authority of the state. In our alertness and vigilance, however, we should not be led to accept unsound theories concerning the origin, nature, functions, and purposes of the state. What is called for is careful examination, distinction, and reordination."

McCarthy said that while the state has the right to suppress certain moral teachings, such as forbidding the practice of bigamy by certain religious sects, it has no right to deny or interfere with man in his effort to attain moral perfection. On the contrary, he added, the state has the obligation to assist man in achieving this goal.

He reminded that recognition of Christianity by a state does not make that state Christian. He said that the calling of a Christian is not to judge the world, but rather to save it, and in approaching politics the Christian must be realistic since politics is part of the real world.

"The Christian in politics should be judged by the standards of whether through his decisions and actions he has advanced the cause of justice and helped, at least, to achieve the highest degree of perfection possible in the temporal order," McCarthy said.

He pointed out that when a political problem can be reduced to the simple question of feeding the hungry or not feeding them, ransoming or refusing to ransom the captive, of harboring the harborless or leaving him homeless, there should be no uncertainty as to the Christian position.

But, McCarthy reminded, problems of overpopulation, of displaced and expelled persons, of political refugees and the like are in reality not always reducible to simple choices. He added: "As a general rule the inclination of the Christian should be to liberality.

"His mistakes and failures on problems of this kind should be as a consequence of leniency rather than of a fearful self-interest; of excess of trust, rather than of excess of doubt and anxiety."

The Christian politician, McCarthy said, "must, of course, hold fast to the moral law, remembering that the precepts of morality do not themselves change, even though the way in which they are applied to concrete acts may be modified as society regresses or is perverted." He said the Christian in politics should be distinguished by his alertness to protect the rights of individuals, of religious and other institutions from violations by the state or individuals.

SENATE

Tuesday, June 21, 1955

(Legislative day of Monday, June 20, 1955)

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

Dr. Herbert E. Richards, First Methodist Church, Boise, Idaho, offered the following prayer:

Almighty Father, as little children we press our ears against the doors of the future, listening for Thy return. In this hallowed place of government may we hear Thy fatherly admonitions of hope for the hopeless, comfort for the discouraged, courage for our leaders.

Grant our people a sense of unity amidst diversity, a sense of crusading achievement in a world of doubt. Help mankind, we pray, to conquer greed, that peace may come through peace in the human heart.

Inspire our Nation's officials to confidence born of faith, against which the gates of hell cannot prevail.

In the name of the God of our fathers. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

United States Senate,
President pro tempore,
Washington, D. C., June 21, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. Alben W. Barkley, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

Walter F. George,
President pro tempore.

Mr. BARKLEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On the request of Mr. Smathers, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 20, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 35) to permit the transportation in the mails of live scorpions, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1464) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 692. An act to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for Peace";

H. R. 2972. An act to require the recordation of scrip, lieu selection, and similar rights;

H. R. 4001. An act to provide for the management and disposition of certain public domain lands in the State of Oklahoma;

H. R. 4585. An act to amend the act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations;

H. R. 4747. An act to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city;

H. R. 4802. An act to authorize the execution of mortgages and deeds of trust on individual Indian trust or restricted land;

H. R. 4808. An act to authorize the transmission through the mails of certain keys, identification devices, and small articles, and for other purposes;

H. R. 4915. An act to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen;

H. R. 5652. An act to provide for the relief of certain members of the Army and Air Force, and for other purposes;

H. R. 5891. An act to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes; and

H. R. 6295. An act to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 109) authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

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

H. R. 1062. An act for the relief of Luigi Cianci;

H. R. 1081. An act for the relief of Anna Tokatlian Gulezian;

H. R. 1086. An act for the relief of Mayer Rothbaum;

H. R. 1108. An act for the relief of Rose Mazur;

H. R. 1165. An act for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt; and

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 692. An act to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for Peace";

H. R. 4585. An act to amend the act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations; and

H. R. 4808. An act to authorize the transmission through the mails of certain keys, identification devices, and small articles, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 2972. An act to require the recordation of scrip, lieu selection, and similar rights;

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

H. R. 4001. An act to provide for the management and disposition of certain public domain lands in the State of Oklahoma;

H. R. 4747. An act to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city; and

H. R. 4802. An act to authorize the execution of mortgages and deeds of trust on individual Indian trust or restricted land; to the Committee on Interior and Insular Affairs.

H. R. 4915. An act to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen; to the Committee on Agriculture and Forestry.

H. R. 5652. An act to provide for the relief of certain members of the Army and Air Force, and for other purposes; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 109) authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, was referred to the Committee on Rules and Administration, as follows:

Whereas a Parliamentary Conference of the North Atlantic Treaty Organization will meet in Paris in July 1955; and

Whereas among other items it is planned to discuss at the Conference the question of future cooperation by the NATO members, including their parliamentary bodies; and

Whereas the Congress has taken a leading part in the formation of the Organization and in its support through the enactment of measures to strengthen its capacity to defend the North Atlantic area against Communist aggression; and

Whereas the presence of Members of the Congress at the Conference will be a tangible demonstration of the continuing desire of the American people to support the Organization and to promote closer relations with and between the members of the Organization; and

Whereas such a conference can contribute to the strength of the North Atlantic area in the maintenance of peace and security and the mutual interests of its members: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That not to exceed fourteen Members of Congress shall be appointed to meet jointly with the representative parliamentary groups from other NATO members meeting in conference in Paris in July 1955, for discussion of common problems in the interests of the maintenance of peace and security in the North Atlantic area. Of the Members of the Congress to be appointed for the purposes of this resolution, half shall be appointed by the Speaker of the House from Members of the House, and half shall be appointed by the President of the Senate from Members of the Senate. Not more than four of the appointees from the respective Houses shall be of the same political party.

The expenses incurred by Members of the House, the Senate, and by staff members appointed for the purpose of carrying out this concurrent resolution shall not exceed $15,000 for each House, respectively, and shall be paid from the contingent fund of the House of which they are Members. Payment shall be made upon the submission of vouchers approved by the chairman of the respective House or Senate delegation.

ENROLLED JOINT RESOLUTION SIGNED

The ACTING PRESIDENT pro tempore announced that on today, June 21, 1955, he signed the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture in burley tobacco marketing controls, which had previously been signed by the Speaker of the House of Representatives.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. SMATHERS, and by unanimous consent, the Committee on Foreign Relations was authorized to meet this afternoon during the session of the Senate.

On request of Mr. SMATHERS, and by unanimous consent, the Judiciary Committee was authorized to meet this afternoon, during the session of the Senate.

ATOMS FOR PEACE FILM

Mr. ANDERSON. Mr. President, the Joint Committee on Atomic Energy in cooperation with the Encyclopedia Britannica Films, Paramount News, and the United States Atomic Energy Commission has made arrangements for a 16-millimeter, black and white, sound film, entitled "Atoms for Peace," to be made available to all Members of Congress for use in their districts. The cost of the film is $22, and can be sold only to Members of Congress.

In compliance with requests from Members whose duties prevented their attendance at any of the three previous showings of the film, arrangements have been made for additional showings. It will be run at 11:30 a. m. on Wednesday and again on Thursday in room 160, Old House Office Building.

The response to the film is most gratifying to the Joint Committee on Atomic Energy.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. SMATHERS. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine matters, with statements limited to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the board of supervisors of Erie County, Buffalo, N. Y., favoring the enactment of legislation to reduce the age limits of persons who qualify for old-age and survivor's insurance benefits; to the Committee on Finance.

By Mr. ELLENDER:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Public Works:

"Senate Concurrent Resolution 15

"Whereas pursuant to section 11 of the Flood Control Act dated December 1944, Public Law 534, 78th Congress, 2d session, and section 6 of River and Harbor Act approved March 2, 1945, Public Law 14, 79th Congress, 1st session, the district engineer has been directed to make preliminary examinations and surveys of the Amite River and tributaries, La., in the interest of navigation and flood control; and

"Whereas under this authority the department of public works of the State of Louisiana requested an examination of lower Amite River and said tributaries in the interest of flood control with the view of securing a report on proposed improvements for possible adoption as a Federal project by a future act of Congress; and

"Whereas a public hearing was held for this purpose in Livingston Parish Courthouse, Livingston, La., at 10 a. m., on Wednesday, October 14, 1953, at which hearing both oral and written statements were received; and

"Whereas the State department of public works and the city-parish department of public works of the city of Baton Rouge and East Baton Rouge Parish submitted supporting briefs proposing these improvements and at which meeting resolutions adopted by the city-parish government of the city of Baton Rouge and East Baton Rouge Parish, the chamber of commerce of the city of Baton Rouge, and the city-parish planning commission of the city of Baton Rouge and East Baton Rouge Parish also in support of these proposed improvements were presented and made a part of the record; and

"Whereas numerous individuals at this hearing representing East Baton Rouge Parish, Livingston Parish, Iberville Parish, and Ascension Parish spoke in behalf of these proposed improvements and strongly endorsed early action by the Federal Government; and

"Whereas there was no opposition registered to these proposed improvements but, to the contrary, many landowners, in addition to the official representatives of the various areas voiced their sentiments strongly in favor of these improvements; and

"Whereas the Police Jurors Association of the State of Louisiana, in its annual convention, has heretofore gone on record as being in complete support of the proposed improvements of the lower Amite River and its tributaries by the Corps of Engineers of the United States Army; and

"Whereas the parishes affected by the inability of these ultimate outfall channels to carry off the surplus waters are spending vast sums of money for the construction of drainage systems to rid the areas of all surplus waters; and

"Whereas the State of Louisiana is spending vast sums of money annually to assist the various parishes in building parishwide drainage systems; and

"Whereas these improvements will remove from these areas the dangers and losses incurred by periodic floods; and

"Whereas planning money has been provided to the Corps of Engineers by the Chief of Engineers for planning surveys and reports on these proposed improvements; and

"Whereas these proposed improvements if made will be of substantial benefit to the State of Louisiana and to the citizens and property within the many parishes which will receive relief from floods and water damage, and it is in the interest of the State of Louisiana that the Congress of the United States, and particularly the representatives therein from the State of Louisiana, be memorialized to give their support to the securing of an early appropriation which will make possible flood-control improvements on the lower Amite River and its tributaries: Now, therefore, be it

"*Resolved by the Senate of the State of Louisiana (the House of Representatives concurring)*, That it is the opinion of the Legislature of the State of Louisiana that the proposed flood-control improvements along

the lower Amite River and its tributaries are necessary for the protection of persons and property, and that such improvements should be made in the interest of the general welfare of the people of the State of Louisiana; be it further

"Resolved, That copies of this resolution shall be forwarded to all Louisiana Members of the United States Congress and to the Corps of Engineers of the United States Army requesting their support and assistance in securing an early appropriation of funds for the purpose of making needed flood-control improvements along the lower Amite River and its tributaries.

"C. E. BACHMAN,
"Lieutenant Governor and President of the Senate.
"J. M. DULANEY,
"Acting Speaker of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. 1287. A bill to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system; without amendment (Rept. No. 620).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 332. A bill for the relief of Hava Shpak, A. A. Shpak, and Sympcha Shpak (Rept. No. 585);

S. 501. A bill for the relief of Ki Young Kwan (Rept. No. 586);

S. 578. A bill for the relief of Edmund Lowe and Richard Lowe (Rept. No. 587);

S. 871. A bill for the relief of Dominic Gaetano Morin (Rept. No. 588);

S. 987. A bill to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary (Rept. No. 589);

S. 2171. A bill to amend the Subversive Activities Control Act so as to provide that upon the expiration of his term of office a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified (Rept. No. 590);

H. R. 880. A bill for the relief of Paul Y. Loong (Rept. No. 591);

H. R. 935. A bill for the relief of Mrs. Marion Josephine Monnell (Rept. No. 592);

H. R. 943. A bill for the relief of Luzie Biondo (Luzie M. Schmidt) (Rept. No. 593);

H. R. 968. A bill for the relief of Max Kozlowski (Rept. No. 594);

H. R. 973. A bill for the relief of Mrs. Elizabeth Dowds (Rept. No. 595);

H. R. 977. A bill for the relief of Mrs. Ellen Hillier (Rept. No. 596);

H. R. 988. A bill for the relief of Susanne Fellner (Rept. No. 597);

H. R. 995. A bill for the relief of Frieda Quiring and Tina Quiring (Rept. No. 598);

H. R. 997. A bill for the relief of Irmgard Emilie Krepps (Rept. No. 599);

H. R. 998. A bill for the relief of Meiko Shikibu (Rept. No. 600);

H. R. 1028. A bill for the relief of Melina Bonton (Rept. No. 601);

H. R. 1047. A bill for the relief of Armenouhi Assadour Artinian (Rept. No. 602);

H. R. 1083. A bill for the relief of Robert Shen-yen Hou-ming Lieu (Rept. No. 603);

H. R. 1157. A bill for the relief of Milad S. Isaac (Rept. No. 604);

H. R. 1158. A bill for the relief of Emanuel Frangeskos (Rept. No. 605);

H. R. 1205. A bill for the relief of Cynthia Jacob (Rept. No. 606);

H. R. 1299. A bill for the relief of Miss Toshiko Hozaka and her child, Roger (Rept. No. 607);

H. R. 1300. A bill for the relief of Luther Rose (Rept. No. 608);

H. R. 1337. A bill for the relief of Victorine May Donaldson (Rept. No. 609);

H. R. 3659. A bill to increase criminal penalties under the Sherman Antitrust Act (Rept. No. 618);

H. R. 4221. A bill to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions (Rept. No. 610);

H. R. 4549. A bill for the relief of John J. Braund (Rept. No. 611);

H. R. 4954. A bill to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes (Rept. No. 619); and

S. Con. Res. 39. Concurrent resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world (Rept. No. 616).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 288. A bill to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within such school district by the Department of the Interior (Rept. No. 612);

S. 1159. A bill for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling (Rept. No. 613);

S. 1522. A bill for the relief of Lieselotte Brodzinski Gettman (Rept. No. 614); and

H. R. 3359. A bill for the relief of Raymond George Palmer (Rept. No. 615).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 1644. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes (Rept. No. 617).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. KILGORE. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation in the case of certain aliens, and I submit a report (No. 584) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 42) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-5981713, Dickel, Jr., Wlater.
E-078565, Fontes, Sebastiano De.
A-2553452, Garcia, Nicolas.
E-47368, Gasca-Sardina, Juan.
E-069249, Lozano, Jose Pascual.
A-5845821, Maniscalco, Giuseppe.
E-16323, Mercadante, Rocco.
E-69259, Sweedler, Hilda.
A-2266360, Triana-Aguilar, Lucas.
A-1116968, Watchinsky, Samuel.
A-1552531, Lopez-Chavez, Juan.
E-057379, Manouskos, James George.
E-89257, Ciaccia, Catello Charles.
E-069558, Lucio-Leon, Felipe.
A-5988306, Rudy, George.
E-078638, Capozzi, Francesco.
E-069474, Castaneda, Juana Ponce-Rosales de.
A-1894829, Slojkowski, John Anthony.
E-057816, Solano, Ramon.
E-077119, Garcia, Antonio Menendez.
A-4595749, Jakubiak, Frank Anthony.
A-2236659, Jarger, Jr., George.
A-4608159, Maniscalco, Samuel.
E-054983, Mayo, Walter John.
E-058681, Ortiz-Gonzalez, Faustino.
A-4747607, Schmidt, Karl.
A-5149973, Schmitt, Joseph Otto.
A-4793952, Wagner, Sam.
A-3167418, Dippner, Hermann.
A-2744439, Kuprashewithz, Wladimir.
A-1168565, Silverio, Caroline Lucca Di Pietro.
A-4100237, Woislaw, Stanislaw.
A-3939724, Woislaw, Felikca Anna.
A-5624707, Yen, Lok.
A-2590255, Bakovich, Nick.
E-053681, Barlow, Enid.
1200-43511, Chadwick, Ann Betancourt.
A-1339656, Doolittle, Immacolatina.
A-1437231, Mark, Zef.
E-076774, Porcello, Vincenzo.
A-4777524, Ramirez-Medel, Anastacio.
E-47358, Salazar-Aguilar, Jesse Robert.
E-89260, Shaw, Norman Howard.
A-1109526, Stephens, George Saunders.
A-5932871, Torowis, Jurko.
A-1644860, Wengorowski, Ignatz.
A-5914114, Wolck, Vladimir.
A-5844626, Firetto, Paolo.
A-4948601, Schmidt, Frederick.
A-1153640, Woishnis, Frances Victoria.
A-5339974, Bostrom, Iver August.
E-075816, Castro, Stephen.
A-3322617, Cromie, Thomas Wilfred.
E-076879, Dujuambi, Monte Alfonso Carmett.
A-4167829, Garbus, Abraham.
T-2682534, Mercier, Lucien Treffle.
A-5969128, Michelson, Robert.
A-3231388, Morgan, Charlotte.
A-3900018, Vicklund, Knut Oskar.
A-5753722, Lupino, Louis.
A-5849321, Rostowsky, Frances Catherine (nee Vaiciunas).
A-1595525, Sevagian, Avedis.
A-1604070, Bosky, Paul Adam.
A-2452366, Bungard, Leonard Joseph.
E-47592, Martinez-Luna, Hipolito.
A-1631944, Psaros, Speros.
A-3972039, Walker, Gerardo Verdugo.
A-2146407, Wineman, Sam.
E-131755, Wolfson, Abe Bernard.
A-2176896, Wood, James Archibald.
A-4348492, Badalmenti, Dominick.
A-3814987, Caldera-Roldan, Joaquin.
A-2303530, Fryza, George.
A-3554030, Gaytan-Ybarra, Angel.
A-4945116, Grossman, Carmelina.
A-3043634, Duchin, Abraham.
A-2544643, Lande, Ove John.
A-1745616, Litwak, Jake.
A-3042362, Luteron, Illes.
A-5024257, Odder, Toufic.
A-5541581, Russell, Rose Agnes.
A-3774200, Weinstein, Catherine.
A-3433019, Weissman, Hyman.
A-4038929, Culotta, Vincent.
A-4091431, Franicevich, Frank Marija.
A-3243585, Wasserman, Aron Harry.
A-4961731, Weirsch, Rose.
A-8280922, Bartnik, Andrew.
A-4402553, Calish, Ben.
A-8447000, Camiolo, Cristoforo.
A-4749433, Cooper, Benjamin.
A-2608947, Davitto, Bernardo Vercoglio.
A-7361922, Dobrovich, John.
E-080681, Galdikas, Anthony Constance.
A-4819163, Goldberg, Joseph Benjamin.
A-545825, Goldenberg, Scoocher.
A-1738912T, Greenfield, Philip.
A-1165031, Harishuk, James Frederick.
A-1953490, Jacob, Leo Carl.
A-1224861, Kubis, John Joseph.
A-5571019, Maciejewski Floryian.
A-4088212, Maloff, Carl.
A-1038887, Mordos, Aniela.

A-3773694, Nockowitz, Charles.
E-078680, Paukstys, Vincent.
1415-3776, Paz-Lucio, Isaac De La.
A-2256143, Rojas-Guzman, Pedro.
A-3607468, Schwarz, John.
0402/8161, Smith, Walter.
A-3130901, Telles-Mejia, Tomas.
A-1011263, Valdez, Patricio.
A-5634530, Vito, Liborio.
A-5160088, Zech, John.
A-2390285, Zielinski, Frank.
T-303059, Bartolini, Alberto.
8511-A-1274, Caramanlau, Gheorghe.
E-053084, Cepeda-Teran, Aurelio.
A-3042474, Chaykowski, Michael.
A-1427387, Chervinski, Charles.
E-89265, Chillemi, Giovanni.
A-5934786, Cimino, Jean.
0800-106472, Cobos, Tomas.
A-1459543, Cowart, Harry Fuller.
E-069328, Dem, Louise.
A-2888771, Drewnowski, Czeslaw.
A-1847251, Elber, Isadore.
A-5524604, Feldman, Pal.
A-4724104, Ferro, Pete.
A-2174885, Figiolia, Louis Jack.
A-3740609, Grado, Luigi Di.
A-4705290, Gutstein, Albert.
A-5343594, Holody, Martin.
A-2194350, Honkamaa, Charles.
A-3155214, Irla, Anthony Stanley.
A-3237162, Kalinovik, Alexander Paul.
A-1028748, Kaplan, Abraham.
A-2518778, Kashigian, Artin.
A-5918920, Kauth, Kurt Max.
A-3132325, Knowles, Ann Eirwen.
A-7858221, Kryczka, John.
A-5402770, Lamars, Pete.
A-3623367, Latarski, Sigmund.
A-4963675, Lukac, John.
A-2941249, Maneniskis, Joseph.
A-5151675, Matheson, Wilfred Laurier (William Matheson).
A-3117074, Medoway, Sam.
E-070997, Novak, Bela.
A-5720885, Nowak, John.
A-3818026, Ostrashelski, Constantine.
E-083290, Pong, Soon.
A-8116357, Reed, John David.
A-4755643, Richter, Walter.
A-5753580, Rocco, Louis.
A-2671145, Rucienski, Aleksander.
2770-P-142631, Sandler, Josel David.
A-1853190, Sandor, Victor.
E-086512, Schwar, Klara.
0800-84629, Simon, Aurif.
A-5862381, Slater, Frank.
E-47365, Sosa-Paz, Luz.
A-1840646, Torres, Jose Buenaventura.
A-1815668, Tuchet, Frank.
A-4967148, Walonce, Stanley Francis.
A-2935138, Wilkas, Julius.
A-1704536, Ziegenhirt, Joseph Francisco.
A-3122325, Forsbacka, Johannes Alfred.
A-5967839, Hovanec, John.
A-1985254, Jurlin, Daniel D.
A-7485159, Keefe, Everett Vernon.
E-057815, Moreno-Aguilar, Conrado.
A-4727339, Proch, John Alexander.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Fifty-five postmasters; and

Merlin A. Hymel, to be postmaster at Edgard, La., vice B. J. Jacobs, retired; reported adversely.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, June 21, 1955, he presented to the President of the United States the following enrolled joint resolutions:

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture in burley tobacco marketing controls; and

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

BILLS INTRODUCED

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

By Mr. CASE of South Dakota (for himself and Mr. MUNDT):

S. 2277. A bill authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such land from the city; to the Committee on Government Operations.

(See the remarks of Mr. CASE when he introduced the above bill, which appear under a separate heading.)

