest:

Bank savings account: \$1.50 to \$2.50.

Savings bonds: \$3 if held 10 years; interest first year about 1 percent.

Savings and loan associations: \$2 to \$4.

Credit union: Usually \$3.

[From the New York Times of January 17, 1955]

POOR OF PAKISTAN SORELY BURDENED—SOME VICTIMS COMMIT SUICIDE AND ALMOST ALL ARE FORCED TO PAY INTEREST FOR YEARS

KARACHI, PAKISTAN, January 11.—Organized moneylenders, the bane of Pakistan's poverty-stricken millions, are driving victims to suicide.

These giant Pathans, who hail from the rugged northwest frontier province and are recognized by their heavy, steeltipped walking sticks, black-turbaned heads, and mercurial tempers, work with brutal efficiency.

Here in the capital of a Moslem state where usury is forbidden by Islamic law, they prowl day and night, striking terror in the hearts of household servants, tradesmen, and Government employees from whom they collect interest at the rate of 25 percent a month on loans of 100 rupees (\$30.58) to 500 rupees (\$152.95) made 10 and 15 years ago.

The Pathan has never been known to insist on repayment of principal, and a borrower's offer to repay a loan is refused with a gesture of magnanimity that discourages a second try.

Attempts to escape or to enlist the support of the law are thwarted.

INFORMAL NEGOTIATIONS

Negotiations are most informal, yet most binding. They usually begin in the dimly lighted corner of a fly-ridden tea stall, the office of the ubiquitous Pathan. A potential client is conspicuous, his worried facial expression reflecting the delayed but unavoidable decision that there is no one else to whom he can turn.

Timidly he takes an adjoining table and smiles nervously across to the usurer. Sometimes, a borrower will tell you, he wanted to turn and run. The memory of a suicide who could find no other way out of the Pathan's debt, the thought of not being able to repay the loan if he lost his job—these almost deterred him. But the need for money to pay his child's doctor bill or to buy a peddler's cart or clothes for the clerical job he finally got, these outweighed his fears.

The gambit acknowledged, the Pathan invites the victim to join his table. In the unhurried custom of the East they chat with apparent amiability for a few minutes and then, in the din of native song from a radio, get down to business.

The client needs 300 rupees (\$91.74). He signs a note for 600 rupees (\$183.53), a cautious procedure insisted upon by the moneylender for his own protection should the case get to court. The borrower receives 225 rupees (\$68.80), the 75 rupees (\$22.94) withheld representing interest payment for the first month.

LEGAL ACTION DISCOURAGED

The practice of recording the loan at double the amount gives the Pathan a possibility of assurance that if the client dares bring the matter to the claims court, the magistrate would recommend settlement by payment of half the principal. There are few instances of this; the borrower knows that resort to the law usually is followed by violence against him by goondas, hired thugs who beat him between the Pathan's temporarily unsuccessful collection visits.

One loan victim, Mohan, a Hindu dhobi (launderer), was freed by the usurers last week after an association that began in December 1941. In addition to holding a receipt for the original loan of 100 rupees (\$30.58) that he borrowed 13 years ago, the jubilant dhobi showed a collection of 157 receipts that represented interest payments of 25 rupees (\$7.64) a month since December 1941—a total of 3,925 rupees (\$1,200.30) paid for the loan of 100 rupees.

Mohan, his wife and their 4 children occupy a squalid hut, rent-free, on the grounds of a wealthy landlord in exchange for washing and ironing the clothes of his master's family of eight.

Now that he is out of debt to the loan-shark, Mohan thinks of him as a friend.

Among the hundreds who share bitter memories of the vengeful Pathan is the family of a late victim "dealt to death" according to police reports, "and eyes removed."

Apparently unable to prosecute the Pathans for flouting the religious injunction against usury, legislators in at least one province are trying to enact a civil statute that would end the moneylenders' racket. In the meantime they flourish.

CARGO PREFERENCE ACT

The SPEAKER pro tempore (Mr. ELLIOTT). Under previous order of the House, the gentleman from Washington [Mr. TOLLEFSON] is recognized for 30 minutes.

Mr. TOLLEFSON. Mr. Speaker, I have been somewhat disturbed, if not quite irked, at the efforts of some misinformed people to undermine the Cargo Preference Act which Congress approved last year. This is Public Law No. 664 of the 83d Congress, and has commonly been referred to as the 50-50 shipping legislation. It provides in effect that not less than 50 percent of Government-sponsored cargos shall be carried in American-flag ships, if such ships are available at reasonable rates. Whenever American-flag vessels are not available at reasonable rates, then foreign-flag vessels may be used.

Particularly am I disturbed at the efforts, direct or indirect, of foreign nationals to undermine that legislation. Such efforts come with ill grace from those nations to whom we have rendered considerable assistance during the past few years through our foreign-aid programs. For instance, since 1945, we have supplied Great Britain some \$7 billion worth of relief. Other nations were the recipients of our largesse in varying huge amounts. Altogether, we have, since the end of World War II, dispensed about \$48 billion abroad.

In 1954, Congress approved Public Law No. 480 which authorizes the gift of some \$300 million of our surplus agricultural products to needy nations. It also provides for the sale of \$700 million of surplus products to friendly foreign nations, with payment to be made in the soft currency of the purchasing nation. In other words, foreign nations are enabled to obtain or buy surplus agricultural products which they otherwise could not. The United States would spend the soft currency in the nations which purchased the products. The Cargo Preference Act simply provides that 50 percent of such products shall be carried on American-flag ships.