S. 2278. A bill to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILEY:

S. 2279. A bill to authorize grants to the States for the development and improvement of programs for services for the aging and aged, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. MORSE, Mr. DOUGLAS, Mr. GREEN, Mr. HILL, Mr. HUMPHREY, Mr. JACKSON, Mr. KILGORE, Mr. LEHMAN, Mr. LONG, Mr. MANSFIELD, Mr. MCNAMARA, Mr. MURRAY, Mr. NEELY, Mr. NEUBERGER, and Mr. PASTORE):

S. 2280. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. LANGER (for himself and Mr. KEFAUVER):

S. 2281. A bill to make unlawful certain commercial dealing in minor children; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2282. A bill to amend the Renegotiation Act of 1951 by providing for a review by courts of appeals; to the Committee on Finance.

S. 2283. A bill for the relief of the city of Coos Bay, Oreg.; to the Committee on the Judiciary.

By Mr. LEHMAN:

S. 2284. A bill for the relief of Domingo Lim (also known as Lim Eng Kok and Domingo Lim Chay Seng); to the Committee on the Judiciary.

By Mr. WILEY:

S. 2285. A bill authorizing the construction of certain public works for flood control on the Eau Galle River, Wis.; to the Committee on Public Works.

By Mr. MAGNUSON:

S. 2286. A bill to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HRUSKA:

S. 2287. A bill authorizing modification of the general comprehensive plan for flood control and other purposes in the Missouri River Basin to provide for improvement of Salt Creek and its tributaries, Nebraska; to the Committee on Public Works.

CONVEYANCE OF CERTAIN LAND TO CITY OF SIOUX FALLS, S. DAK.

Mr. CASE of South Dakota. Mr. President, on behalf of myself, and my colleague, the senior Senator from South Dakota [Mr. MUNDT], I introduce, for appropriate reference, a bill to reconvey to the city of Sioux Falls, S. Dak., 20 acres of land, which were once sold by the city to the Government, but have now been declared excess by the Veterans' Administration. The city would repay to the Government the amount it received for the land originally.

When the Government decided to establish the Veterans' Administration hospital in Sioux Falls, it procured 40 acres of land from the city. This land had been purchased by the city for park purposes.

The Veterans' Administration felt at the time that 40 acres would be needed for its present purposes and future expansion. Now the Veterans' Administration has determined that 20 acres will be sufficient for its current needs and any foreseeable expansion, and in line with the policy now in force, it has declared the other 20 acres excess to its needs.

Therefore, it seems to me that the land should be returned to the city of Sioux Falls, to be used for the purpose originally intended. This would rightfully preclude its coming into the hands of persons who never would have had a chance of getting it when the city owned it.

The need of the city for this excess land is acute. Within a 1-mile radius, there are some 16,000 people who do not have immediate access to recreational facilities. This bill would turn over the land to the city, for the express purpose, and only that purpose, of building a swimming pool and maintaining a public park. The Federal Government would receive from the city the same amount of money that the Government paid in obtaining the property from the city.

The city of Sioux Falls is a rapidly expanding metropolis. It is now the largest city in 5 northwest States, and has a population of some 60,000. The city has several parks, but they are filled to overflowing each summer with local residents and visitors. An additional park will alleviate this situation.

I commend this bill to the Senate's attention, and hope it may be considered soon.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2277) authorizing the Administrator of General Services to convey certain land to the city of Sioux

Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such land from the city, introduced by Mr. CASE, of South Dakota (for himself and Mr. MUNDT), was received, read twice by its title, and referred to the Committee on Government Operations.

GRANTS TO STATES FOR DEVELOPMENT AND IMPROVEMENT OF PROGRAMS FOR SERVICES TO THE AGED

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to authorize grants to the States for the development and improvement of programs for services for the aging and aged, and for other purposes. I ask unanimous consent that I may speak on the bill in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from Wisconsin may proceed.

The bill (S. 2279) to authorize grants to the States for the development and improvement of programs for services for the aging and aged, and for other purposes, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Finance.

Mr. WILEY. Mr. President, the bill which I have just introduced is designed to fill what I regard as one of the most significant gaps in the legislative program of the 84th Congress. It is to provide a system of 5-year, $10 million annual grants-in-aids to the States so as to expand services to America's aging and aged.

AIDING THE AGED MEANS MORE THAN PENSIONS

I should like to point out—and necessarily it will be in some detail—that this approach is much broader than the matter of liberalizing the old-age and survivors insurance program, as necessary as that is.

I personally am in favor not only of improving that OASI program, but of extending coverage under it. I am in favor of lowering the age of women's, including widows, eligibility for pensions from 65 to 60, and in favor of improved aid to the totally and permanently disabled. The latter program began in my own State of Wisconsin years ago.

However, on an overall basis, America's 14 million or more senior citizens need more than pensions; they need job opportunities; they need leisure-time facilities; they need improved health services; they need more housing facilities; and they have other needs as well.

STATES MUST FULFILL RESPONSIBILITIES

Of course, it is not my position that the Federal Government should attempt by itself to fulfill all these needs, for ours is a free-enterprise economy, and ours is a system of 48 sovereign States in a sovereign Nation.

I believe, however, that it is Uncle Sam's responsibility to spur the States to fulfill their share of the obligation. Thus, within the framework of our free economy, necessary services can be voluntarily made available for our older citizens.

LETTERS FROM WISCONSIN CONFIRM OLDSTERS' PLIGHT

My own State of Wisconsin, as I have already indicated, has often been in the forefront of enlightened efforts in the interest of older citizens, but I am convinced that Wisconsin, like the other States of the Union, could do far more along this line.

As proof of this fact, I need cite only the letters which I have received, and those which I am sure other members of the Wisconsin delegation in the Congress have likewise received, from innumerable old people. What do these letters say? These letters comment, "We cannot find jobs. Not only can we not find employment at the age of 65, but we are lucky to find employment even at the early ages of 45 or 50."

A great many industries have closed their doors to senior workers. As a matter of fact, the very system of industrial pensions which is now spreading all over American industry—and it is welcome indeed—may nonetheless serve somewhat to discourage some companies from hiring older workers, who would soon be eligible for industrial pension benefits.

It is perfectly true that with our ever-increasing productivity many of our people can look forward to a period of retirement. But when retirement comes, the vast majority want new kinds of activity, activity stimulating to themselves and useful to others. In short, they want purposeful and meaningful life in retirement. Complete idleness has neither purpose nor meaning.

Many of these people complain of bitter loneliness after their children have left home to set up their own families, after their jobs have gone, and when friends have died or moved away. They complain of drabness of life without someplace to go and something to do.

And, I submit, Mr. President, that their complaints are considerably justified. A period of 15 to 20 years of idleness and loneliness is certainly not a fitting reward to those who have spent their most productive years in rearing our fine children and in hard work on our farms, in our offices, and in our factories.

These are some of the elements of the problem. They must be met head-on and they must be met now.

CAPITALIZE THIS GREAT RESOURCE

America's senior citizens represent a priceless human resource which we must not continue to squander.

In this country, we have done a great deal to conserve our natural resources. We have launched programs to safeguard our lands, our forests, and our fisheries. If there is a threat to any of these, we have often acted quickly to protect them, with conservation programs and emergency measures. Yet, this resource, one of our most important natural resources, has, to a large extent, been ignored and wasted. I refer specifically to the accumulated wisdom, the skill, and the creative potential of senior Americans.

We have heard much, in recent years, of the rising cost of providing pensions for these citizens. Yet, far too many of our aged friends are barely managing to live on the pittances they receive each month.

We are proud of the fact that the miracles of modern medicine have increased our average lifespan by 21 years in the past half-century. At present the average life expectancy for a male child at birth is around 66 years, and women's life expectancy is even longer. Yet for far too many of the older people in our land the later years are filled with pain, loneliness, despair, and actual want. Many older people are literally asking why these years have been added to their lives.

MORE THAN PENSIONS NEEDED

It is true that we have made token gestures in the direction of meeting this situation. "All that was needed," some people said, "was to provide everyone 65 years of age and older with a small income to meet the minimum needs of living."

But that is only part of the need. The time has come when we must recognize that Americans approaching or in retirement are entitled to the cooperation of their Government in finding ways in which they can maintain the respect and affection of their communities and—most important—a sense of personal dignity.

IMPACT OF NEW TRENDS IN LIVING

Something new has happened to this particular group in our national community in the last half-century; and we are only beginning to understand what it is. When I was a boy in Wisconsin, the older members of the family were essential in the household. They could help with the mending or the cooking, or around the farm, up to the limit of their physical abilities. They had time to share their wisdom and philosophy of life with the young. They were key members of the family and the community. But in this era of mobility, of dependence upon wages, and of city or suburban life, that has changed.

Ironically enough, the very abundance brought about by the increased productivity of our times—which they themselves have so largely created—has radically altered their own status. City living, and a wage economy, tend to cut off the older folks at an arbitrary chronological age.

The result is that they have often been squeezed into an isolation which tends to narrow their world to the four walls of the room in which they live—and often stagnate. There, they sit and wait—often with a feeling of uselessness, bleakness, and despair. One day is like the next and tomorrow offers little to which to look forward.

STUDY OF OLD FOLKS' PROBLEMS ADVISABLE

Other Senators, I know, are aware of this situation and are as concerned with it, as I am. Early in this session, I was pleased to join in cosponsoring a bill, S. 693, to establish a Commission on the Aging and Aged, which was introduced by the able Senator from Michigan [Mr. POTTER]. I believe that such a Commission study should certainly be conducted without further delay.

LET US GET BUSY NOW

But I also believe in action now by means of more than a mere study. Congress should act immediately to encourage the improvement of State and community programs.

These programs, in turn, can begin to create an environment in which the older people in our land can remain self-sufficient and active members of the community and find opportunity for enriched meaning in their later years.

There is abundant evidence that the need for such action exists. Moreover, it need not be merely exploratory action, because the patterns of solution are already appearing. What we need to do is to encourage their development. That is the purpose of this bill.

NEW UNIT TO BE SET UP IN HEALTH DEPARTMENT

Our Government has demonstrated its concern with the special problems of labor, of industry, and of the farmers, by creating special departments, with Cabinet status. We have a Federal agency to assist small-business men. We have a Women's Bureau concerned exclusively with the special problems of women in our society. We have a Children's Bureau which, for many years, has done an admirable job of assisting State and local communities with the special problems of their children. We are very proud—rightly proud—of these undertakings, for they demonstrate that ours is a Government which is concerned with the welfare of its people.

But we have failed so far to recognize that we have an equally important stake in preserving the well-being and usefulness of our senior citizens. The bill which I am introducing would create in the Department of Health, Education, and Welfare, a division to administer a grants-in-aid program and to expand the activities now being performed by the Department's Committee on Aging.

That committee is doing excellent work. My contact with it has been most pleasant, but I am convinced that through no fault of its own, it is only scratching the surface. The committee, believe it or not, has a grand total of only 3 employees—3 employees to help meet the problems of 14 million people. That is a shockingly small ratio. In pending appropriations legislation, only 6 more positions have been requested for the committee. The total salary budget would be a little over $50,000. What a ratio—$50,000 to look after the needs of 14 million people. What kind of results can be expected on that meager body? I say, the expert staff must be greatly expanded.

My own proposal for expanded action involves the use of an old and well-tested pattern of shared Federal and State responsibility to meet a new and challenging problem. It is a method which has proved its effectiveness in the activities of the Public Health Service, the Children's Bureau, and other agencies. It is also a method which allows for a maximum of imagination and flexibility at the State and local level.

FULFILLING RIGHTS OF OLDER CITIZENS

What it does, in effect, is to see to it that the Federal Government recognizes its stake in the potential service and productive power of our senior population, a great deal of which is now being wasted in callous disregard of the best interests of the Nation.

It is time that we begin to capitalize on the years which have been added to life by science. It is time that we begin to recognize the rights of the veterans of a magnificent half-century of progress. These rights of older citizens, as I see them, are these:

The right to self-respect.

The right to be useful.

The right to participate in group and community activities.

The right to accept and discharge responsibilities.

The right to fulfill their highest potentialities.

COMPULSORY RETIREMENT AT 65 OFTEN ABSURD

Before I proceed further, I should like to make one point perfectly clear. It is all too customary in these days to get into the habit of talking of retirement at the age of 65 or at some other specified age.

Although that may be a convenient yardstick to use for overall statistical purposes, I, for one, want to make it very clear that, in my judgment, the whole concept of forcing or expecting people to retire at some arbitrary age is utterly wrong.

A man's or woman's ability is not determined by chronological age alone. To my way of thinking, there are now literally millions of Americans who not only should not be retired at the age of 65, but who should be retained in jobs fitting their talents and abilities, long after that age. It is the spirit and the health of man and not the number of his chronological years that counts.

That does not, of course, mean that pension benefits should not be readily available; it does mean that they should be available, but their acceptance should not be regarded as closing the door to productive work thereafter.

GREAT MEN OF FOUR-SCORE YEARS

There are a vast number of instances in political life, in government, in business of men even of the proverbial "four-score" years who are not only enjoying their most constructive period, but are setting a pace for younger people.

Only last week here in Washington we welcomed a 79-year-old statesman—young in spirit, young in mind, young in outlook, superb in talent and achievement—the great Chancellor of the Federal Republic of Germany, Dr. Konrad Adenauer. He is but one of innumerable instances which could be cited, disproving the falsity that life need be at its sunset at 65, or that men or women must retire to the sidelines thereafter.

Winston Churchill of England, Syngman Rhee of Korea are other examples which come to mind. But in our own land there are abundant evidences as well. Here in this Chamber, some of our most distinguished colleagues are well past the 75-year mark and enjoying their most outstanding years. Outside this Chamber, the remarkable Mr. Bernard Baruch, among others, proves that age is not a handicap, a burden, but rather an asset.

Read through the pages of history, search back to the great authors, novelists, and others, and to musicians, scholars, teachers, such as Goethe, Sophocles, Cicero, and there will be found instance after instance of brilliant fruition in men's and women's later years.

Nor are the potentials for continuing contributions to our society restricted to a relatively few exceptional people. Indeed, thousands of our ordinary citizens are showing, when opportunity is provided, both capacity and zeal for rendering scores of important and useful services to their communities. And, we know that hundreds of thousands, if not millions more, are ready to give freely at their skills and energies once the way is open to them.

I do not believe, therefore, that senior citizens should get into the habit of mind of thinking that they must be forced to the sidelines at some arbitrary age. Compulsory retirement and setting older people aside can often not only be exceedingly unfair, but absolutely wasteful.

THE SPIRIT NEED NEVER GROW OLD

Scientists at the most recent convention of the American Medical Association predicted that, in the not too distant future, a normal span of 100 may be in the offing.

The miracles of medical science which will help make this possible are great, but even greater miracles are possible through acting on the discoveries of the spirit.

These discoveries were heralded and proclaimed thousands of years ago by the prophets, the seers, and the sages of the great religions of mankind. They taught that the spirit of man is never really old. It never need deteriorate. The spirit of man can ever be at noontime meridian, if man but wills it so and if he taps the source of all power, the all-knowing, all-seeing, all-present Creator of us all.

The body must not be our master, but rather the mind—the cheerful, hopeful, growing, aspiring mind. With such a mind, the ills of the body can be prevented and conquered.

BASIC FACTS FACED BY OLDSTERS TODAY

But now let us look at some of the background facts which suggest the conditions which too many of our old people unfortunately face today.

First. Average income for aged persons is decreasing proportionately at a time when living costs are increasing.

Five million families in this country are headed by persons aged 65 and over. Of these, 43 percent have yearly cash incomes of less than $1,500. Almost half of them are living on less than a thousand dollars a year.

JOBS HARD TO GET FOR OLD PEOPLE

Second. Job opportunities for older workers are decreasing. I repeat—decreasing. The percentage of men gainfully employed after age 65 had decreased from 68 percent in 1890 to 42 percent in 1950. While 1 out of 3 applicants for work is 45 and over, only 1 out of 7 placements are made in this age group.

POOR HOUSING AVAILABLE TO OLD

Third. Housing for the aged, both in homes and in institutions, is usually less

adequate than for other groups of the population.

Over one-third of persons aged 65 and over are living in dilapidated homes, usually without private toilets, bath, and running water.

Boarding and nursing homes serving the aged have long waiting lists. Hospitals, general and mental, are overcrowded with older patients who could be released if adequate housing arrangements could be made.

In my own State of Wisconsin, the county hospitals are overcrowded by 40.7 percent.

RECREATIONAL FACILITIES LACKING

Fourth. Recreation opportunities for older people are limited.

Although clubs and recreational programs are developing in some areas, the development is spotty and the number of people who benefit is very small in relation to the total age group. Many institutions for the aged provide no recreational facilities whatever.

Old folks at home have little avocational outlet. They may sit and listen to the radio or watch the television set all day, but that is hardly what may be called full living.

Fifth. Programs of research and adult education now give only limited attention to problems of older persons.

Most adult education programs are concerned with young and middle-aged adults, rather than with older people, while schools of medicine, nursing, and social work give little or no special training for work with older people.

OUR POPULATION IS AGING

We are concerned, too, with a growing problem. Every day approximately 3,000 more people reach their 65th birthday.

During the decade between 1940 and 1950, the number of people in our population aged 65 and over increased by 37 percent—8 percent of the population—14 million people are in this age group. By 1970, this figure will have increased to 21 million, and will include more than 12 percent of the population. Already, 400,000 elderly veterans are receiving compensation and pensions and this figure will be growing constantly.

THERE IS SOME CONSTRUCTIVE GRASSROOTS WORK

There is, fortunately, a bright side to the story of what is happening to the older folks in America. It is a development, firmly based in the grassroots of our country, and it suggests the rich potentials of a program such as I contemplate. For in community after community, local citizens are organizing committees to deal with this question. A visiting service for the aged here; a course in preparation for retirement there; an employment campaign; a medical program; a recreation center. In churches, in schoolrooms, in empty old houses, and in parks throughout the country there are evidences of a movement which is a true reflection of the conscience and intelligence of America.

In Hazleton, Pa., an empty building was converted into a training site where older workers could learn to become power sewing machine operators for the local needle trades industry.

In New York City, a private welfare agency demonstrated that older women can get and hold office jobs after they regain their self-confidence and have the opportunity to acquire necessary skills.

Old-age counseling centers have been established in Chicago, with the aim of promoting employment opportunities and giving special job counseling. In Pawtucket, R. I., a pilot project has been set up to train older persons in aiding the sick and others who find it difficult to maintain themselves in their own homes without help.

In Schenectady, N. Y., a group of older men, retired against their will because they had reached age 65, formed their own company and today are doing work not only for the big companies which once discarded them, but also for top-secret Army projects.

Golden Age Clubs, which have sprung up rapidly throughout the country, are beginning to develop their own kind of job opportunities to supplement the meager incomes on which most of the members must live.

One such activity which combines experience and the prospect of additional income is a baby-sitting service, organized by such clubs. Similarly, sitting during the day or at night with feeble old people often enables other family members to enjoy their own lives while still providing a home for aged parents.

In my own State of Wisconsin, two women took the initiative in setting up a Women's Service Exchange which locates older women who want work, obtains necessary training through our adult school programs, and then helps them find placement as salespeople, clerical workers in offices, housekeepers, and a variety of other occupations.

Our State rehabilitation service has organized a fine craft program for severely disabled people who are homebound—mainly older persons, but has lacked adequate facilities to enable these craftsmen to market what they produce.

Mr. President, I believe these illustrations and the countless others which could be cited, suggest the extent of the resources which exist in communities throughout the land for dealing with this question. But few communities are in a position to do, at least at the beginning, what they would like to do or what needs to be done.

My proposal would, I believe, furnish the impetus and experience required to put these programs into action.

It would furnish communities with experienced advice as to the best way to get their programs into operation. It would enable them to learn from similar experiences of others, so that pitfalls may be avoided.

Mr. President, 14 million or more Americans, who have lived and worked and earned and contributed through the years to the building of a big, healthy, and constructive America, under the practices, customs, and laws of their States, have been, or soon will be, practically forced to retire.

LET US USE RETIRED SCHOOLTEACHERS

An area which, in my mind, deserves particular exploration, is the possible use of retired schoolteachers.

I know of competent schoolteachers who, because they have reached 65 years of age, must retire, in many cases on meager pensions which are scarcely sufficient for the maintenance of life.

We hear much these days about the crying need for people to teach the young—and it is an urgent need indeed. Surely, there are many retired members of the teaching profession who would like to get back into harness. There ought to be some way of protecting their well-earned pension rights and at the same time making use of their special skills and long experience.

Some States are finding that mothers, formerly trained as teachers, whose children have grown up can return to teaching and help relieve the serious shortages which now exist in this field. And I suggest that they may be better teachers for having reared children of their own.

I come from a family of teachers. I know that the same vital spark which made a person enter and remain in teaching, does not flicker out simply because a person has reached 65.

GREAT POSSIBILITIES IN ARTS AND CRAFTS

There is also, I believe, a great potential market for the talents of our older citizens in the arts and crafts. The experience of a group in New Hampshire suggests the possibilities which exist in this area.

The town of Sandwich, N. H., is a small country place in the White Mountains. During the depression it revived the handicraft industry, which was part of its heritage, and developed it into a thriving business. Basketry weaving, silversmithing, spinning and dyeing, cabinetmaking, candlemaking, needlework, and many other crafts were encouraged from the start. As of today, the group has some 3,800 members of whom about 90 percent are in the older-age brackets and about 85 percent learned their skills after their 50th birthday. During the first week in August 30,000 people will attend the annual art and craft fair near Laconia and watch many of these craftsmen at work.

The establishment of similar projects elsewhere cannot depend entirely on local initiative. For if they are to get underway, they require technical knowledge as to the design of products, training of craftsmen, and marketing outlets.

Think of what it will mean, Mr. President, to people who have had to retire, if they are again given the challenge of earning and living and thinking that they are, as they certainly are, competent and worthwhile citizens.

Here, again, my proposal would make technical advice available, and could also provide, if necessary, a measure of financial support to put the project into operation, after which it would have a chance to become self-sustaining.

WISCONSIN'S PIONEERING IN ADULT EDUCATION

The field of adult education offers still another new horizon. In this area, my own State of Wisconsin is developing an outstanding program. Under C. L. Greiber, industrious director of the State board of vocational and adult education, courses have been offered in both day and evening schools for older citizens.