It might be well to point out at this time how the United States is spending the soft currency it receives from surplus agricultural products. I have here a statement from the Secretary of Agriculture made to the House Committee on Agriculture on February 17. According to his statement out of \$337 million worth of surplus agricultural products disposed of under Public Law 480 only 24.3 percent represents reimbursable funds for United States use.

The bulk of the soft currency spent in those countries will go for nonreimbursable United States use, and better than 50 percent of it is in the nature of foreign relief. I quote two items: The program for military equipment other than for the United States, \$42 million, or 12.6 percent. Loans from multilateral trade and economic development, \$128 million, or 38.1 percent. So in effect this program is in the nature of a relief program somewhere between the outright relief programs of the past and an enlargement of the trade-not-aid programs of the present.

Now, the rates on American-flag liner vessels are the same as those of foreign liner vessels. American tramp ships, which are not subsidized, charge a slightly higher rate than foreign tramp ships—less than 20 percent higher according to testimony presented to the House Merchant Marine and Fisheries Committee. But the foreign nations do not pay that cost differential—it is absorbed by the United States. Some United States citizens object to the Government absorbing this cost differential because, first, they term it an indirect subsidy; or second, it adds to the cost of the surplus disposal program and is an undue expense. I shall refer to that aspect of the matter at a later point.

Foreign nations object to the 50-50 legislation, saying that it is discriminatory. They complain to the Department of Agriculture which handles the surplus products disposal program and to the State Department with whom they constantly deal. They intimate that they will buy no surplus products if the Cargo Preference Act must be complied with. In at least one instance, representatives of a foreign nation have approached a Member of Congress and stated that products of his State will be purchased if such can be shipped on their own flag vessels. The inference is that unless they can use their own vessels they will not purchase the surpluses. And therein perhaps lies the reason for their objection to our law. They want the transportation business for their own ships, but at the same time say it is discriminatory and wrong for us to want only 50 percent of the business for our vessels.

The General Council of British Shipping in January 1955, issued a statement in which it said several things:

British shipowners have protested to the British Government against the acceptance of what is known as the 50-50 rule.

Another statement:

The results * * * are bound to undermine the ability of British shipping to continue to make its present vital contribution to our national earnings of foreign currency.

Again:

Shipowners of all major maritime countries of Europe have entered protests against the 50-50 rule, and the Norwegian Government only recently declined to purchase American coal, even for payment in Norwegian currency.

The Organization for European Economic Cooperation, an organization of European nations, according to the British shipping periodical called the *Siren and Shipping*, reported that an understanding had been reached between member countries to the effect that they would not take American surplus products if the transportation of them was made subject to the 50-50 rule.

Other news items indicate the desire of foreign nations to undermine and scuttle our Cargo Preference Act. The most vocal are those with merchant marines of their own which they want to help and support. According to their point of view, apparently, it is all right for them to support their own shipping, but wrong for us to support ours. I am afraid they are making their point of

view felt by some people in departments of our own Government, and I suspect that these people would also like to scuttle our 50-50 law. Recent hearings before the House Committee on Merchant Marine and Fisheries convinced me that such was the case. The committee's report on the hearings directed some criticism at Government departments, and recommended, among other things, that the State Department should maintain the national policy of the United States as reflected in the Cargo Preference Act in our relations with foreign nations.

This act was designed to help bolster our faltering merchant marine by supplying some cargoes for our ships, subsidized or not. Ships cannot operate without cargoes. Our United States merchant marine is truly our fourth arm of defense and is just as important to our national security as our other arms of defense. Military spokesmen recognize the importance of our merchant ships and have not hesitated to say so on many occasions. We have been able to conduct wars on foreign soil only because we have had ships to transport our fighting forces and war materiel to distant lands. Our allies have never been able to supply ships for this purpose. In World War II, for instance, we supplied our allies with eight times as many ships as they supplied to us. We furnished them with about 5½ million tons of ships whereas they furnished us about 700,000 tons.

Congress has for many years recognized the worth and need of merchant ships, and has through various acts declared a policy of maintaining a merchant marine in the interests of national defense. This policy has necessitated the payment of subsidies. However, the history of that policy has proved not only its worth but also the insignificant cost of the subsidies when compared to other defense expenditures. For instance, the Navy has this year requested \$1.3 billion for combat vessels. It has requested similarly huge sums in other years. One might properly inquire as to the effectiveness of combat vessels without supply lines; or, for that matter, of the effectiveness of any military machine without supply lines. When we fight elsewhere than on United States soil, those supply lines are merchant-type vessels.

Congress annually appropriates billions of dollars for strictly military purposes without much question or debate. About the only question which arises is that which asks, "Are we appropriating enough?" And yet when we are not fighting a war our whole military machine valued at countless billions of dollars is more or less on a standby basis. People, both in and out of Congress, accept such a situation as necessary even though the cost is terrific. But some of them cannot understand the necessity of maintaining on a similar standby basis at least a nucleus American merchant marine. They complain of the cost to the Government, even though that cost is insignificant in comparison with other military costs.

I can understand the attitude of our agriculture friends in this country with

respect to our whole agriculture program, and also with respect to our surplus agriculture disposal projects. Under Public Law 480 of the 83d Congress, it was proposed to dispose of \$1 billion surplus products abroad over a 3-year period. Seven hundred million dollars worth of products is to be sold for soft currency. These agriculture friends have been led to believe that it will cost our Government \$25 million per year more—or \$75 million over the 3-year period—to transport those products by American flagships. I hasten to assure them that such is not the case. The most that the use of American flag vessels could add to transportation costs over the 3-year period is \$14 million, using the most liberal estimates. This figure would be reduced by the extent to which United States liner services were used. A witness for the Department of Agriculture so admitted in testimony before the House Committee on Merchant Marine and Fisheries. It is a small sum, indeed, to help maintain our merchant fleet.