In many cases, new skills acquired through this training have provided a means of supplementing pension income. Mr. Greiber states that:

Such classes are operated at the present time from 6 to 9 months a year, but they could well be operated for a minimum of 10 months. It has been found that such work gives these people a new outlook on life, keeps them occupied, and in many cases has a direct bearing on their health and well-being.

KEEP LEARNING AND YOU WILL STAY YOUNG

Experts agree that older citizens can not only learn, but are eager to learn. As Dr. George Lawton has said, at 80 one can be just as productive mentally as at 30—and should know a lot more.

Moreover, as Thomas C. Desmond, chairman of the New York State Joint Legislative Committee on Problems of the Aging wrote recently:

Education is an antiaging specific. It has definite therapeutic values, breathing new spirit and vigor into aging bodies and slowing down dramatically in many cases the outward manifestations of aging. Minds intent on absorbing new funds of knowledge are too busy to concentrate on aches and pains.

Without education of some type, the spirit perishes long before the heart ceases to beat.

The importance of developing more recreational facilities for Americans in retirement is another area which calls for the kind of encouragement my proposal would provide.

Numerous senior citizen groups have shown the variety of activities in which older men and women can participate. These recreation clubs are being used as a first step toward expanding services by the aged for the aged. The day care center idea—dramatized so effectively in the recent Robert Montgomery television show, Such a Busy Day Tomorrow—has proved its worth. Such centers are being expanded, particularly in large cities where so many of our older citizens are living in dreary boarding houses or crowded in with relatives. With nothing but time on their hands, these people are in urgent need of recreational facilities for their mental and physical health.

SOUND RECREATION REDUCES ILLNESS

For, aside from its important purposes of providing opportunities for new friendships and for enjoyable activity, recreation for older persons is a tax-saver.

At the Hodson Community Center in New York City, which has been in operation since 1943, only one case of mental illness has occurred in an age group where its incidence tends to be especially high.

There is every reason to think that encouragement of more recreational centers for the older people will contribute significantly to lessen the problems of mental illness which today are filling about half of the hospital beds in the Nation.

Typical of the kind of development which could take place throughout the country is Little House in Menlo Park, Calif., which is about to round out its seventh year of operation. Over 1,200 senior citizens use the center each month and membership continues to expand. Having outgrown two locations, the group has just completed construction of a model center, with a large recreation room for programs, meetings, and group dinners; craft rooms, a hobby shop, a lounge for friendly visiting, a modern kitchen; and outdoor space for gardening, barbecues, and athletics.

The new center has an advisory board of distinguished psychiatrists, doctors, educators, and business men. Members elect their own officers and council and are largely responsible for programing, projects, and policies of the group. And, as one member said recently, "Instead of waiting around to die, we're learning to live."

Given the impetus provided by my proposal, I am confident that well-planned and broadly conceived programs for the older citizens could be developed in every community throughout the land. The interest and ingenuity which has already been shown, can be shared and new ideas explored and tested.

EXPERIENCE, INC.

The possibilities of developing opportunities for these people to participate more fully in the life of their communities have hardly been tapped.

Not long ago, in a middle-western city, a group of 18 citizens, all retired, met to discuss ways and means by which they could be of service. One of them, a former civic leader accustomed to the difficulty of finding capable people to serve on committees, had conceived the idea of creating an organization which could serve as a sort of resource pool to meet the need for volunteer workers in community enterprises. From this meeting developed the club, Experience, Inc. Through it, the time made available by retirement is channeled into activities for the good of the community.

The title, "Experience, Inc.," seems to me a particularly appropriate one. For the experience and wisdom these citizens have gained through the years are the special contribution which they have to make.

I am convinced that my proposal is sound because it will help to uncover accumulated, untapped resources and put them to use. I believe that we have already demonstrated, in scattered communities, that we have the imagination and the creative ability to accomplish this purpose. With a little help from Federal and State government sources, years which have been added to our life span can be happy, useful, and productive years.

Instead of a lonely old age, haunted by poor health, inactivity, and poverty, millions of Americans can come to know an old age with loving children, devoted friends, useful work, and good health. "Life begins at 80," says a popular television program. Let this prove to be the case for millions of Americans.

FINE ACTIVITY AT STATE LEVEL

Desire to achieve this is already apparent at the State level. In New York, Massachusetts, and Pennsylvania, joint legislative committees have functioned to study the needs and problems of the aged and to make recommendations.

Governmental bodies have been used in Wisconsin, in Florida, and mixed commissions have been set up in Connecticut, Maine, Minnesota, Vermont, Illinois, Michigan, New Mexico, North Carolina, Oregon, Rhode Island, Washington, and West Virginia.

In California an interdepartmental coordinating committee on aging was established by the Governor in 1952; and in Colorado a State advisory committee on chronic illness, aging, and rehabilitation was formed in 1953.

In August 1954, the conference of governors adopted the following resolution:

Spectacular improvements in medical techniques and facilities are substantially extending the span of human life, with the result that older persons comprise an increasingly larger proportion of our population. Increased life expectancy should provide more meaningful rewards than mere prolongation of life itself. Our older citizens are entitled, in their advancing years, both to healthful living and to opportunities for useful and satisfying activity. In order that government at all levels may do its best to cooperate in dealing constructively with the problem of the chronically ill, aged, and infirm, it is essential that studies of the problem should reflect not only the existing situation but should provide a basis for intelligent planning of adequate care, treatment, and rehabilitation facilities to cope with the needs of the foreseeable future.

The Council of State Governments is proceeding with this study and it is anticipated that the report will be ready for the next annual meeting of governors in August 1955.

This study will form a valuable background for the type of action my proposal anticipates. Together with the studies which will be made at the national level, when the Commission on the Aging and Aged is created by the enactment of the proposal of the senior Senator from Michigan, we will have accumulated a valuable blueprint for action.

By 1957, when the first $10 million appropriation under my bill will be made available for State matching, we will be ready to go.

Mr. President, many problems come before this august body, but I know of none the solution of which would have more beneficial consequences to the future of America than that affecting 14 million idle hands and idle brains by putting them to work literally in the ranks where they can learn to live and think as respected citizens. I have seen persons retired from their jobs with nothing to do. Of course, deterioration sets in. As I have said, we have considered various other problems. Let us now look at this one, and consider this great resource of strength.

We know that in America expert manpower is often lacking. In case of an international crisis we may not have the necessary manpower. Our allies would have to contribute to the manpower supply.

NEW UNIT IN DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Under my proposal, the Secretary of the Department of Health, Education, and Welfare would establish an administrative unit which would function much as does the Children's Bureau to administer the grant program. It could

keep in touch with developments in the States and in other countries, and serve as a clearinghouse of information and advice. It could suggest coordinated approaches, provide the States with specialists in various areas, make grants for special demonstration projects, and maintain liaison with other agencies in the field.

My proposal recognizes the vital importance of the State governments in this field. The States would provide consultant service on techniques and problems of community organization. They would also provide the services of specialists in various fields as requested by local communities, help communities plan conferences and workshops, and coordinate activities within the State and with other States.

LOCAL COMMUNITIES MUST HAVE LARGEST ROLES

But the most important area of activity is, of course, the local community. In each community local committees, representatives of civic, business, fraternal, educational, religious, medical, social welfare, and women's groups will have the opportunity to participate actively in the planning and development stages of a broad community plan.

The older citizens themselves can also make their own unique contribution in these planning activities. In this fashion each community can develop a program uniquely suited to its own needs, drawing upon the experience of other groups throughout the country engaged in similar activities.

Without some concerted action on this matter, there is grave danger that the road down through the declining years will grow even rougher through neglect. But with such action as I propose we can find and use the best means of promoting the good of Americans in the twilight years and the good of the whole country at the same time.

THE REAL FOUNTAIN OF YOUTH

We can create environments that are favorable to continued growth, prolonged personal efficiency, and community usefulness.

We can demonstrate that the fountain of youth lies not in a far-off magical marshland, but in the proper regard for the health and recreation of Americans in retirement, and an understanding of the importance of their continued usefulness to the Nation.

"Grow old with me, the best is yet to be," said the poet. Let us make that a living reality for elderly city dweller and rural dweller alike. Let those whose hair has turned to silver know true peace of mind and true happiness.

SUMMARY OF WILEY BILL

There follows a summary of the Wiley bill.

I may say that this bill is not a handout bill; it is not a so-called do-good bill of starry-eyed dreaming. It is a practical down-to-earth grassroots-encouraging bill. It is 100 percent consistent with our free-enterprise system.

It is not a bill offered on the part of the Eisenhower Administration. But it is a bill which I regard as completely consistent with the broad objectives of the Eisenhower administration, and, in particular, of its Department of Health, Education, and Welfare.

The Department has, of course, been fully advised of my plans for this bill.

GRANTS FOR DEVELOPMENT OF RESOURCES AND OPPORTUNITIES FOR THE AGED

The bill would establish a 5-year program of grants to States.

The grants would assist in the development and improvement of State and community programs so as to create an environment in which aging persons can remain self-sufficient members of the community and can find new opportunities for utilizing their accumulated wisdom and skills and satisfying their other basic needs.

An appropriation of $2 million for 2 years would be provided for planning and coordination activities, and $10 million annually is authorized beginning in 1957 for purposes of strengthening and improving State programs.

For planning, coordination and training grants, an appropriation of $2 million would be authorized available for 2 years. Not less than 85 percent of this appropriation would be available for grants to States. Each State would receive a flat grant of $25,000 with no matching requirements. The remainder would be alloted on the basis of the population aged 65 and over and call for matching on a 50–50 basis.

The purpose of these grants would be to assist States to survey needs and potentialities of their aged people, to develop plans for establishing new programs or strengthening and improving existing programs, and to train personnel.

Not more than 15 percent, as determined by Congress, would be available for these grants—for the fiscal year 1956 only—to States and educational institutions of higher learning, a part of the cost of special training and traineeship projects holding promise of making a substantial contribution toward these purposes.

For strengthening and improvement grants, an appropriation of $10 million would be authorized, available for fiscal year 1957, and for each of the next 3 fiscal years such amounts as the Congress may determine.

Not less than 90 percent of each annual appropriation would be available for grants to States. To adjust these State allotments to the respective needs and resources of the different States, allotments would be made on the basis of the population age 65 and over within the States, and in direct proportion to the State's per capita income, with the State share ranging from 33⅓ to 66⅔ percent depending upon the above income and population factors.

PURPOSES OF GRANTS

The purpose of these grants would be to assist States to:

First. Provide leadership and guidance to various public and nonpublic agencies interested in serving the elderly.

Second. Stimulate and assist local communities to the need for serving their aged.

Third. Interpret to the aged some of the ways of dealing more satisfactorily with their problems.

Fourth. Create job opportunities and other means of providing adequate income for aged people.

Fifth. Encourage the development of recreational, educational, and community service programs for the older members of the community.

Sixth. Provide coordination and exchange of information services, on a continuing basis, of State and local programs for the aged and of plans for strengthening and improving these programs.

Seventh. Make available necessary technical advice and counseling on the problems of the aged and projects or programs to overcome these problems.

Eighth. Stimulate cooperation with State institutions, health agencies, schools, welfare agencies and other community groups in developing special programs.

Ninth. Promote community-wide planning for the welfare of the aged and furnish assistance in organizing for it.

Tenth. Stimulate technical training of various specialists who would be dealing with the aged.

Eleventh. Encourage research and investigations to assess the causes and extent of problems of the aging and development of improved methods for dealing with these problems.

Twelfth. Awaken public opinion to the need for constructive action in behalf of the aged.

CONDITIONS FOR APPROVAL OF GRANTS

To become eligible for such grants, States would submit plans of one or more State agencies, as designated by the State. The major conditions for approval would be that the State plan provide for, first, a coordinating body of the State and local agencies concerned; second, consulting with and securing advice for voluntary organizations; third, State financial participation; and fourth, carrying out the purposes for which the grant is made.

Within the Department of Health, Education, and Welfare, the Secretary would establish a unit to administer the program at the Federal level.

In addition to the responsibility for administering this program, this unit would continue to extend the activities now being carried on by the Committee on Aging, now functioning in the Department in an advisory capacity only. The Secretary of Health, Education, and Welfare would be required to submit to the President, for transmission to the Congress not later than January 1, 1959, a report of the experience of Federal, State, and local agencies in the administration of this law. The report would also include recommendations as to the expiration, continuance, or revision of the law.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article by Mr. Clark Tibbitts, able Chairman of the Committee on Aging of the United States Department of Health, Education, and Welfare. It was published in the Social World Year Book of 1954 and contains a documented summary of the problem from a technician's standpoint.

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

THE AGING

(By Clark Tibbitts, Chairman, Committee on Aging and Geriatrics, United States Department of Health, Education, and Welfare)

The aging. General awareness of the gradual aging of the American population and of its broad implications is comparatively recent, much of the interest having developed since the first National Conference on Aging in 1950. Students of the situation agree that human aging is emerging as one of the foremost problems of the century in all industrialized countries.

THE NATURE OF AGING

Aging is a complex of physiological, psychological, and sociological changes. The concept gaining some currency sees aging as having its effective onset in the 45–55-year decade, with release from the responsibilities of procreation and gradual reduction of time devoted to making a living, and with corresponding readiness for acceptance of new social roles. Characteristically, these situational changes occur before there has been appreciable biological decline and prior to attainment of peak mental capacity. Thus, aging is viewed as a new phase of life with potential for continued development, broader self-expression, and continued social usefulness.

Human aging is not, however, as simple and one-sided as this picture suggests. Progressive loss of energy reserve and long-term illness, together with parallel decline of psychological capacities, gradually limit performance, and ultimately require the individual to seek assistance and protective services.

The core of the aging probem today, however, derives from a lag in the culture which has, thus far, failed to provide meaningful roles for many of the millions who are living beyond the traditional period of usefulness. The consequent feelings of bewilderment and frustration are aggravated by lack of need for older persons in the family economy (another consequence of industrialization and urbanization), by loss of the companionship of children, by widowhood, and by sharply reduced income.

To the extent that the aging individual maintains his health and financial security and finds new opportunities for usefulness and new sources of companionship, he appears to make the transition to the later years rather easily. There is growing evidence, however, that a large proportion of aging and older people are not finding their needs met. Results are seen in premature physical and mental deterioration, and in such personality changes as constriction of interests, withdrawal, irritability, submission, and paranoid tendencies.

The challenge of an aging population, the task before society, is two-fold. First, there is the problem of creating an environment in which the normally aging person can remain a self-sufficient member of the community, finding new opportunity for utilizing his accumulated experience and wisdom and for satisfying his other basic needs. A second challenge is that of providing facilities and services for those in whom the aging processes, disease and malnutrition, poverty, social isolation, and personality deterioration have made encroachments.

STATISTICS OF AGING

Numerically and proportionately, more and more Americans are living into older adulthood. In 1954, the age period 45 years and over acounts for nearly 47 million men and women—about 27 percent of the total population and about 41 percent of the adult population. Within this group some 15 million are retired mothers and some 6 million are retired gainful workers. The remainder are employed, many at part-time jobs.

The group 65 years of age and over is represented by approximately 13,600,000 persons and has a net increase of almost 900 a day or more than 300,000 annually. The population 75 years of age and over is showing the most striking increase—more than 50 percent since 1940—numbering now over 4 million.

Increase in the older population is a function of the long-time decline in the birth rate; more recent decline in the death rate, particularly at the younger ages; virtual cessation of immigration; and population growth. The influence of the declining death rate is striking, for it has extended average life expectancy at birth from 49 years in 1900 to 66 years for men and nearly 72 years for women.

Thus far there has been little increase in life expectancy for those who reach the middle or later years but there is every prospect that such increase will occur. Steady advances in control of infectious and chronic conditions among adults are reflected in declining death rates at the older ages. It has been predicted that average life expectancy will continue to increase and that by 1975 the number of persons 65 years and older will number 21 million, about 11 or 12 percent of the population.

The sex differential in life expectancy has produced a ratio of 84 men to 100 women, or a distribution of about 6,200,00 males and 7,400,00 females 65 years of age and over. The excess of older women over men in the year 1975 will exceed 3 million. Because of this factor and because women marry men older than themselves, the proportion of not married women, 60 percent now at age 65–74 years and 82 percent at ages 75 years and over, will also continue to increase.

ACTION PROGRAMS IN AGING

Action programs with respect to the aging are being developed rapidly in several fields; some designed to improve their social climate in the interest of permitting greater self-development and self-sufficiency, and others in the form of protective services. Many of the programs described below serve both ends.

FINANCIAL STATUS

Income from employment provides the principal means of support for about 3 million older workers and for wives of about 1 million of them, the number fluctuating with employment conditions. Several million, mainly over 65 years of age, are receiving pensions or assistance through public and private sources.

Old-age and survivors' insurance pays retirement benefits to about 3,500,000 persons and survivor benefits to more than 1,500,000 widows, children, and parents. Some 2,500,000 older persons are drawing old-age assistance. About a million persons are receiving retirement or survivor payments based on previous public employment. There are more than half a million current beneficiaries under railroad retirement and an equal number drawing benefits under private industrial or business pension systems. These figures do not reveal the total number of pensioners because there is considerable duplication.

Despite employment and the progress that has been made on pension programs, older persons are still a low-income group. According to the 1950 census, median income of family units in which the head was 65 years old or more stood at $1,903, compared with $3,258 for the 55–64 year group. Older persons living alone or with nonrelatives averaged $646 a year.

Other sources of income may include room, board, clothing, and gifts from relatives and produce from gardens. Fifty-four percent of older spending units own their own homes, which presumably reduces cash needs. Nevertheless, some 35 percent of the spending units reported net worth of less than $1,000; only 8 percent as much as $25,000.

Both social security and private pensions have been extended during recent years, but there is general agreement that financial provisions for retirement are still far from adequate. The 83d Congress and several private groups are engaged in exhaustive studies of the problem. (See Old-Age and Survivors Insurance in Social Insurance and Old-Age Assistance in Public Assistance.)

There is, of course, growing concern over the ability of the economy to support the aged. The ratio of persons 60 years of age and over to those in the so-called productive years has increased from 9 per 100 in 1850 to 23 per 100 in 1954. While there has been a decline from 121 to 64 children under 20 per 100 persons aged 20–59, the shifts are not regarded as compensatory.

EMPLOYMENT

Rising costs of supporting the aged have led to promotion of continuing employment of older workers. Two other factors are involved. Current occupational shortages are forcing utilization of older workers and encouraging women to return to work as family responsibilities wane. Also, recent researches into the meaning of work have demonstrated its role in giving the individual a sense of usefulness, prestige, and social contacts. This factor, along with low pensions and inflation, is believed to account for the pattern of tapering off (instead of ceasing) work among the self-employed and for the fact that few wage and salary workers retire voluntarily. Accordingly, the past several years have seen a rising movement to abandon retirement at fixed ages, to modify work conditions, and to encourage new hiring of unemployed older workers.

Opinion is accumulating that older workers have at least equal records in terms of efficiency, spoilage, absenteeism, loyalty, and frequency of accidents. On the other hand, there appears to be loss of speed and of recuperative capacity from accidents and illness and decline in readiness or ability to learn new processes. Consensus is, however, that much more research is needed on these questions.

Accurate prediction of the outcome of current developments is impossible. Among males 55 years of age and over there has been a 50-year downward trend in labor force participation. Among females the trend has been upward in ages below 65 years. Improved health should contribute to extension of the period of employability, but large increases in the 70-years-and-above group work in the opposite direction. For this reason, if for no other, a continuing downward trend is forecast in employment of workers over 65.

NEW OCCUPATIONAL INTERESTS

Regardless of the outcome of employment efforts, a majority of older people will not have work in the present job structure. Instead, new activities will have to be found that have the same significance as earlier tasks. Creative work in the fine arts and handicrafts is receiving the most attention thus far. Older people are being encouraged to work in handicraft guilds; some activity centers have handicraft shops; clubs (see below) are trying to introduce such activities. Some of these projects show promise of providing supplemental income.

Additional paid services are needed to meet the requirements of an aging population. These will include health, personal, and vocational counseling; special housing arrangements; recreation, educational, and activity centers; assistance with housekeeping and food preparation; physical restoration; and religious services. Some older adults will find employment opportunities in these fields.

Voluntary community service represents another means of finding useful and satisfying activity. It has been suggested that the normal behavior of the individual in the postreproductive period is to seek opportunity for broader service to the community, in an effort to preserve values and social stability for the oncoming generation. (See Volunteers in Social Work.)

COUNSELING AND CASEWORK

Evidence is compelling that aging people need counseling and, frequently, casework services regarding finances, living arrangements, health maintenance and services, occupations, activities, and religious problems. These and other services will have to arise as part of the normal environment of an aging population just as their counterparts have been developed for younger people. Many older persons can continue in self-sufficient status if they have information and guidance prior to or at the time problems become acute. (See Guidance and Counseling and Social Casework.)

In her previous review of this topic, Margaret Wagner stated that family agencies have been reluctant to extend their services to older persons. Pioneering developments in Boston, Cleveland, Hartford, New York and rather generally among Jewish agencies are paying off.[1]

Experience with vocational counseling has been similarly effective. The Bureau of Employment Security, Department of Labor; the Federation Employment Service in New York; vocational guidance bureaus in Cleveland and Toronto; and Jewish agencies in several cities such as Chicago and Detroit have reported marked success.

Preretirement preparation is another phase of counseling undergoing a good deal of exploration. Business and industrial establishments are experimenting with individual counseling and group discussions, in some cases drawing on the facilities of nearby universities.

LIVING ARRANGEMENTS

Most older people wish to remain in their own homes and in the communities into which they have sunk roots. At the same time, it is recognized that many will need other facilities which must be as varied in nature as are the circumstances of the people themselves.

Urban dwelling units suited to the financial, physical, and social needs of older people are still rare because the income status of older people precludes building many units on a profit-making basis. The New York State Housing Commissioner has decreed that all new public housing must contain units for older people. The Chicago Housing Authority is providing units and arranging for community services. Restrictions are being relaxed to permit survivors of couple-occupants to remain in public units. (See Housing and City Planning.)

Private industry and religious, fraternal, and labor groups have begun to create retirement villages, mainly in Florida and California. Trailer villages are growing.