To offset this additional cost I need only call attention to the fact that by using United States flag vessels to carry only 50 percent of these surplus products cargoes, the Government will collect a greater amount back in taxes. These taxes would be lost to Uncle Sam if all the cargoes were carried in foreign flag vessels. I need not call attention, I am sure, to the additional benefits to our economy which would accrue through seamen's wages, ship supplies, and ship repairs for United States flag vessels.

As I indicated earlier, the thing that disturbs me most is the effort on the part of foreign nationals to scuttle our Cargo Preference Act. We have enough difficulty convincing our own people of the necessity of maintaining an American merchant marine without having our foreign friends add to our problems. I respect their desire to maintain their own fleets. Let them respect our desire to maintain ours. They needed our ships desperately on a couple of occasions. They might need them again.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from North Carolina.

Mr. BONNER. Mr. Speaker, I take this opportunity to compliment the gentleman on the splendid address he has given the House with reference to our American merchant marine. It might do well for industry, the farmer, and other segments of our national economy to pay some attention to the necessity of our American merchant marine, for if the foreign nations who are now so opposed to this 50-50 program have their way and were to drive our fleet from the high seas, I do not know what would become of our export business. They would so arrange their sailings as not to be beneficial to the American exporter but would so operate their flagships entering our ports to best serve their commerce. It has come with poor grace, Mr. Speaker, from one of the great nations of the world, the recipient of untold benefits from this Government, the recipient of our generosity. They have received benefits from us, and we have responded to their call when

their national life was at stake. They are the ones, sir, today who are bringing the greatest pressure against this 50-50 program, and it is with poor grace, in my opinion, that they take the position they do and stoop to the practices they are so bold in. I have always been one of those who have supported our foreign-aid program and have been willing and anxious to help our allies, but I cannot understand what is happening; whether those who have received from us the great assistance, the great aid that we have given, have no recollection of what has taken place in the past and what may take place in the future. I hope the people of this Nation will listen to the words of wisdom that have been spoken here by the distinguished gentleman from Washington [Mr. TOLLEFSON] and give aid and assistance to the perpetuation and the maintenance of the American merchant marine. The 50-50 maritime program is very similar to the crop-support program, so enjoyed by our farmers.

Mr. TOLLEFSON. I thank the gentleman from North Carolina [Mr. BONNER] for that contribution. The gentleman is the chairman of our House Committee on Merchant Marine and Fisheries. He has served on that committee for many years. No one in the House knows better than he the value and importance of the American merchant marine. No one in the House has contributed more to the welfare of the American merchant marine and thus to American national defense than our present chairman, the gentleman from North Carolina [Mr. BONNER].

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to my colleague from Washington.

Mr. PELLY. Mr. Speaker, I, too, would like to express my appreciation to the gentleman from Washington [Mr. TOLLEFSON] of his very fine statement. I think it has added a great deal to the understanding of the Members of this body of the importance of the merchant marine to our Nation. I do not know any one in the last year or so, since I have been in Congress, who has done more to preserve our merchant marine than my colleague from Washington. I am very proud to be associated with him in this interest.

I should like to ask the gentleman one question. That has to do with statements he made regarding the cost to the American taxpayer of using our American liners. Did the gentleman in his figures give credit to the fact that our experience has been that we recapture from the subsidized lines considerable in the way of profits during certain years?

Mr. TOLLEFSON. First, let me thank the gentleman for his kind comments. Coming from a gentleman who has had a great interest in the welfare of our American merchant marine, I appreciate that very much.

I did not say anything about recapture as far as our subsidized lines are concerned. I devoted most of my discussion to this program as it was applied to the American tramp ships. The tramp ships are those which do not operate on schedule. They are not subsidized.

They are the only ones that charge more than the foreign-flag ships.

When we talk about liner service, we are talking about a regularly scheduled service. The rates on foreign-flag liner ships and American-flag liner ships are exactly the same. When we use our United States liner-flag vessels and they get additional business, that puts them in what we call a recapture or possible recapture bracket as far as the Government is concerned. They are subsidized lines. If they earn a profit in excess of 10 percent of their capital necessarily employed, then 50 percent of that profit comes back to Uncle Sam. There have been many years when their subsidy program did not cost Uncle Sam very much, if anything, because of the recapture provision. As a matter of fact, during the war years there were no subsidies, because there was so much business there was not any need for them. I am glad the gentleman brought that fact out, because it is important.

Mr. PELLY. The gentleman mentioned that we recover a great deal in the way of income taxes, and the recapture of profits would be in addition, would they not?

Mr. TOLLEFSON. That is right; the recapture profits would be in addition to that. The CONGRESSIONAL RECORD of last year carries a study of the returns to Uncle Sam by way of income tax from shipping lines which carried 50 percent of our relief cargoes. As I have already indicated, although over the period of 6 or 7 years it cost the Government, it is said, about \$125 million more to use American-flag ships than foreign-flag ships, yet in the process Uncle Sam collected over \$160 million. So again I say that we operated on that basis at a profit.

I have not said as much as could be said about the benefits to our economy by keeping our sailors employed, our shore-side operations going, keeping our ship-repair yards employed, all of which add to the welfare of our general economy.

Mr. PELLY. If the gentleman would yield further to me, am I correct in understanding from what the gentleman has said that if it were not for this 50-50 preference today, our merchant marine would be practically off the seas?