There are about 3,000 public and voluntary nonprofit homes for the aged. While these homes are having to accept increasing numbers of infirm or chronically ill persons, leaders among them are stressing health maintenance, restoration, and activity. The Social Security Act amendment requiring States to have a standard-setting authority if homes are to accept public assistance clients is helping the States in their efforts to improve these institutions.

Some voluntary homes have begun to experiment with services for nonresident counseling, admission to activity programs and dining rooms, assistance in finding outside living arrangements and jobs. This and developments in the health field are causing some communities to provide housekeeping, occupational therapy, and friendly visiting services to persons in their own homes—a method which has proven effective in England.

Foster home placement is developing in some places. Central services to determine what type of living facility best suits the needs of the particular older person are leading to more efficient use of institutions and to better solutions to individual problems.

HEALTH PROBLEMS AND DEVELOPMENTS

Although human aging has been made possible by advances in the control of disease and by improved nutrition and sanitation, illness and disability are increasing. The explanation is, of course, that more people are being exposed for more years to the hazards of the environment and that more are living into the ages in which the long-term conditions have their greatest prevalence and when infirmity appears.

Medical adaptation to the aging population is of recent origin but certain lines of development are observable. (See Chronic Illness.) Maintenance of best health consistent with physiological age is being stressed through educational programs, geriatric clinics, an increasing number of physicians offering health counseling, and mass screening programs.

Postponement of severe disability is being achieved through continuing research on chronic disease and the aging process and through increased success with rehabilitative measures.

Long-term care for the severely disabled continues to be a problem because of the growing number of aging people and because of its costliness. Serious problems confront the hospitals, old-age homes, nursing and convalescent homes; the community; and the families and individuals who require services. National, State, and local agencies are giving a great deal of attention to varied aspects of the situation.

Older persons now account for 30 percent of the admissions to State mental hospitals, many suffering, of course, from deterioration based on organic changes. It has been estimated, however, that up to a third or more of the admissions are of persons who have become prematurely senile due to lack of opportunity for social participation. Community centers, family placements, and activity programs in old-age homes are showing that many aged persons (and their families) can be spared the experience of commitment and that public funds can be saved.

EDUCATION OF THE OLDER ADULT

Adult education has recognized responsibilities in an aging society to (a) give the individual information about the changes taking place in his organism and in his social situation; (b) provide new knowledge and skills that may afford a basis for continuing employment and creative expression; (c) offer a basis for enjoyment of the arts, citizenship participation, and maintenance of mental alertness; and (d) upset current stereotypes and individual self-concepts of aging and substitute constructive concepts and attitudes.

In the area of preparation for aging, New York has a statewide program, designed to encourage growth of interests in the later years. Michigan offers courses through the University of Michigan. In California several adult centers are offering similar programs.

There are no comprehensive data to indicate the extent of older-person interest in adult education. Scattered evidence, however, indicates that participation is relatively small. Some of the factors seem to be opinions of aging people themselves and of adult educators regarding the learning capacity of older persons, negative expectations regarding older-person roles, lack of understanding, of methods of presentation and environment for older people, and financial stringency under which most older people live.

Professional and adult education agencies have begun to provide instruction for those working with older people. A few medical schools offer courses on geriatrics, though the trend seems to be to incorporate appropriate materials into existing courses. Some schools of education, public health, and social work are offering work in aging in their regular programs while others are conducting institutes for professional persons already employed. (See Adult Education.)

RECREATION

Awareness of the need for social participation has led to a mushrooming of recreational facilities and clubs. Space and leadership are being provided by churches, community centers, women's clubs, parks, schools, and luncheon groups. Programs include lectures, discussions, games, singing, handicrafts, excursions, square dancing, parties, picnics, dramatics. Most are on a weekly or biweekly basis. Old-age homes have introduced similar activities with salutary effects on resident morale. Overnight camping has become a standard phase of recreational activity in Cleveland, New York, Pittsburgh, Chicago, Minneapolis, and elsewhere. Social and creative programs as devices to sustain interest and prevent breakdown are recognized to the extent that in some places they are being supported by public welfare agencies. (See Recreation.)

RELIGIOUS GROUPS

There is some evidence of an increased tendency to seek satisfying religious experience in the later years. It is apparent that the increasing numbers of aged who want pastoral services are placing a strain on religious personnel. Many churches and synagogues are making special efforts to meet the needs of the aged. Some have instituted organized friendly visiting and some sponsor social groups. About 40 percent of the homes for the aged and at least two retirement villages are operated by denominational groups.

ORGANIZATIONAL INTERESTS

Organized interest in the field of aging is spreading. The American Geriatrics Society was organized in 1942; the Gerontological Society, Inc., in 1944. The latter is open to social scientists and workers in applied fields. The American Psychological Association, General Federation of Women's Clubs, Adult Education Association, National Vocational Guidance Association (a division of the American Personnel and Guidance Association), and the American Public Welfare Association have committees on aging.

Following the National Conference on Aging held in Washington under Federal auspices in 1950, the Federal Security Agency, predecessor to the Department of Health, Education, and Welfare, reconstituted its earlier working group into a Committee on Aging and Geriatrics with liaison representation from other Federal agencies, for the purpose of exploring the entire field and noting the implications for governmental programs. In 1950 the National Social Welfare Assembly created a National Committee on the Aging which has interested itself in employment of older workers, standards for sheltered care, and community organization.

The two professional societies mentioned above publish journals, and there is a third one, Geriatrics. Lifetime Living and the Journal of Living are popular periodicals addressed to those in middle age and beyond. The Department of Health, Education, and Welfare publishes a news bulletin, Aging.

State governments have taken official cognizance of the field and several have set up commissions or committees. At the time of the 1952 Conference of State Commissions on Aging and Federal Agencies there were 15 State groups. In general, these groups are conducting across-the-board studies of aging,

[1] See Wagner, Margaret W., The Aged, Social Work Year Book 1951.

promoting program adaptations of State departments, and encouraging the development of community action.

Several States have held conferences on aging; and professional groups, as in social work, adult education, medicine, public health, recreation, and management, are devoting major portions of regular meetings to aging. Conferences at the University of Michigan and the University of Florida are annual events. The Second International Gerontological Congress was held in St. Louis in 1951 with representation from 54 countries. The third congress has convened in Great Britain in July 1954.

ILLEGALITY OF CERTAIN COMMERCIAL DEALING IN MINOR CHILDREN

Mr. LANGER. Mr. President, on behalf of myself, and the Senator from Tennessee [Mr. KEFAUVER], I introduce, for appropriate reference, a bill to make unlawful certain commercial dealing in minor children. I may add that the bill involves runaway fathers who desert their families.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2281) to make unlawful certain commercial dealing in minor children, introduced by Mr. LANGER (for himself and (Mr. KEFAUVER), was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF MERCHANT MARINE ACT RELATING TO UTILIZATION OF PRIVATELY OWNED SHIPPING SERVICES IN CERTAIN CASES

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense. I ask unanimous consent that a statement, prepared by me, pertaining to the bill, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. MAGNUSON is as follows:

STATEMENT BY SENATOR MAGNUSON

One of the reasons cited by Military Sea Transportation Service officials for maintenance of a large nucleus dry cargo fleet is the increasing demand for the carriage of private passenger automobiles for service personnel.

This traffic, which totaled 71,667 automobiles in the 1954 fiscal year, has resulted from the act enacted by Congress in October 1949, which allows private automobiles belonging to service personnel under permanent change-of-duty orders to be transported on Government-owned vessels.

The 1954 authorization has been interpreted by defense officials to mean that such automobiles can be carried only on Government-owned vessels. The bill which I now send to the desk would provide that such automobiles may be transported on Government vessels on an available space basis or on privately owned commercial vessels.

In providing for transportation by commercial ships the bill carries out one of the fundamental recommendations of the Hoover Commission. Hearings on this bill and my bill, S. 822, which will implement other recommendations of the Hoover Commission, will be held commencing on July 12, 1955.

ADMISSION OF SPAIN INTO NORTH ATLANTIC TREATY ORGANIZATION

Mr. WILEY. Mr. President, on behalf of myself, the Senator from Maine [Mrs. SMITH], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. BENDER], the Senator from Connecticut [Mr. BUSH], the Senator from Indiana [Mr. CAPEHART], and the Senator from Wyoming [Mr. O'MAHONEY], I submit, for reference to the Senate Foreign Relations Committee, a concurrent resolution for the purpose of securing the earliest possible participation by Spain in the North Atlantic Treaty Organization.

I may say, Mr. President, that I believe there will be additional cosponsors of this concurrent resolution. I had invited several of my colleagues to join with me in it, with the expectation that it would be offered in the Senate tomorrow, June 22.

Because of last-minute rearrangement of my travel schedule, I find that it is necessary for me to depart somewhat earlier on a long-standing speaking commitment in Wisconsin. So, I am submitting the concurrent resolution 1 day ahead of the time I had indicated to my colleagues it would be offered.

I may say, however, that already in informal talks with my colleagues, I have found the widest possible support of the purpose of the concurrent resolution.

Mr. President, last month, May 24, the distinguished senior Senator from New Hampshire [Mr. BRIDGES] submitted on behalf of himself and several other Senators Senate Concurrent Resolution 34, which has the same objective, namely, that of securing Spain's admission to NATO.

I wholeheartedly endorse the resolution offered by my colleagues.

The concurrent resolution submitted by me differs only slightly from the previous version.

The concurrent resolution which I am submitting today includes what I feel to be important and helpful additional references. One such reference cites the fact that Spain is already joined with a NATO member, Portugal, in an Iberian defense treaty. A second reference points up the fact that Spain and the United States are joined in an immensely significant agreement on bases for United States air and naval power in the defense of the West.

A third change, and one which I regard as likewise a significant improvement over the previous resolution, stresses the importance of "earliest possible participation" by Spain in NATO.

Mr. President, we are all well aware that admission into NATO requires unanimous action of the 15 member countries. We are aware of the fact that several of our allies in NATO have had their differences with Spain in the past, and Spain with several of our allies.

I will not attempt to go into these differences in detail.

So far as I am concerned, let the dead past bury its dead. So far as I am concerned—and, I believe, so far as the people of the United States are concerned—what counts is the present and the future.

I say that it is in the national self-interest of the United States that Spain be a member of NATO. I say that it is in the national self-interest of each and every one of the member nations of NATO.

With that in mind, I am submitting this concurrent resolution today.

To my way of thinking, there is too much of a tendency in too many quarters at home and abroad to rake over the dead coals of the past. There is too much of a tendency to indulge in recriminations based upon long obsolete issues.

I respect the opinion of Spain. I respect the opinion of members of NATO which have differed in recent years with Spain. But I say that the only thing that counts now is this question: Will we be adequate to the challenge of international communism; will we strengthen ourselves so that we will deter communism from triggering world war III?

The answers to those questions must be "Yes."

Spain in NATO would be a tremendous asset to the West and to the free world as a whole.

I commend to my colleagues an exceedingly important interview which was recorded in the May 20, 1955, issue of U. S. News & World Report. In this interview, David Lawrence, distinguished editor of that noted magazine, discussed impromptu with His Excellency, Generalissimo Francisco Franco, various aspects of Spanish-United States relations.

The article was entitled significantly, "Why Fear Russia?"

The very initial question offered by Mr. Lawrence to General Franco concerned Spain's absence from NATO. General Franco replied:

We now have the Iberian Defense Treaty with Portugal and the latter is, of course, in the North Atlantic Treaty Organization. In effect, we are in it through Portugal.

By linking ourselves subsequently through another treaty and other agreements with America, we find ourselves likewise bound to that very defensive alliance. And so the effect is the same.

The only thing we lack is a more intimate collaboration on our part with the major nations of the North Atlantic Treaty, be it directly or through the United States, which would permit us, for example, to explain our thinking regarding the necessities of the defense of the West.

Mr. President, the matter of Spain's admission into NATO is not a luxury, not a matter of casual interest. It is a matter of dire necessity. I need hardly remind my colleagues that Spain is unalterably opposed to international communism. There is not the slightest doubt in the mind of anyone that Spain can be counted on—inside or outside NATO—to resist the Kremlin to the fullest extent.

We, ourselves, whose sons have died at the hands of international communism—we, who lost 40,000 boys in Korea and 100,000 wounded—have nothing but respect for the vigorous anti-Communist stand of Spain.

The Kremlin likes few things better than to see estranged relations between Spain and any other member of NATO. The Kremlin prefers to continue her age-old policy of divide and conquer. But we must not permit the Kremlin to succeed further.

I remind my colleagues that Spain occupies an indispensable defensive position in Europe—the mighty Pyrenees offer a vital barrier against a Russian thrust. Spain represents the western anchor for the United States in the Mediterranean. The eastern anchor is, of course, represented in our good friends of Turkey. Thanks to these two anchors, the Mediterranean can be maintained as a vital artery of western defense.

I remind my friends that the Spanish Army, 22 divisions strong, has proven its valor in battle. It is a tough, resourceful army which, whatever its previous unavoidable deficiencies in modern equipment, can be counted on to give a splendid account of itself should there be a showdown with international communism.

I remind my colleagues, if any reminder be needed, that Spain has risen by her own bootstraps in the long years which followed the tragic civil conflict of the mid-1930's when a million of her citizens died, and when incalculable damage was done to her cities and countryside. Spain has rehabilitated herself. From the end of World War II to the end of 1954, out of more than $25 billion in economic aid which the United States sent to Western Europe, a mere $78 million was allocated to Spain—the only such outside help which she received at all.

But she has risen, with energy, with industry, and with self-reliance.

Now, we look forward to ever-improved relations with the Spanish Government and people. We look forward to increased trade with her, to buying more Spanish goods and selling more goods to her. We look forward to increased voluntary American private investment in Spain, in furtherance of our mutual interest.

American defense planners are hard at work in implementing the agreement on bases which we signed with her. That agreement includes 4 big jet-bomber bases, a 485-mile pipeline to carry fuel from the seaboard to those bases, a major naval base and anchorage on the Mediterranean coast, and in the Balearic Islands.

It was not so long ago that my colleague, the distinguished Senator from Minnesota [Mr. HUMPHREY], in commenting upon the mutual-security bill of 1955, well stated, "I think the money which the United States is placing in the Iberian Peninsula as a part of the common defense of Europe is money well expended."

I agree with my colleague.

This is a bipartisan matter. There are no differences between the parties on this subject.

Earlier in my colleague's address he had mentioned the fact that for defense support in Europe $70 million was and is proposed under the Senate's version of the mutual-security bill. Of this amount, said the Senator from Minnesota, $28 million goes to Spain and $36½ million to Yugoslavia.

That, I point out, is an interesting contrast: $28 million to a vigorously anti-Communist, and $36½ million to a Communist country.

I pointed out, therefore, that those who profess to have ideological objections to improved relations with Spain should be asked whether they have ideological objections to relations with Marshal Tito's Communist government.

So far as I am concerned, the situation boils down to this: Are we serving the national interest of the United States in these various steps? So long as I am satisfied that the answer is "Yes" to these questions, I shall continue in the efforts along these lines.

I conclude with the thought that I earnestly hope this concurrent resolution will be reported favorably from the Senate Foreign Relations Committee with the kind cooperation of its esteemed chairman, the great senior Senator from Georgia [Mr. GEORGE], and the cooperation of other committee members.

I hope, moreover, that the State Department will continue its efforts—indeed, will intensify its efforts—to impress upon other NATO members how deeply we feel on this issue and how earnestly we desire that they forget past differences and concentrate on present and future needs by joining in extending unanimous invitation to Spain.

The wise policy of the United States Government has been to help bring about such admission. The State Department has been active toward this end, and I trust that its efforts will meet with success.

Meanwhile, I look forward to ever-improved relations between our 2 governments and our 2 peoples.

Last year, a fifth of a million Americans visited Spain. A quarter of a million tourists are expected there this year. I hope that these tourists, bearing the goodwill and friendship of the United States, are symbols of a still brighter era of Spanish-United States cooperation and Spanish cooperation with all other Western Powers.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 43) favoring the admission of Spain into the North Atlantic Treaty Organization was referred to the Committee on Foreign Relations, as follows:

Whereas the United States, Belgium, Canada, Denmark, Federal Republic of Germany, France, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Turkey, and the United Kingdom are parties to the North Atlantic Treaty; and

Whereas the primary objective of the treaty is to contribute to the maintenance of peace by making clear the determination of the parties collectively to resist armed attack upon any of them; and

Whereas the parties have joined, pursuant to the treaty, the North Atlantic Treaty Organization, a collective defense arrangement for the North Atlantic area established within the framework of the United Nations Charter and based upon the inherent right of individual or collective self-defense recognized by article 51 of the Charter; and

Whereas the United Nations and Spain, on September 26, 1953, signed bilateral agreements for the furtherance of their mutual security; and

Whereas Portugal, a member of NATO, is already joined with Spain in a treaty of mutual friendship; and

Whereas the membership of Spain would strengthen the strategic position of the North Atlantic Treaty Organization and of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the Department of State should continue to use its good offices toward the end of achieving the earliest possible participation by Spain in the North Atlantic Treaty and as a member of the North Atlantic Treaty Organization.

COMPACT RELATING TO APPORTIONMENT OF WATERS OF RED RIVER—ADDITIONAL COSPONSOR OF BILL

Mr. KERR. Mr. President, I ask unanimous consent that the name of the senior Senator from Texas [Mr. JOHNSON] may be added as an additional cosponsor of the bill (S. 2260) granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries, the next time it is printed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR FOREIGN RELATIONS COMMITTEE TO REPORT BILLS AND FILE REPORTS DURING RECESS OR ADJOURNMENT OF THE SENATE

On request of Mr. SMATHERS, and by unanimous consent, the Foreign Relations Committee was authorized to report bills and file reports during the recess or adjournment of the Senate.

Subsequently, Mr. GREEN, from the Committee on Foreign Relations, to which was referred the resolution (S. Res. 116) favoring discussion at the coming Geneva conference of the status of nations under Communist control, reported it adversely, and submitted a report (No. 621) thereon.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc.,

were ordered to be printed in the RECORD, as follows:

By Mr. CAPEHART:

Address entitled "Patriotism," delivered by Hon. John Foster Dulles, Secretary of State, at the baccalaureate ceremony of the University of Indiana, Bloomington, Ind., June 12, 1955.

Address on the subject of more and better housing for many people in many lands, delivered by Albert M. Cole, Administrator of the United States Housing and Home Finance Agency, before the International Real Estate Federation, in Geneva, Switzerland, June 16, 1955.

By Mr. GOLDWATER:

Article entitled "The Senator from Moscow (Idaho)," written by Howard Rushmore, and published in the American Mercury of July, 1955.

ATOMS FOR PEACE (S. DOC. NO. 55)

Mr. WILEY. Mr. President, yesterday the President of the United States, speaking for the 10th anniversay conference of the United Nations in San Francisco, delivered an historic address on harnessing the atom for the "most productive" service to mankind.

I believe that this address, like the previous remarks of the President on this same theme, will stand as great landmarks in man's age-old quest for a world of peace and plenty.

The address was most appropriate in time and location.

A little less than 2 months from now there will convene in Geneva, Switzerland, the United Nations Atoms-for-Peace Conference.

It is essential that, at this conference and preceding this conference, the world's peoples be further fully advised that the United States is unalterably dedicated to the peaceful application of atomic energy.

Great numbers of official materials attest to this fact—addresses by the President, by Adm. Lewis Strauss, of the Atomic Energy Commission, enactments by the Congress in the form of the atomic energy laws and revisions thereto, addresses by Secretary of State Dulles, by Ambassador Henry Cabot Lodge, and Ambassador Morehead Patterson, official statements and documents by the United States Department of State—these and other materials confirm the intentions of the United States to use atoms for peace.

However, so numerous have these various items become that I believe that their compilation now in the form of a single document would be most advisable and helpful.

There is now being completed such a compilation.

And so, as ranking minority member of the Senate Foreign Relations Committee, but speaking solely in my own right, I ask unanimous consent that the Senate publish as a document entitled "Atoms for Peace," the diverse materials now being readied in final form under my direction by the counsel for the committee.

I ask that this authority be granted today, since time is of the essence in getting this document printed and available for distribution prior to the start of the Geneva Conference in early August.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

Mr. WILEY. I ask that a supplementary statement on this document now be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

SUPPLEMENTARY STATEMENT BY SENATOR WILEY

In completing this document, it is, of course, my intention to secure the skilled cooperation of all of the interested congressional and executive sources having to do with atoms for peace.

This includes, of course, the State Department, the Atomic Energy Commission, the Joint Committee on Atomic Energy, and other groups which have worked on this problem.

TYPE OF ITEMS TO BE INCLUDED

Included in the document will be all relevant public, official statements bearing upon this subject.

Its basic purpose will, of course, be to inform the people of the United States and the people and leaders of foreign countries of the numerous steps taken to date in carrying out the President's historic address before the United Nations General Assembly in December 1953 when he first set forth the atoms-for-peace proposal.

Included also will be the text of the United Nations resolution on this subject, our exchange of correspondence with the Soviet Union, the Atomic Energy Commission's basic regulations for civilian atomic power, and related items.

BILATERAL ATOMIC AGREEMENT

In addition, included will be the text of representative bilateral agreements signed between the United States and more than 22 countries to date in which it has been agreed to make available nonrestricted technical know-how and fissionable material for purposes of constructing and operating peaceful nuclear reactors and conducting research in foreign lands. The texts of these various historic bilaterals have been published in sequence in the CONGRESSIONAL RECORD by the distinguished junior Senator from Rhode Island, Mr. PASTORE, on behalf of the able chairman of the full Joint Atomic Energy Committee, the senior Senator from New Mexico, Mr. ANDERSON, and their associates.

All in all, I believe that this atoms-for-peace document will be an important contribution to the cause of world understanding and peace.

Already my own office, and no doubt many other offices on Capitol Hill, has been flooded with inquiries on the atoms-for-peace plan. Businesses, schools, labor unions, scientists, and others have all asked: "Send us all available information."

Rather than send out a great variety of documents and/or tear sheets from the CONGRESSIONAL RECORD, I would like to be in a position, as I am sure my colleagues would like to be in a position, to be able to send a single document which would incorporate all of the official materials to date.

Foreign embassies will, I know, find the compilation particularly helpful.

SUMMARY OF SURVEY BY ATOMIC INDUSTRIAL FORUM

I may also say that by way of illustrating the implementing of peaceful private application in our own country, it is my plan to include in the document a handy digest of an outstanding survey report by the noted nonprofit organization, the Atomic Industrial Forum. This digest will set forth how United States free enterprise is carrying out this work, and will depict private companies' overall plans for the next decade.