Mr. TOLLEFSON. That would be true, as far as the tramp vessels are concerned. I think the gentleman is absolutely correct, so far as these ships are concerned. If they were not permitted to participate in the carriage of shipments under this surplus agricultural-production program, practically all of our tramp ships today would have to be laid up, in my opinion.

Mr. PELLY. In the event, then, of an emergency, if we had trouble over in Formosa, we would be hardput to supply the needs of our armed services?

Mr. TOLLEFSON. We would not have the same number of ships available for immediate use. Those tramp ships undoubtedly would be put up in laidup status, and it would take some time to get them out. I think it is absolutely imperative, and all the military spokesmen feel the same way, that we have a nucleus number of ships ready for immediate use in the event of an emer-

gency, and that we seek in every way to avoid the mistakes of World War I and World War II, when we were caught short of ships to such an extent that there are those in military circles who say we almost lost the war.

Mr. PELLY. May I ask the gentleman if it is not so that for military purposes it has been testified by the Bureau of Ships that we actually do not have enough ships at the present time in lay-up and in active service to take care of our military needs?

Mr. TOLLEFSON. Spokesmen for the military feel that we are deficient a certain number of ships in addition to ships in our laidup fleet and in addition to the active American merchant marine. We are still deficient several hundred of certain types of vessels. We are at the same time concerned about the bloc of obsolete ships now in the laidup fleet, most of which are the old Liberty-type vessel built during World War II. They are at least 10 years old, or possibly older. They will be completely obsolescent within another 10 years. The military are concerned about that fact. What with the Russians having seven times as many submarines today as the Germans had at the outbreak of World War II, submarines of greater speed and greater range, the bulk of the ships in our laid-up fleet would fall easy prey to those submarines in the event of an emergency.

Mr. PELLY. I do think the gentleman has made a very timely and important statement, and I know that the Members of the House have been greatly interested.

Mr. TOLLEFSON. I thank the gentleman.

PROCUREMENT OF MILITARY DOCTORS AND DENTISTS

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to address the House for 4 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT of Florida. Mr. Speaker, I am today introducing a bill to facilitate procurement of military doctors and dentists by providing scholarships and grants for medical and dental students. This bill was recommended by the Department of Defense in an executive communication over the signature of Army Secretary Robert T. Stevens dated February 23, 1955.

One of the most serious health problems in America today is the doctor shortage. We simply must recruit more doctors if we are to improve medical services for service personnel. As helpful as the proposed military pay increase would be, it is not the complete answer to service morale problems. It needs to be supplemented by improved medical and other fringe benefits. All plans for improved medical care in the services depend upon an adequate number of military doctors and dentists. This bill would help to break this bottleneck at a remarkably low cost of only \$2,542,000 for its first fiscal year.

The bill would not only help service personnel. It would also help meet the medical needs of our civilian population. More doctors and dentists would be left at home to minister to civilian health needs, as fewer doctor draft calls would be necessary. Some of the scholarship recipients would eventually go into civilian practice, thus further helping to relieve the civilian doctor shortage.

In his executive communication, Secretary Stevens points out that there is a shortage of 2,300 regular medical officers in the 3 military departments, and that current methods of procuring career medical officers are inadequate to stop the growing deficit of career personnel of this type. He estimates that these scholarships will provide a maximum of 300 new doctors and 126 new dentists at the end of the second year of the operation of the plan.

One of the appealing features of this proposal to me, Mr. Speaker, is that it provides a military expenditure which is bound to be a sound investment for America's future, whether or not we eventually obtain the peace we are all so earnestly seeking. We hope the day will come when we can safely scrap our armaments. If that day comes, we would not lose the value of the doctors educated as the result of this bill's modest expenditures. We could look forward to many more years of our civilian populations benefitting from their training. Moreover, this is a military expenditure which is not subject to obsolescence. Today's munitions are rapidly out-dated, but today's new doctor can expect 40 or more years of significant service to our people, in peace or in the wars which we hope will never come.

Mr. TUMULTY. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Florida. I yield.

Mr. TUMULTY. Would the gentleman be kind enough to inform us how these scholarships may be obtained, and whether or not the scholarships will be paid by Federal money through the medical schools. In my own district, in Jersey City, we are for the first time starting a medical school combined with a private university. We are very anxious to get the scholarships and to get the school going. Could the gentleman explain whether or not your program envisages Federal help to the medical schools themselves?

Mr. BENNETT of Florida. In order to conserve time, I will say that it will be allowed on a competitive basis. Very definitely it will help the medical schools because it will be on a scholarship basis for the individual and the scholarships will be apportioned out among the schools so there will be a chance for helping the various schools in that way.

Mr. TUMULTY. I thank the gentleman. I think his plan is most commendable.

Mr. BENNETT of Florida. I thank the gentleman very much.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks was granted to:

Mr. PRIEST in connection with a bill he is introducing today that will form

the basis for a review of our civil air policy.

Mr. DOYLE and to include appropriate material.

Mr. HOFFMAN of Illinois (at the request of Mr. McVEY).

Mr. BALDWIN and to include a bulletin.

Mr. FJARE and to include a speech by Mr. Ancher Nelson, notwithstanding the fact it exceeds the limit and is estimated by the Public Printer to cost \$200.

Mr. HOSMER and to include extraneous matter.

Mr. MCCARTHY.

Mr. THOMPSON of New Jersey (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. KLEIN (at the request of Mr. McCORMACK).

Mr. ZABLOCKI (at the request of Mr. McCORMACK).

Mr. CELLER.

Mr. HEBERT (at the request of Mr. CELLER) and to include extraneous matter.

Mr. ROGERS of Texas.

Mr. BURDICK in three instances.

Mr. TUMULTY.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. ROGERS of Massachusetts (at the request of Mr. ARENDS), on account of illness in the family.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 752. An act to amend section 102 (a) of the Agricultural Trade Development and Assistance Act of 1954, so as to eliminate the requirement that privately owned stocks exported thereunder be replaced from Commodity Credit Corporation stocks; to the Committee on Agriculture.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on March 1, 1955, present to the President, for his approval, a bill of the House on the following title:

H. R. 3828. An act to adjust the salaries of judges of United States courts, United States attorneys, Members of Congress, and for other purposes.

ADJOURNMENT

Mr. BOWLER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 8, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

500. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to the fiscal year 1955 for the Department of Agriculture

(H. Doc. No. 102); to the Committee on Appropriations and ordered to be printed.

501. A communication from the President of the United States, transmitting a supplemental appropriation for the fiscal year 1955 in the amount of \$10,000 for the John Marshall Bicentennial Celebration Commission (H. Doc. No. 103); to the Committee on Appropriations and ordered to be printed.

502. A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of \$6,269,842, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. No. 104); to the Committee on Appropriations and ordered to be printed.

503. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "a bill to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen"; to the Committee on Agriculture.

504. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "a bill to promote an agricultural development program under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes"; to the Committee on Agriculture.

505. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to define service as a member of the Women's Army Auxiliary Corps as active military service under certain conditions"; to the Committee on Armed Services.

506. A letter from the Assistant Secretary of the Army, transmitting a report on the Department of the Army research and development contracts for \$50,000 or more which were awarded during the period from July 1, 1954, to December 31, 1954, pursuant to section 4 of Public Law 557, 83d Congress; to the Committee on Armed Services.

507. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of property acquisitions for the quarter ending December 31, 1954, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

508. A letter from the Acting Secretary of State, transmitting a draft of proposed legislation entitled "A bill to authorize the Secretary of State to evaluate and to waive collection of certain financial assistance loans, and for other purposes"; to the Committee on Foreign Affairs.

509. A letter from the Assistant Comptroller General of the United States, transmitting the report of the General Accounting Office on the operation of the national school-lunch program by the Agricultural Marketing Service, Department of Agriculture, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act, 1950 (31 U. S. C. 67); to the Committee on Government Operations.

510. A letter from the Assistant Comptroller General of the United States, transmitting the General Accounting Office report on the audit of the Bureau of Narcotics, Treasury Department, for the fiscal year ended June 30, 1954, 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.

511. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting the annual report of the Department of the Air Force covering the disposal of Air Force excess personal property located in areas outside the continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands, for the calendar year 1954, pursuant to section 404 (d), title IV, 1949 (Public Law

152, 81st Cong.); to the Committee on Government Operations.

512. A letter from the Archivist of the United States, transmitting a request for authority to dispose of records, transmitted by the Selective Service System, being of certain importance relative to selective service World War II records; to the Committee on House Administration.

513. A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation entitled "A bill to amend sections 212, 219 (a), 221 (a), and 410 (a) of the Communications Act of 1934, as amended"; to the Committee on Interstate and Foreign Commerce.

514. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with Mrs. Elsie F. Campbell which, when executed by the regional director, Region No. 3, National Park Service, will authorize Mrs. Campbell to provide accommodations, facilities, and services for the public within Timpanogos Cave National Monument, Utah, during a 5-year period beginning January 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

515. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report showing that proceedings have been concluded with respect to the following claim: *Felix McCauley, a member of the Kaw Tribe of Indians, on the relation of all members of the Kaw Tribe of Indians, plaintiff, v. The United States of America, defendant* (Docket Nos. 33, 34, and 35), pursuant to section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70); to the Committee on Interior and Insular Affairs.

516. A letter from the Attorney General, transmitting a draft of proposed legislation entitled, "A bill to amend title 18, United States Code, chapter 79, to add a new section, 1623, to extend the law relating to perjury to the willful giving of contradictory statements under oath"; to the Committee on the Judiciary.

517. A letter from the Postmaster General, transmitting a draft of proposed legislation entitled "A bill for the relief of Stanley Rydzon and Alexander F. Anderson"; to the Committee on the Judiciary.

518. A letter from the Secretary, Federal Prison Industries, Inc., Department of Justice, transmitting the annual report of the directors of Federal Prison Industries, Inc., for the fiscal year 1954, pursuant to the act approved June 23, 1934, (18 U. S. C. 4127); to the Committee on the Judiciary.

519. A letter from the Assistant Secretary of the Interior, transmitting a report detailing the amounts of all moneys received and expended in connection with the administration of the Outer Continental Shelf Lands Act, pursuant to section 15 of the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 470; U. S. C. sec. 1343); to the Committee on the Judiciary.

520. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

521. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

522. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress, amending

subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

523. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to authorize the furnishing of subsistence and quarters without charge to employees of the Corps of Engineers engaged in floating plant operations"; to the Committee on Post Office and Civil Service.

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. ENGLE: Committee on Interior and Insular Affairs. H. R. 2126. A bill to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; without amendment (Rept. No. 89). 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. MURRAY of Tennessee:

H. R. 4644. A bill to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BENNETT of Florida:

H. R. 4645. A bill to facilitate the procurement of doctors of medicine and doctors of dentistry for the Armed Forces by providing grants and scholarships for education in the medical and dental professions, and for other purposes; to the Committee on Armed Services.