I am especially hopeful that this document may serve, if only in small measure, to further impress upon American industry our Government's deep interest in flashing the green light for private work along this line. The pioneering achievements of the AEC, and of its able Chairman, Admiral Strauss, will, I feel, thereby be aided, if only in small measure, in their historic mission for peaceful application.

I know that I can count on the AEC, on the joint committee, the State Department, and all other sources to help make this document the finest possible instrument for the universally desired goals which I have stated.

HOUSING FOR THE AGING AND AGED—LETTER FROM FRATERNAL ORDER OF EAGLES

Mr. WILEY. Mr. President, I shall comment in detail in the Senate today on the subject of an improved Federal-State system of services to America's aging and aged.

I am pleased to note that the Fraternal Order of Eagles, among other great American organizations, has down through the years been dynamically in the forefront of this effort.

Recently I have been happy to hear from many members of that great body asking that certain steps be taken, particularly in the field of housing, in the interest of old folks. I am delighted that in the Housing Act of 1955, passed by the Senate on June 7, a new program is authorized for construction of units designed for occupancy by elderly persons.

I am pleased now to enclose a representative text of many of the Wisconsin messages for this objective. I ask unanimous consent that the text of this representative letter be printed at this point in the body of the RECORD.

Needless to say, I completely share the deep interest of the Eagles in actually achieving this objective and shall be in contact with my colleagues in the House of Representatives toward this end.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin?

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

Senator ALEXANDER WILEY,
Washington, D. C.

HONORABLE DEAR SIR: The Fraternal Order of Eagles, who were pioneers in securing the passage of workmen's compensation laws, old-age pensions, and social-security legislation, have now endorsed a proposal that the Federal Housing Act be amended to provide for the construction of old-age rest homes for elderly men and women of America of limited income, or who may be living under social security or old-age pensions, so that they can live in low-cost rental homes within their means and ability to pay for their own maintenance and support.

We are asking that you support House bill No. 3919 introduced in the United States Congress on February 10, 1955, by the Honorable BARRETT O'HARA as H. R. 3919, together with any amendment or amendments made thereto for the purpose of amending the Federal Housing Act to provide for the building of old-age rest homes therefrom.

We are also urging you to support United States Senate bills S. 1412 and S. 1642,

amending the Federal Housing Act to provide for old-age rest homes for elderly men and women of limited income as low-cost housing units together with any amendment or amendments that may be made hereto.

We believe this is a needed social reform. We should not give our elderly men and women a mere pittance or small pension or social security and let them go on their own way and try to help themselves. We believe you, as a United States Senator, or Congressman, will be doing a great public service in passing this legislation to benefit our elderly men and women who may need help in their declining years to enjoy a home wherein they are welcome and able to pay their own way within their limited means.

Sincerely yours.

FREEDOM FOR ENSLAVED HUNGARY

Mr. WILEY. Mr. President, I was pleased to hear today from Rev. Kalman Csia, pastor of the Hungarian and Evangelical Reformed Church of Milwaukee, and from members of his parish, pleading that at the forthcoming meeting at the summit the plight of enslaved Hungary not be forgotten, and that every effort be made to secure the evacuation from Hungary of Soviet occupying forces.

Mr. President, I join in the earnest hope and prayer that every effort will be made to free the enslaved Magyar people and other enslaved peoples of Eastern Europe from the Soviet yoke.

America has the warmest regard for the people of Louis Kossuth, and for other peoples whose national, religious, and cultural rights have been trampled by atheistic Soviet enslavers.

We are realists; we know the hard facts of communism's diabolic intentions. But we hope and pray that the day of liberation of enslaved peoples will not be far off.

I ask unanimous consent that the text of Reverend Csia's letter be printed at this point in the body of the RECORD.

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

HUNGARIAN EVANGELICAL
AND REFORMED CHURCH,
Milwaukee, Wis., June 19, 1955.

Hon. ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.:

On the eve of the coming conference between the heads of the leading nations of the world, we, the undersigned citizens of the United States of America of Hungarian origin, take the liberty to remind the Government of the United States of America of the pledges made by the Western Powers concerning Hungary in connection with the Austrian State Treaty.

The Austrian State Treaty declares that the Soviet troops will leave Austria at a certain date. As far as we know, the pledge was made by the Western Powers at the peace treaty with Hungary in Paris that after removal of the Soviet Army from Austria, the Soviet troops should leave Hungarian soil, too.

We sincerely hope that the pledge will not be forgotten at the coming conference, because the withdrawal of the Soviet Army from Hungary is the basic necessity for enabling the Hungarian nation to have a new and really free election.

Today the Hungarian nation is enslaved and oppressed by Soviet bayonets. The nation is not able to speak for itself; therefore, it is our duty and privilege to raise our voices in the behalf of our suffering homeland.

In our judgment the coming conference will be the best and may be the last chance to achieve freedom for our native country by peaceful means. Therefore, we hope that the President of the United States of America will not hesitate to enforce the given pledges.

Sir, we send our memorandum to you, representing our point of view recorded here, because your activities and your principles encourage us to do so.

Very sincerely yours,

Rev. Kalman Csia, Leslie Vanga, Charls Talloqi, Stefan Bartok Prek, Joseph Eken, Steve Huszti, Zoltian Ajahyl, Michael Pallage, Steve Bovos, Steve Reuez, Michael Avagy, Csire Soinolov, Laszlo Mihaly, Paul Kaergs, Steve Marki, Allan Stange.

A PLEA FOR THE AMERICAN TANNING INDUSTRY

Mr. WILEY. Mr. President, last week I was pleased to note that my distinguished colleague in the House of Representatives, the Honorable WILLIAM VAN PELT, Representative from the Sixth District of Wisconsin, spoke very eloquently on the plight of the American tanning industry.

He included in the CONGRESSIONAL RECORD, on page 8051, the text of a significant memorandum pointing out that the tanning industry has suffered from floods of foreign imports, at the same time that it has been the victim of a callous attitude of nonreciprocity on the part of foreign nations.

For years, various foreign countries, discriminating against the American tanning industry by a host of subterfuges, have justified their action on the basis of the so-called "dollar shortage" and other excuses.

The fact of the matter is that, if the principle reciprocity is to have any validity whatsoever, it must be a two-way street now, not in the nebulous future.

The United States cannot continue indefinitely to see its own vital industries harmed, at the same time that foreign countries ask us to open our doors wider and wider to the flood of their incoming goods.

As ranking Republican Member of the Senate Foreign Relations Committee, I am just as anxious as anyone else, indeed, far more so, to see world trade and development, and to see prosperity for our friends, neighbors, and ourselves.

But I am reminded of the injunction of St. Paul that if we do not "look after our own," we have "denied the faith" and "are worse than the infidel."

I should like to quote from a letter which I have received from a distinguished leader of the tanning industry in my State. He points out:

The great sovereign State of Wisconsin has within its confines a great many tanneries and shoe factories. It is considered one of the four largest tanning States of the Union and in shoe output it comes within the first 20 States.

In addition to the industrial side of the picture we have our farmers, who are rich in cow population. The price of hides affects the value of every cow owned by every farmer in our State.

For years the tanning industry has been getting the rawest kind of deal in foreign trade. Country after country, to which we once used to be able to ship some quantity of leather, has blocked and embargoed imports from the United States. The excuses for such discrimination have long since worn thin.

He goes on to point out that time after time the industry has appealed to the State Department and the Tariff Commission. But what was the response? "Every time that we have appeared before them, they have given us baskets of soft soap."

This Wisconsinite continues:

People are getting tired of a one-way street in foreign affairs. They would like to see American interests defended once in a while, and especially so, when all we ask is simple equity and reciprocity.

What I am saying today is not directed on behalf of businessmen alone. I am thinking of the workers in the leather industry and of their families and of the communities in which they work.

Here is the way another disinguished leader of the industry has written to me:

The tanning industry of the United States has been for years, and is now, the victim of the grossest discrimination and lack of reciprocity in foreign trade. Our own leather markets are free and open without restriction or hindrance against the import of foreign leather. However, foreign leather markets have been closed, controlled, embargoed, or restricted against shipments of leather from the United States. Our company, along with other United States tanners * * * have lost an essential market for grades, weights, and colors of leather normally absorbed abroad. Foreign tanners are progressively increasing their sales to American manufacturers, as with a subsidized raw material market and a labor cost of over 60 percent less than our industry average, it results in a hopeless task of competitive effort.

We earnestly seek your assistance in ending this unwarranted discrimination and insisting that our Government demand reciprocity.

I commend this matter to the earnest attention of all echelons of the Department of State and of the United States Tariff Commission. I ask for constructive action to relieve the grave plight of the American tanning industry, and I shall be in contact with these agencies toward this end.

I reiterate, what is needed is action, not more study, more consideration and more do-nothingness.

CONFERRING OF HONORARY DEGREE OF DOCTOR OF LAWS UPON SENATOR SMITH OF MAINE

Mr. ERVIN. Mr. President, on June 6, 1955, a great institution of learning in my State, the Woman's College of the University of North Carolina, honored itself by conferring the honorary degree of doctor of laws upon the wise and lovely Senator from Maine, Senator MARGARET CHASE SMITH. I ask unanimous consent to have printed in the RECORD at this point the citation which accompanied the award of this degree.

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

MARGARET CHASE SMITH—like William Shakespeare, a former school teacher; leader for many years in the councils of the Republican Party; from 1941 to 1948, Congresswoman from Maine; and since 1948, United States Senator.

In you are combined the elements which symbolize the State of Maine—the courage and the independence of her people, the vibrant strength of her tall pines and spruces, the clarity and serenity of all of her lakes from Mooselookmeguntic to Meddybemps, and, of course, the unspoiled beauty of Permaquid Point on a summer morning.

Your statesmanship and vision, transcending politics and considerations of personal advantage, lifted up the eyes of our Nation at a critical juncture to contemplate the state of our own soul, and with your colleagues in the famous declaration of conscience, you helped to light the way toward the integrity and decency which lie at the heart of the national interest.

And now by virtue of the authority vested in me by the board of trustees and the president of the University of North Carolina, I hereby confer upon you the degree of doctor of laws. Woman's College is honored that your name is to be inscribed forever in the roll of her daughters.

EDWARD K. GRAHAM,
Chancellor.

THE SALK ANTIPOLIO VACCINE—LOYALTY OF DEPARTMENT HEADS TO SUBORDINATES

Mr. NEUBERGER. Mr. President, the Secretary of Health, Education, and Welfare has laid full responsibility for the Salk antipolio vaccine on her subordinate, the Surgeon General. In other words, if defective vaccine has been administered to the children of America, it is the fault of Dr. Leonard A. Scheele, and not of Mrs. Oveta Culp Hobby.

Mr. President, loyalty is one of the highest of human attributes when it exists in a person. Down from Biblical times has come the immortal phrase, "Where thou goest I will go," and we honor the loyal woman who said it.

Loyalty to one's subordinates is more important in many cases than loyalty to one's superiors. It is easy for a person to be loyal to someone in a position of great authority who is over him in rank. It is a real test of a person's staying power, of a person's basic character, to be loyal to a subordinate.

Before coming to this body I wrote on many occasions of an organization which all the world respects, the Royal Canadian Mounted Police. One of the precepts of the illustrious Mounties is loyalty to subordinates. A commanding officer accepts responsibility for the deeds of the men under his command. What they do he stands by or falls by.

A Mountie patrol became lost in the terrible wilderness on the Yukon Divide between Fort McPherson and Dawson City. The guide had lost the way. Back across 300 miles of windswept barren lands they staggered without food, only to perish 25 miles from safety. In the diary of Inspector Fitzgerald, the commanding officer of the patrol, there is no criticism of the poor guide whose error cost them their lives. Until death he stood by the man who had failed him. He never shirked his subordinate, in life or in the throes of death.

Today, throughout the vast North country, rugged men take off their fur caps when mention is made of the name of Inspector Francis J. Fitzgerald.

Mr. President, I think loyalty to subordinates is a quality of which the national administration is in dire need. We have watched the Secretary of State abandoning subordinates in times of stress and trouble. Now we see the Secretary of Health, Education, and Welfare laying full blame and responsibility on a subordinate in a time of similar—or perhaps greater—stress and trouble.

I would counsel both Mr. Dulles and Mrs. Hobby that there are higher rewards in life than to remain in the seats of power and authority. To have measured up fully to the demands of being a courageous and indomitable human being is something to be desired, and honored, too.

One only can imagine what such desertions as these in two great departments must do to employee morale in the Federal service.

Mr. President, in conclusion I ask unanimous consent that a story from the Washington Post and Times-Herald of June 21, 1955, entitled "Mrs. Hobby Calls Scheele Responsible for Vaccine," be reprinted in the CONGRESSIONAL RECORD, as well as an editorial from the New York Herald-Tribune of June 20, 1955, on Canada's successful handling of the Salk antipolio serum.

There being no objection, the news story and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of June 21, 1955]

MRS. HOBBY CALLS SCHEELE RESPONSIBLE FOR VACCINE

Oveta Culp Hobby, Secretary of Health, Education, and Welfare, last night laid full legal responsibility for the safety of the Salk polio vaccine on Surgeon General Leonard A. Scheele.

Mrs. Hobby, who said, she was not "dissatisfied" with Dr. Scheele's activities in the Salk inoculation program so far, insisted that the law for control of biologicals "charges the Public Health Service, and not the Secretary," with responsibility for safety.

She made the statements on the broadcast "Reporters Roundup," carried here over Radio Station WWDC.

She said the responsibility of the Department of Health, Education, and Welfare under the law is one of licensing the companies to produce vaccine. Mrs. Hobby said she had "no apologies" to make for having licensed use of the vaccine on Dr. Scheele's recommendation.

She said lengthy field tests that preceded the frequently stalled program aimed at the vaccine's safety. She added that if there was "any negligence" in the Public Health Service it will not be known until the question about the Cutter vaccine is answered. (This product was withdrawn on United States order after vaccinated children developed polio.)

Asked whether anyone in the Public Health Service to her knowledge had been negligent in handling the program, Mrs. Hobby said, "I am not qualified to answer that question."

Although the health service is part of Mrs. Hobby's Department, she said that even had she wanted to, she could not "have ordered changes in the way Dr. Scheele's service handled the program."

The law "runs" to the Surgeon General and places the responsibility of the program on his Department, she explained.

A spokesman for Dr. Scheele told International News Service that the Surgeon General would have no comment to make on Mrs. Hobby's remarks.

Mrs. Hobby said after the program:

"My remarks with respect to the legal responsibilities of the Secretary and Public Health Service, should not be interpreted in any way as criticism of the Surgeon General, or the Public Health Service."

She added: "Everyone should know I have been backing them to the limit for the past 7 weeks. They are serving the public with all the scientific knowledge at their command."

Mrs. Hobby, who was asked why she had said "no one could have foreseen the great demand for the vaccine," replied:

"That's a good question. Why couldn't they anticipate the demand? The answer came back that there was never before any such demand. There was never in the history of the United States such a demand for a vaccine or antitoxin."

Touching on other areas of the Salk program controversy, Mrs. Hobby defended her charge that a Democratic plan to give free vaccine to all children would amount to "socialized medicine by the back door."

[From the New York Herald Tribune of June 20, 1955]

POLIO: THE CANADIAN LESSON

Canada's experience with the administration of the Salk vaccine has been so different from that of the United States that a comparison between the two methods of handling is inevitable. So far 800,000 Canadian children—the entire first and second grade school population—have been inoculated, and by the end of next year the total will have reached 3 million. Administration of the vaccine has been under the control of the Canadian Ministry of Health and Welfare, and all children have received the serum free. There has been no political dispute and no public controversy.

It may be argued, of course, that Canada, with a total population of only 15 million as against the 165 million of the United States, had a simpler and less demanding task. Yet the Canadian planning and direction were so thorough and effective that a decided impression is left that they might have achieved similar results in the United States. With little of the publicity and none of the improvisation of the American program, the Canadians went about their task in a scientific and detached manner, their paramount concern being to administer the vaccine to all who neded it as swiftly and as safety as possible.

Understandably, Canadian authorities are reluctant to become involved in the vaccine furore in the United States. But the fact remains that both in safety and distribution—the two key problems involved in the Salk vaccine—the Canadians have achieved remarkable success by dint of foresight and planning. There is still time for the lesson to be appplied in the United States.

WITHHOLDING OF NEWS BY EXECUTIVE DEPARTMENTS

Mr. NEUBERGER. Mr. President, many Members of the Senate have been disturbed over the tendency in executive departments to withhold news to which the people are entitled. The junior Senator from Missouri [Mr. SYMINGTON] has indicated to us how the Defense Department, for example, has minimized any

information of an adverse or unfavorable nature.

The American people are not children. They are mature and capable. They can analyze the facts for themselves. They do not need to be spoonfed. In this connection I believe the Senate should read an illuminating column from the Oregon Daily Statesman of Salem, Oreg., for June 15, 1955, by one of my State's illustrious residents, ex-Governor Charles A. Sprague.

One phrase in particular by Governor Sprague deserves attention. He writes:

One of the congenital diseases of public officials is the assumption of anointment. They quickly develop the conception which attends power, namely, that "the king can do no wrong."

I fear Governor Sprague is right. The Congress might police and patrol the executive departments of Government, no matter which party is in office, to see to it that the American public is given the full truth about matters which should be public property. Government is a trust in our country, it is not a divine right of kings.

I ask unanimous consent that the column by Charles A. Sprague from the Oregon Daily Statesman be printed in the RECORD as part of my remarks.

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

IT SEEMS TO ME

(By Charles A. Sprague)

Joseph and Stewart Alsop, whose Washington correspondence appears regularly in the Statesman, are competent and reliable reporters. They have shown remarkable ability not only in getting at the facts in the Washington political squirrel cage but also in getting at facts of greatest significance. They have also a high sense of public responsibility in their role of reporters of events and trends in national and international affairs. Hence their recent articles criticising Government censorship merit very respectful consideration.

Government officials have come in for rather severe criticism because of the surprising demonstration of Russian jet bombers on May Day in Moscow. They are accused either of ignorance of what the Russians were up to, or of underrating their capabilities in the field of mechanics, or of trying to cover up facts from the American people. Washington reporters have laid down quite a barrage on the administration over this affair.

What the Alsops have done in their column of Tuesday was to go farther and accuse Government officials not just of concealing facts from reporters but of harassing them, sicking FBI agents on them, and trying to cripple reporters in their legitimate work. The Alsops say they have been the subject of 5 or 6 security investigations, which seems to be motivated more for annoyance than from any prospect of uncovering subversive attitudes or connections.

One of the congenital diseases of public officials is the assumption of anointment. They quickly develop the conception which attends power, namely, that the king can do no wrong. It may be only a papa knows best attitude with respect to withholding news for the public. Or it may be the self-delusion which befalls nearly every executive, namely, to look on the work of his hands and declare it good. At any event it is quite common for an undeclared war to prevail between officials and reporters. That may be a good thing. At least it prevents reporters from being mere distributors of bureau press sheets and forces them to dig to get the news.

Without doubt officials have many occasions to get sore at reporters. The latter often get their facts twisted, or put twisted interpretations on such facts as they have. Reporters themselves are by no means free from bias, and none can get away with any claim to sainthood. But the public must depend on the diligence and integrity of reporters for news of the public business. Fortunately there are enough dependable reporters to give the people quite an accurate report of the kaleidoscope of events in Washington.

The administration errs if it thinks it can suppress damaging facts for very long, and the officials who try to penalize honest reporters are laying sin at their own door, which sooner or later may be exposed. The present issue over Russia's aviation development brings to mind he spirited attack of the Alsops on the military retrenchment policy of Louis Johnson, who succeeded James Forrestal as Secretary of Defense. That reporting wasn't relished in high circles; but its truth was painfully proven when the Korean war broke out and our military deficiencies came to light. Bureaucrats are bureaucrats and it doesn't make much difference which party label they wear.

A great deal of this peacetime censorship or suppression of news springs from the security complex. Out of fear that an enemy might learn something officials cover up facts which their own people ought to know—as the AEC did on facts from the 1953 H-bomb tests. This makes it all the more important for men and women who cover the news rounds in Washington to be diligent and courageous.

THE PHILADELPHIA ORCHESTRA

Mr. MARTIN of Pennsylvania. Mr. President, in Sunday's Philadelphia Inquirer there appeared a United Press story that 89-year-old Jean Sibelius had received Eugene Ormandy and the entire Philadelphia Orchestra at his home, thanking them, and thus the American people, for appreciation of his music.

The Philadelphia Orchestra, under the superb leadership of Mr. Ormandy, has been making an outstanding tour of Europe and has received great acclaim. This trip to Europe will strengthen friendship and understanding among freedom-loving people in every land. It will do much to advance the cause of peace.

Mr. President, every American should be proud of the Philadelphia Orchestra as one of the great cultural assets of the United States. It is recognized as one of the finest symphonic organizations in the world.

To be received by the distinguished Finnish composer is an honor of the highest degree. His music speaks a universal language. It voices the hopes and aspirations of all mankind for freedom under God. It breathes the spirit of a courageous people who have given the world an example of struggle and sacrifice in their devotion to liberty and human dignity.

Mr. President, I welcome this opportunity to congratulate the Philadelphia Orchestra and to thank its members for their splendid service to our country and the world as American ambassadors of good will.

I ask unanimous consent to have printed in the RECORD at this point in my remarks the article to which I have referred.

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

SIBELIUS OPENS HOME TO PHILADELPHIA ORCHESTRA

JARVENPAA, FINLAND, June 18.—Eighty-nine-year-old Jean Sibelius dramatically broke his long isolation today and invited Eugene Ormandy and the entire Philadelphia Orchestra into his home as a thank-you salute to the American people for appreciating his music.

The great Finnish composer defied doctor's orders to stay in his warm study because of an ear infection.

WEARS LOOK OF MAJESTY

Wrapped in a gray woolen topcoat and an old-fashioned velvet hat, the man whose face was forgotten decades ago came out on his white-painted veranda to be among the American musicians whose Helsinki concert last night pleased him.

Tall and thin but still managing a look of majesty, the aged artist supported himself on a stick and peered warmly at Ormandy and the Philadelphia musicians. Many of them stood outside in a chill drizzle. All cheered, and the old man said, "I am very happy to see you. You are all great artists."