By Mr. BONNER:

H. R. 4646. A bill to amend section 4421 of the Revised Statutes, in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of Texas:

H. R. 4647. A bill to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. PRIEST:

H. R. 4648. A bill to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BONNER:

H. R. 4649. A bill to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718d), as amended; to the Committee on Merchant Marine and Fisheries.

H. R. 4650. A bill to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone; to the Committee on Merchant Marine and Fisheries.

H. R. 4651. A bill to authorize biennial inspection of the hulls and boilers of cargo vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 4652. A bill to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 4653. A bill to amend section 4482 of the Revised Statutes, as amended (46 U. S. C. 475), relating to life preservers for river

steamers; to the Committee on Merchant Marine and Fisheries.

By Mr. BRAY:

H. R. 4654. A bill to provide that prices charged for barber services at certain Army and Air Force installations shall not be less than 80 percent of the prices charged for barber services in the nearby civilian trade area, and for other purposes; to the Committee on Armed Services.

By Mr. BURDICK:

H. R. 4655. A bill to authorize the expansion of post-office facilities at Williston, N. Dak.; to the Committee on Public Works.

By Mr. CARLYLE:

H. R. 4656. A bill relating to the Lumbee Indians of North Carolina; to the Committee on Interior and Insular Affairs.

H. R. 4657. A bill to amend section 403 (b) of the Civil Aeronautics Act of 1938 so as to permit air carriers and foreign air carriers to grant free or reduced-rate transportation to ministers of religion; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIS of Georgia:

H. R. 4658. A bill to amend section 602 of the National Service Life Insurance Act of 1940 to provide an optional method of settlement of certain contracts of insurance which matured prior to September 30, 1944; to the Committee on Veterans' Affairs.

H. R. 4659. A bill to amend section 16 of the act entitled "An act to adjust the salaries of postmasters, supervisors, and employees in the field service of the Post Office Department," approved October 24, 1951 (65 Stat. 632; 39 U. S. C. 876c); to the Committee on Post Office and Civil Service.

By Mr. DAWSON of Illinois (by request):

H. R. 4660. A bill to amend further the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil defense purposes; to the Committee on Government Operations.

By Mr. EBERHARTER:

H. R. 4661. A bill to provide that all United States currency shall bear the inscription "In God We Trust"; to the Committee on Banking and Currency.

By Mr. ELLSWORTH:

H. R. 4662. A bill to reduce the cost to the United States for the development of flood control, navigation, and irrigation in the Willamette River Basin, Oreg., by providing for the construction, operation, and maintenance of power facilities and appurtenances at the Cougar Dam and Reservoir on the South Fork of the McKenzie River, Oreg., and the construction, operation, and maintenance of power facilities and appurtenances at the Green Peter Dam and Reservoir and construction, operation, and maintenance of the White Bridge Dam and Regulating Reservoir (including power generating facilities and appurtenances) on the Middle Santiam River, Oreg., to be done with funds advanced by licensees; said facilities, to the extent of local participation therein to be subject to the licensing provisions of the Federal Power Act; to the Committee on Public Works.

By Mr. ENGLE:

H. R. 4663. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River Division, Central Valley project, California, under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE (by request):

H. R. 4664. A bill to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H. R. 4665. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide that employees with at least 30 years of service may retire with full

annuities at 55 years of age; to the Committee on Post Office and Civil Service.

By Mr. FJARE:

H. R. 4666. A bill authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FOGARTY:

H. R. 4667. A bill to authorize a 5-year program of grants for construction of medical and dental educational and research facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. FORAND:

H. R. 4668. A bill to amend section 4021 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mrs. GREEN of Oregon:

H. R. 4669. A bill to provide for assistance to and cooperation with States in strengthening and improving State and local programs for the control of juvenile delinquency; to the Committee on Education and Labor.

By Mr. GWINN:

H. R. 4670. A bill to amend the Internal Revenue Code of 1954 to provide that a taxpayer may deduct amounts paid to acquire, improve, or repair a home, to the extent that such amounts do not exceed 5 percent of his adjusted gross income for the taxable year; to the Committee on Ways and Means.

By Mr. HARRISON of Virginia:

H. R. 4671. A bill to amend certain provisions of the Tariff Act of 1930 relating to import duties on wool; to the Committee on Ways and Means.

By Mr. HEBERT:

H. R. 4672. A bill to increase the annuities of certain retired civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School; to the Committee on Armed Services.

By Mr. HILLINGS:

H. R. 4673. A bill to amend the Japanese-American Evacuation Claims Act of 1948, as amended, to expedite the final determination of the claims, and for other purposes; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 4674. A bill to amend Veterans Regulation No. 9 (a), as amended, so as to provide for the payment of an additional amount to cover the cost of a burial lot in connection with the funeral and burial of deceased veterans; to the Committee on Veterans' Affairs.

H. R. 4675. A bill to amend the Natural Gas Act, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 4676. A bill to provide for a national cemetery in the vicinity of Los Angeles in the State of California; to the Committee on Interior and Insular Affairs.

H. R. 4677. A bill to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. IKARD:

H. R. 4678. A bill to require the Secretary of the Army under certain circumstances to offer land in reservoir areas for sale to the former owners thereof; to the Committee on Public Works.

By Mr. JOHANSEN:

H. R. 4679. A bill to retrocede to the State of Michigan concurrent jurisdiction over that portion of former United States Highway No. 12 (Dickman Highway) traversing Fort Custer, Mich.; to the Committee on Armed Services.