It was a rare honor that Sibelius paid the musicians. It was the first time in 20 years that he had received such an assemblage in his home.

LIVES IN ISOLATION

He has lived a retired and isolated life for years. He has insisted on privacy. Only members of his family and the most intimate of friends have been able to pierce the curtain the old man threw around himself in his last years.

Many internationally renowned orchestras and choirs such as the Wiener Saengerknaben have in the past years found the door of the six-room wooden house closed to them.

POSES FOR PICTURES

For 25 years Sibelius has stubbornly refused to admit photographers. Yet today he posed smilingly for 10 minutes while camera-carrying members of the Philadelphia Orchestra snapped scores of photographs of him.

The visit to Sibelius' Villa Ainola—named after his wife Aino—was arranging in a matter of hours this afternoon. Only a couple of newsmen and professional cameramen were present to capture what might well be Sibelius' last public appearance.

TOKEN OF GRATITUDE

"We had little hope we would get this wonderful opportunity," Ormandy said. "Sibelius never receives anybody, as you know.

"But he let us come as a special token of gratitude to the American people, who love his music."

Sibelius disregarded his doctor, who warned him this morning that his ear infection might get worse if he left his warm study.

WILL BE 90 DECEMBER 8

The composer, who will be 90 next December 8, told the orchestra members that he had listened over the radio to their performance of his music in Helsinki's Fair Hall last night.

He told the musicians he was "highly satisfied with your presentation of my music."

"It was grand, it was perfection," he said.

Ormandy, introducing his orchestra to the master, told Sibelius:

"There are many members of this orchestra who once played your music for the first time in the United States, who actually introduced you to American audiences."

FACE LIGHTS UP

Sibelius' pale face lighted up.

He waived his thin hand again and repeated, "I am so glad to see you."

All the members of the orchestra went to the modest villa in this town 20 miles outside Helsinki.

Sibelius explained through Ormandy that he "regretted very much that my house is too small to have room for you all."

INVITED INTO GARDEN

But he invited the musicians to have a look at his garden of silver birch trees and the first blossoming flowers of the Finnish summer. Few of the musicians wandered far from the veranda where the old man held court, however.

Sibelius regretted that he was suffering from the infection and had some trouble hearing.

But the Swedish-speaking composer nodded smilingly when one of the musicians shouted "Tack, tack sa mycket," a Swedish phrase for "Thank you very much."

CAPT. MOSES M. RUDY—CONFERENCE REPORT

Mr. KILGORE. Mr. President, I submit a report of the committee of conference of the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

And the Senate agree to the same.

HARLEY M. KILGORE,
JOHN L. MCCLELLAN,
ALEXANDER WILEY,
Managers on the Part of the Senate.

THOMAS J. LANE,
E. L. FORRESTER,
CHAUNCEY W. REED,
Managers on the Part of the House.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

GENERAL GOVERNMENT MATTERS APPROPRIATIONS, 1956

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

Mr. SMATHERS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief explanation of the bill.

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

STATEMENT BY SENATOR MAGNUSON

I have a brief explanation of the bill.

It is a new appropriation bill, under the title of "General Government Matters," covering agencies formerly provided for in the independent offices bill. Funds are included for the various parts of the Executive Office of the President, and for the American Battle Monuments Commission, Foreign Claims Settlement Commission, and Subversive Activities Control Board.

The Senate amendments add a new appropriation item on special projects for the White House Office, add requested language for the Rockefeller Committee and for expenses of management improvement, restore $4,200,000 for the payment of Korean claims and $100,000 for administrative expenses, and cut $1,400 from the Subversive Activities Control Board.

General provisions, formerly carried in supplemental bills, are provided in the bill for all Government agencies. The Senate amendment increases the maximum payment for passenger motor vehicles from $1,350 to $1,375, specifies $1,875 for station wagons, and allows for certain charges over the maximum payment.

The ACTING PRESIDENT pro tempore. The Secretary will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Executive Office of the President—The White House Office", on page 2, line 19, to strike out "$2,055,500" and insert "$1,882,500".

The amendment was agreed to.

The next amendment was, on page 2, after line 19, to insert:

SPECIAL PROJECTS

For expenses necessary to provide staff assistance for the President in connection with special projects, to be expended in his discretion and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, $1,250,000: *Provided*, That not to exceed 10 percent of this appropriation may be used to reimburse the appropriation for "Salaries and expenses", The White House Office, for administrative services.

The amendment was agreed to.

The next amendment was, under the subhead "President's Advisory Committee on Government Organization", on page 5, line 13, after the figures "$60,000", to insert a colon and "*Provided*, That the Committee is authorized, without regard to section 505 of the Classification Act of 1949, as amended, to place one position in grade GS-18 of the general schedule established by said act."

The amendment was agreed to.

The next amendment was, under the heading "Funds Appropriated to the President", on page 6, after line 10, to insert:

EXPENSES OF MANAGEMENT IMPROVEMENT

Funds heretofore appropriated under this head shall be available for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed $75 per diem.

The amendment was agreed to.

The next amendment was, under the heading "Foreign Claims Settlement Commission — Payment of Korean Claims", on page 8, line 7, after the numerals "1954", to strike out "$8,000,000" and insert "$12,200,000."

The amendment was agreed to.

The next amendment was, under the subhead "Administrative Expenses," on page 9, line 10, after the word "exceed", to strike out "$2,500" and insert "$10,000"; at the beginning of line 14, to strike out "$450,000" and insert "$550,000"; in the same line after the word "which", to strike out "$300,000" and insert "$350,000", and in line 18, after the word "and", to strike out "$150,000" and insert "$200,000."

The amendment was agreed to.

The next amendment was, under the heading "Subversive Activities Control Board," on page 10, line 3, after the word "periodicals", to strike out "$300,000" and insert "$298,600."

The amendment was agreed to.

The next amendment was, under the heading "Title II—General Provisions—Departments, Agencies, and Corporations," on page 10, line 9, after "(5 U. S. C. 78)", to strike out "for the purchase of any station wagon or other passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at $1,350" and insert "for the purchase of any station wagon is hereby fixed at $1,875, and for the purchase of any other passenger motor vehicle (exclusive of buses and ambulances) is hereby fixed at $1,375: *Provided*, That in addition to said maximum amount the contractor is authorized to charge the amount of the manufacturer's regular established charge to the public for transportation and delivery of such vehicle: *Provided further*, That the amount of any charge by the contractor to the Government for any special feature or equipment on said vehicle that is not required for the convenience and comfort of the operator or passengers but is necessary to permit the operator or passengers to carry out their official duties need not be included in said maximum amount."

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. That completes the committee amendments.

The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, I wish to state for the RECORD that the only increase carried in the Senate version of the bill, as compared with the amounts voted by the House of Representatives, involves the so-called War Claims Commission. The Senate Appropriations Committee voted to increase the amount from the Commission, on the testimony of the War Claims Commission that it could clear up, this year, many of the Korean war claims which have reached the Commission level, and

which the Commission already has passed upon, so that all it needs is the funds with which to clear them up. It is an obligated fund, anyway. So based upon that testimony, we added to the amount provided by the House.

Mr. KNOWLAND. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

Mr. MAGNUSON. I yield.

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

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MAGNUSON. Have all the committee amendments been agreed to?

The ACTING PRESIDENT pro tempore. They have been agreed to.

Mr. KNOWLAND. I merely wished a quorum call before the Senator's explanation of the amendments which have been submitted.

Mr. MAGNUSON. Those are all the amendments.

Mr. KNOWLAND. Have all the committee amendment been disposed of?

Mr. MAGNUSON. Yes. The committee amendments are the only amendments. If there are no further amendments to be offered, I suggest that the amendments be ordered to be engrossed, and the bill to be read a third time.

The ACTING PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 6499) was read the third time and passed.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. DIRKSEN, Mr. SALTONSTALL, and Mr. KNOWLAND conferees on the part of the Senate.

LACK OF DIRECT AIR TRANSPORTATION BETWEEN NEW ORLEANS AND MEXICO CITY

Mr. ELLENDER. Mr. President, for almost 11 years, New Orleans and the great heartland of our United States have waited patiently for direct air service between the Crescent City, which we Louisianians proudly refer to as the Hub City of the Americas, and Mexico City. Nine years ago last month, President Truman approved a certificate for an American air carrier to engage in air transportation between New Orleans and Mexico City. The President's approval came 1 year and 8 months after the opening of the cases which included this route, the so-called Latin American cases.

Yet today I am forced to report to the Senate that it is still impossible for a traveler—whether he be a businessman or a tourist—to fly directly from New Orleans to Mexico City. Despite the fact that New Orleans is the center of our great Latin American trade, notwithstanding the fact that New Orleans and the growing Mississippi Valley are so important in our economic relationship with our neighbor to the south of us, New Orleans remains the only large city along the southern border of our Nation which is without direct air service to Mexico City.

I do not intend to go into the question of whether or not the subsequent cancellation of the original certificate of convenience and necessity, issued some 9 years ago, was valid. That is water over the dam. However, I raise my voice in protest against what is patently an unfair situation with respect to New Orleans, Atlanta, Birmingham, and other great southern cities which are presently denied direct, through air service to Mexico City. I feel, Mr. President, that it is time our Government got down to brass tacks in dealing with this situation, and that we laid our cards on the table.

It is my considered judgment that the only major obstacle in the way of initiating air service between New Orleans and Mexico City is the unreasonable and arbitrary attitude of the Government of Mexico. It pains me to say this about our good neighbor to the South, but I believe the facts will bear me out.

Air transportation between the United States and Mexico presents an extraordinary and sorry picture. Mexico refuses to permit any United States flag carrier to fly nonstop from any major United States city to Mexico City. Instead, this important and lucrative traffic is handled by foreign airlines.

Why is this? Because Mexico insists upon and has a monopoly on certain important United States-Mexico City nonstop runs. Further, it has permitted at least one other foreign airline flying nonstop from the United States to land in Mexico City, while denying similar rights to United States carriers.

The fact is that for more than 9 years the United States has been endeavoring to work out, on a reciprocal basis, a just and equitable bilateral air route agreement with Mexico. During this period there have been four formal intergovernmental negotiations and almost continuous conferences. All these efforts have failed.

They have failed, Mr. President, for a variety of reasons; but the most important of these boils down to the fact that the Mexican Government is not willing to meet our Government half way, or even a quarter of the way, in establishing an equitable pattern of air transportation between our two countries. Let me reiterate that since 1946, when the Civil Aeronautics Board certificated 5 United States carriers over 7 routes into Mexico, the United States has, through almost continuous negotiations, sought to negotiate a bilateral air route agreement with the Mexican Government. I am informed that as of today, the parties are further apart than ever. among the reasons for failure of these negotiations, four stand out.

First, the United States has refused to agree to a limitation of capacity or a division of traffic on the routes in question. Mexico has insisted upon a monopoly for CMA—Compania Mexicana Aviacion, the Mexican Government's airline—for the Los Angeles-Mexico City run.

Second, Mexico desires a monopoly on the San Antonio-Mexico City and New Orleans-Mexico City run. This, in effect, would mean that passengers from northern points would not be permitted to fly an American-flag carrier into Mexico City, and other Mexican points, but would be forced to change flights and board a Mexican carrier.

Third, I am informed that CMA has so far apparently so completely dominated the actions of the Mexican Government, with respect to the series of bilateral negotiations concerning air routes, that the Mexican Government will not agree to anything which is not agreed to by CMA.

Fourth, it is my information that the United States has not properly insisted upon general reciprocity, at least with respect to long hauls. This, in effect, covers Los Angeles-Mexico City, New Orleans-Mexico City, New York-Mexico City, and Chicago-Mexico City.

Mexico has based its insistence upon these special privileges on various grounds. Principally it has asserted that the Mexican lines cannot successfully compete with United States carriers on these routes. This is belied by the experience of the carriers of other countries with whom the United States has entered into bilateral air-route agreements.

One example will illustrate the problem with which the United States is faced. Prior to 1947 Compania-Mexicana Aviacion—CMA—was limited by its CAB permit to three flights per week from Los Angeles to Mexico City. In 1947, while negotiations for an overall bilateral agreement were pending, Mexico urged the United States to lift the three-flight limitation, with the assurance that Mexico would shortly execute a bilateral route agreement with the United States, giving the United States, among other things, reciprocal rights with respect to the Los Angeles-Mexico City air route.

The United States accepted this assurance and granted CMA unlimited flight service from Los Angeles. Mexico, however, refused, and has refused to this day, to enter into a bilateral route agreement with us or to grant reciprocal rights on a nonstop basis from Los Angeles to Mexico City. The result is that today CMA is flying from 14 to 20 round-trip flights a week, at 90 percent or more capacity, between Los Angeles and Mexico City.

During this period the only United States carrier serving Mexico City from the west coast was required to stop at El Paso. In 1951, after CMA placed DC-6 equipment in service, traffic of the United States carrier into Mexico City via El Paso dropped to practically nothing, with the result that the United States carrier was obliged to suspend its El Paso-Mexico City operations.

Similar examples involving the east coast and the New Orleans area could be cited.

From the beginning, with respect to both domestic and foreign air travel, the United States has refused to sanction either limitations on capacity or agreements for division of traffic. Instead, it has properly insisted on reasonable competition and reciprocal rights so far as these air routes are concerned.

During the last 10 years the United States has successfully negotiated, on the basis stated, some 45 bilateral air-route agreements with various countries, including most of our Central and South American neighbors. For the reasons stated, Mexico represents our outstanding failure.

Let me emphasize, also, Mr. President, that while these negotiations have dragged on and on, foreign airlines are obtaining lucrative portions of the Latin American air traffic. It is estimated that CMA carries from 20 to 25 percent of all air traffic between the United States and Mexico. Air France obtained in 1946 a CAB certificate to fly nonstop from New York to Mexico City. This certificate was based upon an overall United States-France bilateral agreement. Air France also received a Mexican certificate for that same flight into Mexico City in 1953. Since that time, Air France has been flying nonstop from New York to Mexico City, with a very adverse affect upon the American flag carriers who fly from New York to Mexico City, with a compulsory stop at Dallas.

Recently, Lufthansa, the West German government airline, has received United States approval to fly several Latin American routes, further reducing the volume of traffic which is still available to United States flag carriers.

It is a puzzle to me that, excluding one flight from Dallas to Mexico City, no United States flag carrier is permitted to fly nonstop from any major United States city to Mexico City. Instead, two foreign carriers have a monopoly on this important traffic—CMA and Air France.

How long must our American cities and our American citizens wait before they are permitted to fly American flag carriers into Mexico? Already, New Orleans has waited 11 years, and the end of the waiting is not in sight. Must we continue to see this expanding air traffic flow to foreign carriers, because the flights of American airlines are blocked by the unreasonable attitude of the Mexican Government.

Mr. President, air commerce is an integral part of our foreign commerce. Our Nation is growing. The Latin American lands are being developed. Yet it is impossible for an American businessman to board an American carrier and fly direct to Mexico City. The growth of the great port of New Orleans, the gateway to the Mississippi Valley, is being hampered by the unreasonable attitude displayed by the government of Mexico with respect to air routes into that country. Meanwhile, the citizens of that city and of the Mississippi Valley must wait. We are told that negotiations are in progress. These negotiations have occupied nearly a decade. It is time they bore some fruit. We cannot forever await a change of heart in our Mexican neighbors. We cannot afford to sit by too long and see foreign air carriers gobble up the most attractive air routes, the biggest part of the traffic, and gain a stranglehold on air commerce between the United States and Mexico.

The time has come for some down-to-earth bargaining between the government of Mexico and the Government of the United States. Let us stop playing ring around the rosy with this important matter. We need these routes; we deserve these routes; and, Mr. President, it is high time we had them.

PARTICIPATION IN INTERNATIONAL FINANCE CORPORATION

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 509, Senate bill 1894.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1894) to provide for the participation of the United States in the International Finance Corporation.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with amendments, on page 2, line 8, after the word "governor", to strike out "executive"; in line 9, after the word "and", to strike out "alternate" and insert "alternates"; and in line 12, after the numeral "4", to strike out "The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286b), with respect to the International Bank for Reconstruction and Development shall apply with respect to the Corporation." and insert "The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286b), shall apply with respect to the Corporation to the same extent as with respect to the International Bank for Reconstruction and Development." so as to make the bill read:

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "International Finance Corporation Act."

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the International Finance Corporation (hereinafter referred to as the "Corporation"), provided for by the Articles of Agreement of the Corporation deposited in the archives of the International Bank for Reconstruction and Development.

GOVERNOR, EXECUTIVE DIRECTOR, AND ALTERNATES

SEC. 3. The governor and executive director of the International Bank for Reconstruction and Development, and the alternate for each of them, appointed under section 3 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286a), shall serve as governor, director, and alternates, respectively, of the Corporation.

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286b), shall apply with respect to the Corporation to the same extent as with respect to the International Bank for Reconstruction and Development. Reports with respect to the Corporation under paragraphs 5 and 6 of subsection (b) of section 4 of said act, as amended, shall be included in the first report made thereunder after the establishment of the Corporation and in each succeeding report.

CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) subscribe to additional shares of stock under article II, section 3, of the Articles of Agreement of the Corporation; (b) accept any amendment under article VII of the Articles of Agreement of the Corporation; (c) make any loan to the Corporation. Unless Congress by law authorizes such action, no governor or alternate representing the United States shall vote for an increase of capital stock of the Corporation under article II, section 2 (c) (ii), of the Articles of Agreement of the Corporation.

DEPOSITORIES

SEC. 6. Any Federal Reserve bank which is requested to do so by the Corporation shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTIONS

SEC. 7. (a) The Secretary of the Treasury is authorized to pay the subscription of the United States to the Corporation and for this purpose is authorized to use as a public-debt transaction not to exceed $35,168,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this subsection of the subscription of the United States to the Corporation and any repayment thereof shall be treated as public-debt transactions of the United States.

(b) Any payment of dividends made to the United States by the Corporation shall be covered into the Treasury as a miscellaneous receipt.

JURISDICTION AND VENUE OF ACTIONS

SEC. 8. For the purpose of any action which may be brought within the United States or its Territories or possessions by or against the Corporation in accordance with the Articles of Agreement of the Corporation, the Corporation shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which the Corporation shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When the Corporation is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES AND PRIVILEGES

SEC. 9. The provisions of article V, section 5 (d), and article VI, sections 2 to 9, both inclusive, of the Articles of Agreement of the Corporation shall have full force and effect in the United States and its Territories and possessions upon acceptance of member-

ship by the United States in, and the establishment of, the Corporation.

Mr. FULBRIGHT. Mr. President, I am glad that the Senator from Connecticut [Mr. PURTELL] requested that S. 1894 not be passed on the consent calendar. United States participation in the International Finance Corporation is a matter of sufficient importance to warrant discussion on the floor of the Senate, even though I do not anticipate that it will be controversial.

The IFC would be an international organization, with about 50 members, closely affiliated with the International Bank. It would have a capital of $100 million, of which the United States would contribute $35,168,000. Its purpose would be to further economic development in its member countries, particularly the less well developed areas, by encouraging the growth of productive private enterprise—by investing its funds in private businesses, along with private investors, by serving as a clearinghouse to bring together investment opportunities, private capital, and experienced management, and by helping to create conditions conducive to the flow of private capital into productive private enterprises.

IFC would differ from the International Bank in two respects: First, its investments would partake of the nature of venture capital, though it could not invest in capital stock or manage the companies it had invested in; and second, a guarantee of the investment by the government of the member country would not be required or permitted, and, of course, IFC could not make loans direct to governments.

The less developed areas of the world suffer from low incomes, low standards of living, distressing conditions of health, sanitation, and education. The result is that many of the people in those areas are restless, discontented, and susceptible to unfriendly influences.

The need for increased development in these areas has long been recognized. The International Bank for Reconstruction and Development has had this as one of its functions since its establishment in 1945 and many of its loans have been directed to this purpose. The Act for International Development, enacted in 1950, contains congressional findings which specifically recognize this need, though the point 4 program authorized by that act involved only technical assistance.

The Export-Import Bank has also long been making loans for developmental purposes, many of which have been of great benefit to the country involved as well as to the United States suppliers and exporters who have directly benefited.

It has also been recognized for a long time that the many programs which have been set up to encourage development of this sort have not been directed with sufficient emphasis to the problem of private investment and private productive enterprises. Many of the programs, of course, are the kind that governments normally conduct—health and education programs or highway construction.

In some cases, however, the emphasis on public grants and loans has resulted in pushing the government of the country involved into projects which private enterprises should carry out or would carry out in this country.

The emphasis on grants and public loans has also resulted in not giving enough attention to the smaller commercial and industry type of enterprise, which in many cases is more suited to the area.

The first specific proposal for an organization of the sort of IFC was made in 1951 by the International Development Advisory Board, the so-called Rockefeller Report. Since that time the idea has been considered by the International Bank, the United Nations, and many other American and foreign groups.

The United States was not favorable to early versions of the proposal which would have authorized IFC to buy capital stock and to have engaged in managing the companies it invested in.

More recently, however, the proposal has been revised to eliminate these features. In December of 1954, the General Assembly of the United Nations adopted a resolution endorsing the concept of IFC and requesting the International Bank to take steps to bring IFC into being, and in April the Bank sent the proposed Articles of Agreement to its members.

On May 2 of this year the President sent a message to Congress recommending enactment of legislation to authorize United States participation in IFC.

The purpose and need for IFC are set forth clearly in the President's message, as follows:

> The entire free world needs capital to provide a sound basis for economic growth which will support rising standards of living and will fortify free social and political institutions. Action to that end by cooperating nations is essential.
>
> In its own enlightened self-interest, the United States is vitally concerned that capital should move into productive activities in free countries unable to finance development needs out of their own resources.
>
> Government funds cannot, and should not, be regarded as the basic sources of capital for international investment. The major purpose of the new institution, consequently, will be to help channel private capital and experienced and competent private management into productive investment opportunities that would not otherwise be developed. Through the corporation we can cooperate more effectively with other people for mutual prosperity and expanding international trade, thus contributing to the peace and the solidarity of the free world.

As I indicated earlier, IFC will carry out this needed purpose in several ways.

In the first place, it will participate in the financing of productive private enterprises, in association with private investors, without a Government guaranty, in cases where sufficient private capital is not available.