By Mr. JOHNSON of California:

H. R. 4680. A bill affirming that title to a certain tract of land in California vested in the State of California on January 21, 1897; to the Committee on Interior and Insular Affairs.

By Mr. KELLEY of Pennsylvania:

H. R. 4681. A bill to amend the National Labor Relations Act in order to permit super-

visors to be considered as employees under the provisions of such act, and for other purposes; to the Committee on Education and Labor.

By Mr. McDONOUGH:

H. R. 4682. A bill to authorize the General Services Administrator to construct a new Federal office building at Los Angeles, Calif., on land now owned or hereafter acquired by the United States, and for other purposes; to the Committee on Public Works.

H. R. 4683. A bill to amend section 101 of the River and Harbor Act of 1954, approved September 3, 1954 (ch. 1264, Public Law No. 780, 83d Cong.), to extend the time for work done by local interests on dredging project at Los Angeles and Long Beach Harbors, Calif., from July 1, 1953, to November 7, 1953, and authorizing the Secretary of the Army to make reimbursement therefor; to the Committee on Public Works.

H. R. 4684. A bill to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; to the Committee on Veterans' Affairs.

H. R. 4685. A bill to provide for the purchase of a site for a new Federal office building at Los Angeles, Calif.; to the Committee on Public Works.

By Mr. METCALF:

H. R. 4686. A bill to amend the Rural Electrification Act of 1936 so as to provide greater flexibility in making rural electrification loans, by eliminating the requirement that half of the funds for such loans be allotted among the States, and removing the limit on the amount of unallotted funds which may be loaned in any State or in the Territories; to the Committee on Agriculture.

By Mr. MORRISON:

H. R. 4687. A bill to authorize the Administrator of General Services to dispose of certain real property in the District of Columbia; to the Committee on Public Works.

By Mr. MURRAY of Tennessee:

H. R. 4688. A bill to increase the rates of compensation of certain officers and employees of the Federal Government; to the Committee on Post Office and Civil Service.

By Mr. NELSON:

H. R. 4689. A bill adopting and authorizing the improvement of Rockland Harbor, Maine; to the Committee on Public Works.

By Mrs. PFOST:

H. R. 4690. A bill for the relief of the city of Priest River, Idaho; to the Committee on the Judiciary.

By Mr. PRIEST (by request):

H. R. 4691. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mr. RADWAN:

H. R. 4692. A bill to amend title II of the Social Security Act to provide that old-age and other monthly insurance benefits shall be payable at age 62 in lieu of at age 65, and for other purposes; to the Committee on Ways and Means.

H. R. 4693. A bill to amend the Social Security Act to provide that in the case of women the term "retirement age" shall mean age 60; to the Committee on Ways and Means.

By Mr. REED of New York:

H. R. 4694. A bill to extend the Renegotiation Act of 1951 for 2 years; to the Committee on Ways and Means.

By Mr. SHORT:

H. R. 4695. A bill to authorize the Secretary of the Army to make a monetary allowance in lieu of providing a headstone or marker for the unmarked grave of a soldier or a member or former member of the Armed Forces; to the Committee on Armed Services.

By Mr. SIKES:

H. R. 4696. A bill to amend title I of the Social Security Act to provide that the cost of certain age searches, made by the Bureau of the Census to aid in determining the eligibility of applicants for old-age assistance under approved State plans, shall be paid from funds generally available for payments to States under such title; to the Committee on Ways and Means.

By Mr. SMITH of Virginia:

H. R. 4697. A bill to amend the Alcoholic Beverage Control Act of the District of Columbia of 1934, as amended; to the Committee on the District of Columbia.

By Mr. THOMPSON of New Jersey:

H. R. 4698. A bill to establish a program of grants to States for the development of fine arts programs and projects, and for other purposes; to the Committee on Education and Labor.

By Mr. UTT:

H. R. 4699. A bill to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946; to the Committee on Public Works.

H. R. 4700. A bill to provide for extension of terms of patents where the use, exploitation, or promotion thereof was prevented, impaired, or delayed by causes due to war, national emergency, or other causes; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H. R. 4701. A bill to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946; to the Committee on Public Works.

By Mr. WEAVER:

H. R. 4702. A bill to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513-512-R, Richardson County, Nebr.; to the Committee on Public Works.

By Mr. WILLIAMS of Mississippi:

H. R. 4703. A bill to amend the Interstate Commerce Act, as amended, with respect to the issuance of certificates of public convenience and necessity, and relating to railway property; to the Committee on Interstate and Foreign Commerce.

By Mr. WINSTEAD:

H. R. 4704. A bill to provide for the examination preliminary to promotion of officers of the naval service; to the Committee on Armed Services.

By Mr. ZABLOCKI:

H. R. 4705. A bill creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, drama, fine arts, and mass communications center; to the Committee on the District of Columbia.

By Mr. GWINN:

H. J. Res. 246. Joint resolution proposing an amendment to the Constitution of the United States relative to prohibiting the United States Government from engaging in business in competition with its citizens and limiting debts and expenditures; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mrs. CHURCH: Memorial of the State of Illinois, 69th General Assembly, senate resolution No. 19, resolving that industry be encouraged to take immediate steps to effectuate the dispersal of its facilities in the State of Illinois and urging that similar steps be initiated at the national level; to the Joint Committee on Atomic Energy.