During the hearings there was considerable discussion of the kinds of investments IFC could make. The articles of agreement specifically prohibit it from buying capital stock or managing the enterprises it invests in. Other than this, IFC is given complete freedom as to the form of its investments. IFC could, of course, make ordinary fixed-interest loans with a definite repayment schedule. Such loans would differ from a loan of the International Bank to a private enterprise only in not having to be guaranteed by the Government.

This would not be the ordinary kind of investment which IFC would be expected to make. Ordinarily it would provide what Secretary Humphrey described as "intermediate money"—between the prior lien money of the lenders and the pure equity money of the holder of the capital stock.

The articles provide that the terms of the investments shall take into account the requirements of the enterprise, the risks being undertaken by the Corporation and the terms and conditions normally obtained by private investors for similar financing.

One specific kind of paper suggested would be a debenture, convertible by a subsequent private holder to capital stock. It would be possible to provide that the interest in such a debenture would be a share of the profits, if earned.

It might also be possible for IFC to devise some arrangement comparable to that of a special or limited partner in an unincorporated partnership, having a share in the profits or losses, and a share in the earnings.

It is probably fruitless to discuss whether such an investment should be called "equity capital," "risk capital," or "venture capital." IFC is free to make any arrangements it wishes, so long as is does not itself buy capital stock or engage in management.

It is expected that IFC will turn over its investments frequently, by sale to private investors, in some cases to private investors who have already invested in the enterprise.

The dollars invested by the United States in IFC can be expected to go a long way in encouraging private investment. In the first place there will be $2 of foreign money for each $1 of United States money in IFC. In the second place, IFC can only invest in association with private investors, and Secretary Waugh stated at the hearing that the present plan was to limit IFC to 25 percent of the money in any one enterprise. On this basis, our contribution to an enterprise would not be more than about 8 percent of the total financing.

These investments by IFC would be beneficial in themselves. But I think their value as examples of the benefits of such productive enterprises might be even more effective. There is a great deal of American, Canadian, Swiss, and other private money available for investment in less-developed areas. There is also a great deal of money in the less-developed areas, but most of it is either spent in unproductive ways or is invested in Europe or here.

If the owners of these private funds were shown examples of profitable productive enterprises in the less-developed areas, a substantial part of these private funds would undoubtedly be made available for similar enterprises.

IFC would assist in private investment in other ways than by its own investments.

IFC would have, through the background of the International Bank experience, an intimate knowledge of the possibilities for investment in less developed areas, a close contact with the world's capital market, and a wide knowledge of where management know-how could be reached. With these assets, and its impartial status as an international organization with no particular ax to grind, it can serve as a clearinghouse to bring together money, management, and opportunities, which might frequently be able to proceed without any financing from IFC.

In addition to this, IFC is directed to assist in improving the investment climates in its member countries, by improving the laws and practices which now impede foreign investment. Other agencies are now engaged in this effort, but not with such special emphasis on the needs of the private investor.

Any country which signs the articles of agreement makes a commitment to put its own house in order, to make such changes in its investment or tax or other laws and practices as may be needed to encourage foreign private investment. Furthermore, as a matter of ordinary human nature, it seems clear that a country will be more likely to take action to improve its laws and practices when an organization of which it is a member suggests it than when an agency of another nation suggests it.

This would be especially true if a businessman in a country wanted financing through IFC and was unable to get it because of his own country's laws. The businessman and the country's representatives to IFC could be expected to put a great deal of proper and effective pressure on the country to make the necessary changes.

I do not believe it is necessary to discuss the mechanics or structure of the IFC or the specific provisions of Senate bill 1894 at length. The report contains a full analysis of the articles of agreement and the bill.

The IFC has the same structure as the International Bank, and would have the same governors and directors. Like the Board, it would be able to borrow money in the capital markets, though it is not expected to do so at the start. It would have the same powers and immunities as the bank.

The United States representatives to IFC, Secretary Humphrey and Mr. Overby at the moment, would work through the National Advisory Council on International Monetary and Financial Problems, as do the representatives to the fund and the bank.

And, as in the case of the Bretton Woods Agreements Act, Senate bill 1894 provides that the executive branch cannot agree for the United States to major changes in the articles of agreement without the specific approval of the Congress.

Section 5 of S. 1894 provides that unless Congress by law authorizes such action, the executive branch shall not (a) subscribe to additional shares of stock, (b) accept any amendment to the articles, (c) make any loan to IFC, or (d) vote for an increase of capital stock.

United States participation in IFC has been strongly urged by the President and by Secretary Humphrey. Reasonable organizations, such as the American Bankers Association, and the Farm Bureau, have urged United States participation.

IFC is expected to strengthen the free world by promoting private enterprises in less developed areas. Such development would reduce the need for expensive foreign assistance through grants and public loans. It would also make these areas better customers for American agricultural and industrial products.

I urge that the Senate pass S. 1894, because I think it is one of the measures which holds the greatest hope for improvement in our international economic relations.

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

Mr. FULBRIGHT. I yield.

Mr. PURTELL. I express to the Senator from Arkansas my appreciation for his comprehensive explanation of the bill. My objection was not to S. 1894, but rather to having it considered on the Consent Calendar. I appreciate the Senator's explanation.

Mr. FULBRIGHT. I thank the Senator from Connecticut. I agree with him that the bill is of sufficient importance that it should be considered aside from a call of the calendar, in connection with which the 5-minute rule prevails.

Mr. MORSE. Mr. President, unless there is further discussion of the pending measure, I respectfully urge that it be passed. I do not know of any other Senator who wishes to speak on the bill, unless the Senator from Indiana intends to do so.

Mr. CAPEHART. Yes; I do.

I simply wish to say that I am a coauthor of the bill, along with the able junior Senator from Arkansas [Mr. FULBRIGHT].

I had prepared an amendment which I intended to submit to the bill. However, I shall not submit it, but shall refer to it briefly.

Mr. President, we are now preparing to provide $35 million to be used, along with the contributions of other countries, to establish an International Finance Corporation, which for all practical purposes will be a subsidiary of the International Bank. The governors of the International Bank and the governors of the International Finance Corporation will be the same.

I desire to suggest to the Congress that we should at least give the Export-Import Bank, which is an international bank created by Congress, the right to do exactly what we are now proposing to give the International Bank the right to do, through the International Finance Corporation. I do not know why it would not be well for us to do so because then there would be two organizations doing the same thing, and thus a little competition would be afforded. Furthermore, in that event, we would be doing business through a 100-percent American-owned bank—a bank entirely owned by the taxpayers of the United States.

I cannot quite understand why there is greater interest in turning over $35 million to an international organization, in which we shall own only one-third of the stock, than there is in permitting our own wholly owned Export-Import Bank to engage in the same activities. Yet I find opposition to permitting our own organization to do that; in fact, so much opposition that I shall not even submit the amendment.

But I do not understand the reasoning of those who favor giving an international organization the right to do—in using 35 million United States dollars—something which we refuse to give our own institution the right to do. I think we shall live to see the day when we shall regret it. At the present time it is proposed that we invest $35 million in the International Finance Corporation although we do not know whether it will be successful. I presume the assumption is that, if the International Finance Corporation is successful, we shall put more money into it. I presume that the further assumption is that, if the International Finance Corporation is not successful, we shall have parted with the $35 million, although I do not assume that all of it will be a loss. However, I think someday we shall wonder why we did not set up a subsidiary of our own Export-Import Bank to do this work, instead of helping to establish the International Finance Corporation to do the same thing.

I am hopeful that the International Finance Corporation will be a success. I am not opposed to permitting the International Bank to have the International Finance Corporation as a subsidiary. I am merely calling to the attention of the Senate the fact that we should do the same thing as regards the Export-Import Bank. We should put that organization in a similar position, so as to enable it to make loans and invest in exactly the same sort of securities, under the same conditions, and in the same way, that it is now advocated that the International Finance Corporation be allowed to do.

Mr. MORSE. Mr. President, will the Senator from Indiana yield to me for a question?

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

Mr. CAPEHART. I yield.

Mr. MORSE. Does not the Senator from Indiana believe that if we can proceed with an arrangement similar to the one he is suggesting, whereby American investors will be backed up by the United States Government—which is what the present proposal amounts to, in the last analysis—we shall have an instrumentality for demonstrating to the rest of the world, where the fight has to be won, the superiority of our own system, as compared to the great dangers inherent in some form of economic totalitarian control?

Mr. CAPEHART. I think there is no question that it would do a great deal of good along that line. I am no more

opposed than is the Senator from Oregon to the creation of the International Finance Corporation; but I feel that we should permit our own International Bank, which is the Export-Import Bank, to do exactly the same thing.

Mr. MORSE. That is the point I am making. I am not opposed to having our Export-Import Bank do it, either, because I think we are paying entirely too much monopolistic attention, shall I say, to military defense, and too little attention to economic defense.

Mr. CAPEHART. I certainly agree with the able Senator from Oregon.

Mr. MORSE. In my opinion the greatest economic defense we can have is to be achieved by building up investment opportunities abroad, so that, through such investments, we can be instrumental in raising the standard of living of peoples in areas of the world where the fight for freedom must be won. I see no reason why we should not do so by means of a two-barreled approach. I see no reason why we should not do so both through the organization it is now proposed to set up and also—on the domestic front—by granting similar power to the Export-Import Bank, so that American investors will be encouraged to make investments abroad. By providing adequate safeguards, I think we can best avoid the danger of having American investors who make investments abroad adopt exploiting tactics, which all too frequently in the past have been characteristic of such investments.

Mr. CAPEHART. Mr. President, in my opinion the Export-Import Bank now has authority, under the law, to do what we are about to authorize the International Finance Corporation to do.

Mr. MORSE. Yes; but the Export-Import Bank does not seem to want to do it.

Mr. CAPEHART. Some members of the Export-Import Bank do. I think it is only necessary for the administration to make up its mind that the bank has the right to do it. In my opinion, there is no question at all that the bank now has such a right; and I think the bank should be doing more in that field.

A moment ago the Senator from Oregon referred to raising the standard of living in other countries. Certainly that cannot be done until a proper economic atmosphere is created, by means of the establishment of factories and processing plants where the people of other countries will be able to find employment, and then will be able to purchase the products of the factories. In other words, if we are to raise the standard of living in so-called backward countries, it will be necessary to establish in those countries factories and processing plants which will produce articles to be sold to the people of those countries themselves, and the same factories will provide employment for those people, who thus will have funds with which to make such purchases. In that way the products of those factories will be purchased by the people of the countries in which the factories are located, instead of being exported to other countries, to be sold there.

In short, the only way to raise the standard of living in a given country is to increase employment opportunities there and to make it possible for the people of the country to purchase the commodities they need to have in order to raise their standard of living. Certainly the standard of living in any country cannot be raised merely by giving employment to the people of that country and then loading the commodities produced there into ships to be taken to other countries and sold.

Mr. MORSE. Mr. President, as the Senator from Indiana has heard me say very often in the committee, what we must really do is make it possible to export American investments.

Mr. CAPEHART. Yes; to export American investments and American know-how and the American ability to produce goods in processing plants. That is the field in which we are most proficient, anyway.

Capital on the part of the peoples of other countries is also required. The International Finance Corporation will provide some capital. It will help the situation. I am not opposed to it, but I wonder why the administration has not advocated doing the same thing with our own institution, the Export-Import Bank.

Mr. MORSE. Mr. President, I congratulate the Senator from Indiana and the Senator from Arkansas [Mr. FULBRIGHT] for this bill. I suggest that we had better put our heads together and introduce an additional bill whereby we extend the same principle to the Export-Import Bank.

Mr. CAPEHART. I am hopeful that those responsible for the operation of the Export-Import Bank—both those making the policies and those who operate it from day to day—will read the RECORD of what has been said here today.

Mr. BARRETT obtained the floor.

Mr. MORSE. Mr. President, will the Senator from Wyoming yield long enough to dispose of the pending bill, with the understanding that he will retain the floor?

Mr. BARRETT. I yield with that understanding.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1894) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Wyoming may yield, with the understanding that as soon as action is concluded on 2 or 3 small measures, he will regain the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BARRETT. And with the further understanding that the proceedings with reference to the bills referred to will not interrupt the continuity of my speech.

Mr. JOHNSON of Texas. That is understood.

EXTENSION OF RENEGOTIATION ACT OF 1941

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 587, House bill 4904.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4904) to extend the Renegotiation Act of 1941 for 2 years.

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

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments, on page 1, after line 6, to strike out:

SEC. 2. (a) Subsection (d) of section 102 of the Renegotiation Act of 1951 (50 U. S. C., App., sec. 1212 (d)) is hereby amended by inserting after "title" each place it appears "or would be subject to this title except for the provisions of section 106."

(b) The amendments made by subsection (a) shall apply to contracts with the Departments and subcontracts only to the extent of the amounts received or accrued by a contractor or subcontractor after December 31, 1953.

On page 2, after line 4, to insert:

SEC. 2. (a) Section 106 (a) (8) of such act (50 U. S. C., App., sec. 1216 (a) (8)) is hereby amended as follows:

(1) By inserting after "a standard commercial article" in the first sentence thereof "or a standard commercial service";

(2) By inserting after "such article" each place it appears in the first and second sentences thereof "or such service";

(3) By striking out "and" at the end of subparagraph (C);

(4) By redesignating subparagraph (D) to be subparagraph (G); and

(5) By inserting after subparagraph (C) the following:

"(D) the term 'service' means any processing or other operation performed by chemical, electrical, physical, or mechanical methods directly on materials owned by another person;

"(E) the term 'standard commercial service' means a service which is customarily performed by more than two persons for civilian, industrial, or commercial requirements, or is reasonably comparable with a service so performed;

"(F) the term 'reasonably comparable' means of the same or a similar kind, performed with the same or similar materials, and having the same or a similar result, without necessarily involving identical operations; and".

(b) The amendments made by subsection (a) shall apply to contracts with the departments and subcontracts only to the extent of the amounts received or accrued by a contractor or subcontractor after December 31, 1953.

SEC. 3. (a) Section 106 (a) of such act (50 U. S. C., App., sec. 1216 (a)) is hereby amended—

(1) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; or"; and

(2) by adding at the end thereof a new paragraph as follows:

"(9) any contract, awarded as a result of competitive bidding, for the construction of any building, structure, improvement, or facility, other than a contract for the construction of housing financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended."

(b) The amendments made by subsection (a) shall apply to contracts with the departments and subcontracts only to the extent of the amounts received or accrued by a contractor or subcontractor after December 31, 1954.

SEC. 4. (a) Section 106 (c) (2) of such act (50 U. S. C., App., sec. 1216 (c) (2)) is hereby amended to read as follows:

"(2) Definitions: For the purpose of this subsection, the term 'durable productive equipment' means machinery, tools, or other productive equipment, which has an average useful life of more than 5 years."

(b) The amendment made by subsection (a) shall apply only with respect to fiscal years (as defined in section 103 (h) of the Renegotiation Act of 1951) ending on or after June 30, 1953.

SEC. 5. (a) The Joint Committee on Internal Revenue Taxation, or any duly authorized subcommittee thereof, is hereby authorized and directed to make a complete study in order to determine—

(1) whether there is any necessity of extending the Renegotiation Act of 1951 beyond December 31, 1956; and

(2) if any such further extension is found necessary, the extent to which renegotiation of Government contracts should apply after such date.

(b) The Joint Committee shall, not later than May 31, 1956, report to the Senate and the House of Representatives the results of the study conducted pursuant to this section, together with such recommendations as it deems necessary or desirable.

(c) For the purpose of making the study and report required by this section, the Joint Committee, and the Chief of Staff of the Joint Committee, may exercise any of the powers conferred upon the Joint Committee and the Chief of Staff of the Joint Committee by sections 8021 and 8023 of the Internal Revenue Code of 1954. The provisions of section 8023 (b) of such code shall apply to requests made under the authority of this subsection to the same extent as in the case of other requests made under the authority of section 8023 (a) of such code.

Mr. BYRD. Mr. President, I wish to discuss House bill 4904, to extend the Renegotiation Act of 1941 for 2 years, as amended by the Senate Committee on Finance.

The President, in his message to Congress, requested an extension of the Renegotiation Act of 1951 for 2 years, through December 31, 1956. Unless this act is extended, it will expire with respect to receipts or accruals attributable to performance, under contracts or subcontracts, after December 31, 1954.

The President in his message urged the 2-year extension for the following reasons:

In spite of major improvements, which we have achieved in our contracting and price redetermination operations, there nevertheless remains an area in which only renegotiations 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.

The House followed the recommendation of the President and voted to extend the renegotiation law to December 31, 1956. Our committee accepted the House bill with certain amendments. The House bill, in addition to extending the Renegotiation Act of 1951 for a period of 2 years, also amended the law to overcome a Treasury ruling which applied the profit limitations of the Vinson-Trammell Act and the Merchant Marine Act to contracts which are exempt from renegotiation under section 106 of the Renegotiation Act of 1951. The House provision exempted such contracts or subcontracts from the profit limitations of the Vinson-Trammell Act and the Merchant Marine Act. The Senate committee received letters from both the Budget Bureau and the Comptroller General objecting to the House provision. The Comptroller General, whose letter appears in the committee report, was of the opinion that the profits limitations of the Vinson-Trammell Act and the Merchant Marine Act should continue to apply to contracts or subcontracts which are exempted under section 106 of the Renegotiation Act. In view of the objections of the Comptroller General and the Bureau of the Budget, the Senate committee deemed it advisable to amend the House bill by striking out the section granting this exemption from the profit limitations of the Vinson-Trammell Act and the Merchant Marine Act.

The committee also amended the House bill to give a standard commercial service the same treatment as is accorded a standard commercial article under existing law. In testimony before the committee, it was pointed out that the standard commercial article exemption was limited to sales of goods and thus excluded contractors or subcontractors who performed processing services of a standard commercial character upon goods belonging to other persons. Examples of this are textile finishing, heat treating, and plating. The committee saw no sound reason for distinguishing a standard commercial service from a standard commercial article in this respect. The Renegotiation Board approved this amendment.

The committee also added an amendment providing for mandatory exemption of competitive bid construction contracts. A similar exemption was contained in the Renegotiation Act of 1943. The exemption is limited to contracts awarded in conformity with the requirements for procurement by formal advertising as set forth in the Armed Services Procurement Act of 1947. The chairman of the Senate Banking and Currency Committee advised the committee that the Banking and Currency Committee in preparing legislation for military housing had relied upon the fact that such contracts were subject to the Renegotiation Act. Accordingly, in providing an exemption for competitive bid construction contracts, the Senate committee excepted military housing construction contracts financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended. The Renegotiation Board approved of exempting competitive bid construction contractors.

The Senate committee also adopted an amendment correcting an inconsistency created by the previous amendment to the law which extended the partial mandatory exemption for new durable productive equipment to prime contracts. Under the prior law, the exemption was confined to subcontracts and related to items were not to be incorporated into equipment sold to the Government. Since under an amendment to the act last year contracts directly with the Government are now allowed the new durable productive equipment exemption, the continuance of the limitation that the exemption will not apply if the item is incorporated into equipment sold to the Government creates an unfair situation. If a manufacturer sells an item of new durable productive equipment directly to the Government, he is entitled to the exemption. However, because of the continuance of this limitation in existing law, a manufacturer will not be allowed the exemption if he sells the same item to another manufacturer who incorporates it in equipment which is sold to the Government. Since prime contracts are now entitled to the new durable productive equipment exemption, under a previous amendment, the committee sees no reason for not applying the exemption to both types of cases, and the committee amendment so provides. The Renegotiation Board approved the amendment.

The committee also adopted an amendment which directed the Joint Committee on Internal Revenue Taxation to make a complete study of and report on the Renegotiation Act of 1951. The purpose of the study is to determine whether there is any necessity for extending the Renegotiation Act beyond December 31, 1956, and if so, whether it should be limited to specific areas of procurement. The report of the Joint Committee on Internal Revenue Taxation showing the results of the study is required to be made to the Senate and House not later than May 31, 1956.

I feel that it is vitally important that such a study be made. The renegotiation law has been frequently called a rule of men rather than of law. It has been very necessary when competitive condi-

tions relating to Government contracts do not prevail. The President in his message urging extension of the Renegotiation Act stated that "we must also be careful not to interfere unnecessarily in the traditional commercial relationship between the Government and its suppliers."

In the testimony before the committee there was considerable opposition to continuing the Renegotiation Act even up to December 31, 1956. Among other things, it was claimed that renegotiation encourages careless procurement, impairs incentives, places great administrative burdens upon the contractor, and results in many arbitrary determinations.

The Renegotiation Act was instituted as a war measure. Many of the wartime restrictions, including the excess-profits tax, have been removed. I believe that normally we should rely upon competitive bidding to protect the Government against excessive prices. I hope the study will go into this question, and determine whether competitive bidding is a sufficient safeguard in the awarding of Government contracts.

Competitive bidding is the cornerstone of our free-enterprise system. I believe that so far as possible the Government ought to let its contracts in a manner to safeguard the Government properly by competition. I believe the study will be of great value to this committee on this point. It is required that the report be made by May 31, 1956, in order to give the Congress an opportunity to act upon the report before adjournment.

Mr. SPARKMAN. Mr. President, I wonder whether the Senator from Virginia will yield to me, without his losing the floor, in order that I may make a brief statement relating to the bill.

Mr. BYRD. I am very glad to yield with that understanding.

Mr. SPARKMAN. Mr. President, first I should like to say that I am certainly not in favor of exorbitant profits on military contracts. That stated, the question now reverts to something more complex: How is the Government of the United States going to protect its best interests and prevent excessive profits on goods being produced on its account?

I personally have always supported the Renegotiation Act as the only feasible method of achieving these ends. During my service in the House, I sat as a member of the Military Affairs Committee during the years of World War II, saw the demands that conflict made upon all our citizens, and observed that producers of war materiel were far too often able to seek and obtain high prices for their goods and services, since productive facilities were taxed to the limit and contracting personnel were unable to devote the necessary time to bring the quotations down to reasonable levels. In those days, recapture of excessive profits through the Renegotiation Act was the only way we saw to do a necessary job.

In 1955, however, the task seems to be radically different. Today there are tens and hundreds of firms ready, willing, and able to bid on all but the most intricate military contracts. I know from my 5 years as chairman and ranking minority member of the Senate Small Business Committee that competition for defense work is severe; as a matter of fact, literally thousands of small-business men have visited our committee offices in person during these 5 years, seeking our help in getting on bid lists at the various procurement offices. Other thousands have written to their Senators or to the committee directly applying for the same sort of information, and over 30,000 of them wrote to the Small Business Committee asking for copies of its publication entitled "Selling to Your Government."