By Mr. WICKERSHAM: Concurrent resolution by the Senate of the 25th Legislature of the State of Oklahoma, the House of Representatives concurring therein, memorializing the Congress of the United States to act

promptly and favorably upon the Washita Basin (Okla.) project report; to the Committee on Interior and Insular Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States relative to requesting the establishment of a national cemetery in Arizona; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to requesting an increase in acreage allotments for Montana's premium high protein milling wheat; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to requesting the introduction and enactment into law of the necessary and proper legislation authorizing that sufficient appropriations be provided the Bureau of Reclamation for the immediate construction of Yellowtail Dam located on the Big Horn River in Big Horn County in southeastern Montana; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to requesting the introduction and early enactment into law of the necessary and proper legislation authorizing sufficient appropriations be provided the Corps of Army Engineers for early construction of the Libby Dam located on the Kootenai River in Lincoln County in northwestern Montana; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to requesting a reallocation and increased strategic mileage under the Federal Aid Highway Act of 1954 to add United States Highway No. 2 to the interstate system in accordance with the needs existing in 1954; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to give attention to the development of Lehman Caves National Monument and to take such action as is deemed necessary to bring this national monument to the standard of other national monuments; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States

relative to urging that sufficient funds be appropriated to construct a proposed road between Unalakleet and Kaltag, Alaska, in the construction year of 1956; to the Committee on Appropriations.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States relative to urging that to encourage and promote active search for, and exploitation of, domestic mineral resources, the Congress of the United States legislate into effect a tax-incentive program, applicable to all States, territories and possessions; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ADDONIZIO:

H. R. 4706. A bill for the relief of Heinrich Carl Adolf Stein; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 4707. A bill for the relief of Duncan McQuagge; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 4708. A bill for the relief of Roger Eugene Caillaud; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 4709. A bill for the relief of Margaret M. McCullin; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 4710. A bill for the relief of Ramon Gullon; to the Committee on the Judiciary.

By Mr. COON:

H. R. 4711. A bill for the relief of Pedro Savala; to the Committee on the Judiciary.

By Mr. JOHANSEN:

H. R. 4712. A bill for the relief of Alina Kosmider; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H. R. 4713. A bill for the relief of Caterina Lueder; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 4714. A bill for the relief of Theodore J. Harris; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 4715. A bill to authorize Maj. Gen. Robert W. Grow, United States Army, retired, to accept the Homayun Decoration, 2d Class, and supporting documents conferred upon him by the Government of Iran; to the Committee on Armed Services.

By Mr. BERRY:

H. R. 4716. A bill authorizing the issuance of a patent in fee to Ruth Long Crow Running Horse; to the Committee on Interior and Insular Affairs.

By Mr. WAINWRIGHT:

H. R. 4717. A bill to authorize the Secretary of the Army to quitclaim all right, title, and interest of the United States to certain lands, to the village of Sag Harbor, N. Y.; to the Committee on Armed Services.

By Mr. BARTLETT:

H. R. 4718. A bill to authorize and direct the issuance of patent to Robert W. Retherford, of Anchorage, Alaska, to certain land in Alaska; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

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

136. By the SPEAKER: Petition of the president, Retired Officers Association, Washington, D. C., transmitting 16 resolutions adopted by the association at its biennial convention on November 29, 1954; to the Committee on Armed Services.

137. Also, petition of the recording secretary, Nashville Industrial Union Council, Nashville, Tenn., requesting enactment of a Federal minimum wage of \$1.25 an hour; to the Committee on Education and Labor.

138. Also, petition of the chief clerk, City Council of Baltimore, Baltimore, Md., requesting the Congress of the United States to increase the salaries paid to postal employees; to the Committee on Post Office and Civil Service.

139. Also, petition of the general president, International Union of Operating Engineers, Washington, D. C., relative to the allocation of Federal automobile and related excise taxes exclusively for the use of highway planning and building and otherwise expanding the highway construction program; to the Committee on Public Works.

140. Also, petition of the president, the Estonian National Committee in the United States, New York, N. Y., requesting continued support of the cause of Estonia, which is aimed at the liberation of Estonia; to the Committee on Foreign Affairs.

141. Also, petition of the president, Lithuanian American Community of Omaha, Omaha, Neb., expressing appreciation to the United States for its ever-increasing support of the cause of free Lithuania; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Review of Civil Air Policy

EXTENSION OF REMARKS OF

HON. J. PERCY PRIEST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1955

Mr. PRIEST. Mr. Speaker, I have just introduced a bill containing a number of amendments to the Civil Aeronautics Act of 1938. In its examination of this bill, along with other amendments of the act which may be proposed by others, the Interstate and Foreign Commerce Committee will conduct a review of the civil air policy of the United States.

Through the years this committee has been responsible for developing and presenting in legislative form the present civil air policy, both as it relates to purely domestic operations and as it affects the operations of our aircraft abroad and foreign aircraft to this country. This committee wrote and recommended to the House the legislation which became the Civil Aeronautics Act of 1938, the basic statute under which civil aviation operates today. The committee is proud of that statute. Under it, civil aviation has made the magnificent progress with which all of us are familiar—progress which permits us to say that we maintain, under the American flag, the finest air transport system in the world, both at home and abroad.

During the years since 1938 there have been few changes in the Civil Aeronautics Act. The problems of civil aviation have been adequately dealt with, notwithstanding the vast changes which have come about in those 17 years. However, the time has come when it is necessary to review that statute to determine whether some changes need to be made in order to make it a more effective instrument for the continued development and regulation of this great industry.

The bill which I have just introduced will serve as the basis on which this inquiry will be made. In it I have sought to present the major legislative issues which are under discussion at this time. However, if there are other issues which the Members of this body feel should be