Therefore, with regard to the items which small business is able to handle, there has been a surplus of competition, and from all my studies, I am convinced that competition has effectively maintained prices at resonable levels. Actually, far too many small firms have been so eager to get a start on government business that they have gone bankrupt because of their below-cost quotations.

For many of the smaller firms, there is relief under the act as it has operated for the past 2 years, and as it is written for the coming 2 years. The $500,000 exemption from coverage eliminates many small producers who do less than a half-million dollars' annual business with the Government.

On the other hand, there are many thousands of others who are forced to maintain all the records required by the Renegotiation Board, who are unable to compute their financial position for the 3 or 4 years it takes the Board to finalize its investigations, and who may be given incentives for inefficiency by the operations of the act.

Many businessmen have told our committee, and several testified before the Finance Committee, that the operation of the Renegotiation Act tended to reduce their incentives, for, once they had obtained a contract, any substantial savings effected by new techniques or equipment would be taken away both by high taxes and the Renegotiation Board. Furthermore, there is ample evidence that the effect of the Renegotiation Act is contrary to our policies of maximizing the participation of small business in defense procurement. I will explain. When a firm receives a large contract, it can expand its facilities so as to enable it to produce the finished product under its own roof, or it can subcontract parts of the item out to other firms who are able to utilize unused facilities and personnel. These subcontractors are, more often than not, small businesses. In addition, on civilian work, the prime contractor often finds it more economical to let out subcontracts to firms specializing in certain work. The Renegotiation Act causes a further complication. The prime contractor is allowed a certain percentage of profit on work done within his own plant and a much smaller percentage on work he has subcontracted, even though he can often get that work done somewhere else much cheaper. Therefore, every incentive is given to retain as much of the work as possible within the prime contractor's plant.

More importantly, in my opinion, should be considered the evidence presented to the Finance Committee for extending the act. Without exception, supporting witnesses cited B-52's, guided missiles, and the other various multimillion dollar apparatus of 1955 preparedness. It was said, and truly so, that competition was not a feasible mechanism for avoiding excessive profits on these items, since multiple sources could not be counted upon to keep the quotations "honest."

On the other hand, nothing was presented to demonstrate how the small firm turning out $500,000 worth of goods on Government orders, or as a supplier for a prime contractor, could make an unreasonable profit if he had to bid against 10 or 20 other firms "hungry" to get the orders. Naturally I except the occasional case of collusion or graft, which can well be handled under the criminal code.

Therefore, in regulating a relative handful of cases where alternate procedures are available, thousands of smaller firms are penalized. I feel that price redetermination in all negotiated contracts and a greater use of advertised competitive bidding would take care of the problem areas toward which the Renegotiation Act is directed.

Certain steps have been taken to try to rectify this obvious inequity in piecemeal fashion. Under the present law, and under the pending bill, standard commercial terms are exempted from coverage under the act. Thus, automobiles are excluded, even though competition is admittedly limited and the profit margin is apparently fairly sizable. Most common sizes of rubber tires are exempted, since they are also sold to civilian users; gasoline and other petroleum products are largely excluded on the same grounds, although probably everyone will agree that the competition for such defense contracts is no more active than for the bulk of items for which small businesses can compete.

There is, then, a situation in which General Motors, Ford, United States Rubber, Standard Oil of New Jersey, and others of our industrial leviathans, are exempted from the operation of the Renegotiation Act for a share of their output, while a small metal fabricator must comply with the act, since he is making a product which he does not also send to the civilian market. H. R. 4904 extends the exemption to independent finishers of textile goods who have been operating under severe inequalities during the past few years when contrasted with the vertically integrated giants of the textile industry. To try to bring equity into the operation of the Renegotiation Act through piecemeal revisions and exemptions at the present rate will take a hundred years. Certainly there is a better way.

Unfortunately, however, it appears that no one in the administration has given sufficient thought to this problem to be able to present facts and figures and analyses on these points. It is also regrettable that none of us in Congress have all the answers, either, so that we would not be forced to vote in favor of this extension because we have no ready alternative.

I wish to compliment the senior Senator from Virginia [Mr. BYRD], the chairman of the Finance Committee, for his

statement that he has directed the staff of the Joint Committee on Internal Revenue Taxation to make a full study of the impact of this law as expeditiously as possible. At this time, I wish to announce that I have asked the staff of the Small Business Committee to collate the information in our files and to assist the joint committee staff in any way possible. I personally hope that such a study may be ready early next year, so that we may have an opportunity to reappraise the workings of the Renegotiation Act even before its scheduled demise on December 31, 1956.

I thank the Senator from Virginia.

Mr. BYRD. I thank the Senator from Alabama for his statement. The problem has engaged the attention of the Finance Committee to a very great degree in considering the bill. The bill provides, as the Senator from Alabama has stated, for a study committee, and I am delighted that the committee will have the benefit of assistance from the Small Business Committee.

Mr. President, I simply wish to invite attention to the fact that the Renegotiation Act of 1948, as amended in 1951, has resulted in a return to the Treasury of $514 million. I hope the study which is to be made will clarify the situation and enable Congress to act with more knowledge than we now possess when the act comes up for renewal.

Mr. MALONE. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

EXEMPTIONS CLARIFIED

Mr. MALONE. I think the chairman of the Senate Finance Committee and the senior Senator from Nevada agreed in the Senate Finance Committee that to subject contracts to renegotiation where real competitive bids have been asked for and received, on particles or materials that can be accurately described in specifications together with the number of amounts required would make a joke out of the principle of competitive bidding.

In war time no one objected to the renegotiation of practically any contract, because real competitive bidding is very difficult to establish.

The committee amendment which reads:

Any contract, awarded as a result of competitive bidding, for the construction of any building, structure, improvement, or facility, other than a contract for the construction of housing financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended.

Constitutes an exemption.

Mr. President, I made careful inquiry with reference to the exemption amendment as to whether or not contracts for dredging and earth moving on rivers and harbors improvement would be excluded from renegotiation.

I also made the inquiry of Frank L. Roberts, Chairman of the Renegotiation Board. I ask unanimous consent to include in the RECORD his letter to me dated June 20, 1955, and my reply to him.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE RENEGOTIATION BOARD,
Washington, D. C., June 20, 1955.

Hon. GEORGE W. MALONE,
United States Senate,
Washington, D. C.

DEAR SENATOR MALONE: In accordance with our telephone conservation of today, I give you my opinion that any contract for the dredging of a river or harbor, is if let in conformity with the formal advertising requirements set forth in the Armed Services Procurement Act of 1947, a construction contract within the meaning of section 3 of H. R. 4904 as amended by the Senate Committee on Finance. In the event, therefore, that section 3 becomes law, moneys received or accrued from any such contract on or after January 1, 1955, will be exempt from renegotiation.

In this connection it should be noted that, under certain conditions, section 1453.5 (b) (12) of the Board's regulations exempt contracts which obligate funds appropriated for the civil functions of the Army Corps of Engineers. Thus, under existing law, a contract let by the Army Corps of Engineers for the dredging of a river or harbor may, if it meets the conditions set forth in the regulations, be exempt from renegotiation, whether it was negotiated or awarded as a result of competitive bidding.

Very truly yours,
FRANK L. ROBERTS,
Chairman.

Mr. FRANK L. ROBERTS,
Chairman, the Renegotiation Board,
Washington, D. C.

DEAR MR. ROBERTS: Thanks for your letter of clarification and interpretation of the amended H. R. 4904 as reported by the Senate Finance Committee. You will note that the bill passed the Senate today without change or amendment.

Sincerely,
GEORGE W. MALONE,
United States Senate.

Mr. BYRD. Mr. President, I am very glad the Senator from Nevada has made that clarification.

Mr. MALONE. I am sure the committee wanted to exempt contracts for articles or work which could be definitely described, including the amount of work to be done, and for which specifications could definitely be written, concerning which contracts the committee was sure that real competitive bids were secured.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oregon.

The CHIEF CLERK. It is proposed to insert at the end of the bill the following new section:

SEC. 6. Title II of the Renegotiation Act of 1951 (50 U. S. C., App., secs. 1231–1233) is hereby amended by adding at the end thereof a new section as follows:

"SEC. 205. Review of injustices resulting from application of the Renegotiation Act.

"(a) Authority of the Renegotiation Board.—Notwithstanding any statute of limitations or any other provision of law, upon application made within 1 year from the date of enactment of this section, the Renegotiation Board—

"(1) may review the renegotiation of any contracts or subcontracts which were renegotiated under the Renegotiation Act in any case in which the Board finds (A) that an injustice or inequity has arisen with respect to any contractor or subcontractor as a result, in whole or in part, of such renegotiation, and (B) that any amount determined as excessive profits pursuant to such renegotiation remains uncollected on the date of enactment of this section; and

"(2) shall take such action and issue such orders (including orders discharging, in whole or in part, all liability for payment of any amount so remaining uncollected) as it deems necessary to remove such injustice or inequity.

"(b) Special Factors To Be Considered.—In the exercise of the authority conferred by this section, the Board shall take into consideration—

"(1) the profits or losses, irrespective of the year earned or incurred, derived from all contracts or subcontracts, which were subject to renegotiation under the Renegotiation Act, of the person applying for review;

"(2) the amount of net profit or net loss derived from all such contracts or subcontracts of such person after payment of taxes (including the taxes imposed by chapters 1 and 2E of the Internal Revenue Code of 1939); and

"(3) any factors which may have caused or contributed to the injustice or inequity alleged by such person.

"(c) Review by the Tax Court.—Upon the filing of a petition within 90 days (not counting Sunday or a legal holiday in the District of Columbia as the last day) from the date of the entering of a finding by the Board under subsection (a) (1) or of an order under subsection (a) (2) by a contractor or subcontractor aggrieved by such finding or order, the Tax Court of the United States—

"(1) may review de novo (A) any case which the Board has declined to review under the authority conferred by subsection (a) (1), or (B) any case in which the Board, under the authority conferred by subsection (a) (2), has entered an order discharging liability for payment of less than the entire amount remaining uncollected; and

"(2) shall take such action and issue such orders (including orders discharging, in whole or in part, all liability for payment of any amount so remaining uncollected) as it deems necessary to remove any injustice or inequity found by it to have arisen."

Mr. MORSE. Mr. President, I may say to the chairman of the committee that the bill came before the Senate so quickly today that I have had no opportunity to discuss this amendment with the chairman. I shall offer it and hope that it will be taken to conference. I had thought I would have adequate time in the days immediately ahead to discuss this and another amendment with the chairman.

The amendment under consideration is identical in principle with an amendment to which the Senate agreed in 1951; in fact, the 1951 amendment was one which the senior Senator from Georgia [Mr. GEORGE], then the chairman of the Committee on Finance, agreed to take to conference. The Senate supported the amendment in 1951, but it was dropped in conference. There is much new evidence since 1951 which makes the case for the amendment even stronger today than it was at that time.

I think I can give a thumbnail description of the amendment by stating that it seeks to permit the Renegotiation Board to do what the Board advised the Senate in 1951 it could not do without such an amendment. It permits the Renegotiation Board to take into account the operations of a given manufacturer over a period of years.

Let us take the hypothetical case of a manufacturer during the war period. For 5 years he manufactured for the Government. He took a loss during 4 years, and made a slight profit in 1 year of the 5.

The amendment would permit the Renegotiation Board to take into account all the operations of the manufacturer during the 5-year period, because under the present procedure, which the Board is forced to follow, many inequities result. The manufacturer must return to the Government some of the renegotiated profits for the 1 year in which he made a profit, although he had paid out of his pocket losses for the other 4 years.

The amendment permits the Renegotiation Board to take into account the manufacturer's total operations.

The amendment was drafted by the legislative counsel again this year, after consultation with members of the Renegotiation Board, and I hope the chairman will be willing to accept the amendment, examine it, and, if he finds it to be as meritorious as I know it is, have it acted upon in conference.

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

Mr. MORSE. I yield.

Mr. CAPEHART. I think this is an excellent amendment, if it does what the able Senator from Oregon has described as its purpose. I have not read the amendment, but I know the Senator from Oregon would not have offered it unless it would do what he has said it would do.

As I understand, the amendment enables a manufacturer or a businessman whose contract is being renegotiated, and who had 3 years of losses and 1 year of gain, to have his profit equalized, I presume, for the 4 years.

Mr. MORSE. That is the way it would work. The Senator will find a discussion of the amendment on page 125 of the hearings.

Mr. CAPEHART. The amendment certainly is equitable, and I strongly recommend that the chairman of the committee accept it.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CASE of South Dakota. Would the Senator from Oregon consent to changing the word "shall" to "may"?

Mr. MORSE. Yes. It should be "may." I accept the amendment.

Mr. CASE. It now reads "shall." It seems to me that "shall" would impose an extra burden upon the Board.

Mr. MORSE. I think the Senator's comment is correct. The Legislative Counsel drafted the amendment for me. I gave the instructions for the drafting, but I did not notice that point. I think the word should be "may" instead of "shall."

Mr. CASE of South Dakota. Otherwise, I feel that the Renegotiation Board would be required to examine every case in order to determine whether over a period of years the contractor had losses.

Mr. MORSE. I do not ask for that; I ask that the Board have the authority to do so if they decide the equities warrant it.

The PRESIDING OFFICER. Without objection, the amendment will be modified as suggested.

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

Mr. MORSE. I yield.

Mr. CARLSON. I heard the amendment as it was read. It was not discussed in the committee. I wondered if I understood correctly that in the case of renegotiation, if a contractor's operations went back for 5 years, and in only 1 year there was a profit, the losses for 4 years would include losses other than those on Government contracts.

Mr. MORSE. No; only the losses on the contracts with the Government.

As a member of the subcommittee on small business of the Committee on Banking and Currency, and also as a member of the Select Committee on Small Business, I may say that a problem has been presented to us by various small-business men. As I said in 1951, the matter first came to my attention in a case which arose in Oregon. There are similar cases throughout the country. The Renegotiation Board has said it can do nothing unless the authority to take such action is placed in the law.

Mr. CAPEHART. The same principle exists in the matter of tax losses, when there is a carry forward and a carry-back. Exactly the same principle is involved. I see no reason why it should not apply to renegotiation as well as to taxes.

Mr. MORSE. The RECORD will show that I discussed the matter at some length in 1951, when the bill was then under consideration. The Senate agreed to the amendment, and it was taken to conference; but the amendment was dropped in conference because at that time the House conferees did not favor it, although the Senate conferees did.

Mr. BYRD. The Senator from Oregon speaks of inequities. Does the amendment mean that amounts which have already been received in a case which has been settled can be reduced, as well as increased?

Mr. MORSE. No; only in cases which have not been settled.

Mr. BYRD. There would be an inequity in such a case as I have mentioned, would there not? Suppose the Board wanted to reopen a case in order to reduce an amount.

Mr. MORSE. If the Board thought an injustice had been done, the Board would have the authority to reopen the case.

Mr. BYRD. In other words, the Board could reopen for renegotiation any case which had been closed up to this time, if there were an inequity.

Mr. MORSE. If the Board decided an injustice had been done, it could reopen the case.

Mr. BYRD. Either as to the Government or as to the contractor. It would work both ways, I assume.

Mr. MORSE. I suppose it would work both ways. At least, I should like to have the Senator from Virginia consider the amendment and discuss it in conference with the conferees.

Mr. BYRD. It is a complicated matter. We have discussed it at some length. As chairman, I am willing to take the amendment to conference, but frankly it will have to be worked over carefully.

Mr. MORSE. I am perfectly willing to leave the amendment in the hands of the chairman.

Mr. BYRD. I would not like to have an order promulgated stating that all cases which have been closed may be reopened. There might have to be some other restriction.

Mr. MORSE. I shall rely on the judgment of the chairman.

Mr. BYRD. After having consulted with other members of the committee, I am willing to take the amendment to conference, with the understanding I have just stated.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The bill is open to further amendment.

Mr. MORSE. Mr. President, I offer another amendment, which I ask to have read.

The CHIEF CLERK. At the end of the bill to insert a new section, as follows:

SEC. —. (a) The Renegotiation Act of 1951 is hereby amended by inserting after section 108 a new section as follows:

"SEC. 108A. Review by Courts of Appeals.

"(a) Review of Tax Court Determinations: Any determination by the Tax Court under section 108 of the amount of excessive profits received or accrued by any contractor or subcontractor shall be subject to review by the United States Courts of Appeal and, in the manner provided by section 1254 of title 28 of the United States Code, by the Supreme Court of the United States. Except as provided in this section, any such review shall be heard and determined in the same manner as reviews of the decisions of the Tax Court under section 7482 of the Internal Revenue Code of 1954.

"(b) Venue: Any review of a determination of the Tax Court under this section shall be heard by the court of appeals for the circuit in which the contractor or subcontractor resides.

"(c) References in this act: Wherever in sections 103 (f), 103 (i), and 105 (b), and in the last sentence of section 108, reference is made to determination or redetermination by the Tax Court, such reference shall, with respect to any determination of excessive profits reviewed by a court of appeals or by the Supreme Court under this section, be to the decision of the court of appeals, or of the Supreme Court."

(b) Section 108 of such act (50 U. S. C., App., sec. 1218) is hereby amended—

(1) by striking out the second sentence and inserting in lieu thereof the following: "Upon such filing, such court shall have exclusive jurisdiction, by order, to determine the amount, if any, of such excessive profits received or accrued by the contractor or subcontractor, and, except as provided in section 108A, such determination shall not be reviewed or redetermined by any court or agency."; and

(2) by striking out "finally" in the fourth sentence.

(c) Section 105 of such act (50 U. S. C., App., sec. 1215) is hereby amended by adding

at the end thereof a new subsection as follows:

"(g) Records of proceedings: The Board shall, subject to the provisions of this subsection, make a verbatim record of all renegotiation proceedings conducted by it or by any agency or person to whom it delegates any function under section 107. Such record shall be made only if requested by the contractor or subcontractor involved in the proceedings. The cost of making such record shall be paid for by the contractor or subcontractor requesting it, unless the Board desires to retain copies of such record, in which case one-half of the cost of making such record shall be paid for by such contractor or subcontractor."

(d) The amendments made by subsections (a) and (b) shall be effective as if they were a part of the Renegotiation Act of 1951 on the date of its enactment. For purposes of fling a petition for review of a determination of the Tax Court of the United States under section 108A of such act, any determination by the Tax Court prior to the date of enactment of this act shall be considered to have been made on the date of enactment of this act.

Mr. MORSE. Mr. President, my explanation of the amendment will be equally as brief as that which I made on the previous one. The pending amendment is also offered on the basis of a considerable number of complaints we have received from small-business men in regard to the handling of renegotiation cases before the Tax Court. They object to the fact that they have no appeal from the Tax Court. They seem to think that in many instances the Tax Court is inclined to act pro forma, and they believe the right to appeal to the circuit court of appeals ought to be given to a person whose contract has been subject to renegotiation.

I also entertain that view, Mr. President, because—and I stress the point—after all, our substantive rights are dependent upon our procedural rights. I am also concerned as a lawyer when there is vested in a lower court the right of finality, and particularly when finality is vested in cases which involve such important economic interests as many renegotiation proceedings do. The cases run into huge sums of money.

I do not think the present procedure, whereby finality rests with the Tax Court, should prevail. I believe the precious American right of appeal, whereby the judgment of a lower court can be reviewed by a higher court, is very essential to our liberties.

I am perfectly willing to have the amendment rewritten in any way in which the conferees think it needs to be rewritten, so long as the essence of the amendment is preserved, namely, assurance of the right to appeal from the Tax Court.

There is language in the amendment about the right to have a record made. Again, as a lawyer, I wish to say there is no substitute for an official record of a proceeding. I think that right ought to be granted. But the essence of the amendment is the right to appeal from the Tax Court.

There have been so many complaints from so many places against the handling of renegotiation cases by the Tax Court that Congress ought to grant the right of appeal to the circuit court of appeals.

I submit my amendment, and I respectfully urge upon the chairman of the committee that he take the amendment to conference.

The PRESIDING OFFICER (Mr. BENNETT in the chair). The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. BYRD. Mr. President, this is a very complicated amendment. I should like to ask the Senator from Oregon if it would be retroactive to the time when the Renegotiation Act went into effect, in 1951.

Mr. MORSE. Yes.

Mr. BYRD. That would mean that every one of the cases could be reopened and an appeal taken. The discretionary authority is vested in the Renegotiation Board. As a matter of fact, no records have been made. The cases have been settled. I am unable to see how the cases could go to the court of appeals with any hope of there being an understanding. The cases have already been settled. Contracts have been closed. Payments have been made. In my judgment, to reopen them would lead to the greatest possible confusion and would not be warranted in any way under the conditions which exist.

Mr. MORSE. I say to my friend from Virginia that certainly as to the cases which are going to arise and cases which are pending the right of appeal should be granted. Let us not make it retroactive to cases which have already been settled, but certainly the right of appeal should be granted as to cases arising from now on forward.

Mr. BYRD. The Senator knows this question has been before the Congress every time the question of extending the Renegotiation Act has arisen.

Mr. MORSE. I firmly believe we should continue to try to correct an injustice.

Mr. BYRD. I am told that former Senator Truman tried to do what the Senator from Oregon now proposes.

Mr. MORSE. I am glad to be in such distinguished company. Why cannot the question be given consideration?

Mr. BYRD. The proposal should have the consideration of the Finance Committee. I would be glad to consider it as a supplemental bill, but I could not accept offhand an amendment of this magnitude. The previous amendment offered by the Senator from Oregon has been discussed several times, and the Senator from Georgia [Mr. GEORGE] accepted a similar amendment and took it to conference. The pending amendment flies at the very heart of the whole procedure and would bring about the reopening of cases which have already been settled. If the Senator would offer the proposal as a bill, I am sure the Senate Finance Committee would give it consideration.

Mr. MORSE. I accept that suggestion. All I need to hear from the Senator from Virginia is that a proposal such as this will receive consideration from the committee, as I am sure it will. I recognize that it is a complicated amendment; but I desire to stress that it seeks to correct an injustice. Many businessmen have had an injustice done to them, because they have been denied what I think is a very elementary principle of jurisprudence in American procedure, and that is the right to appeal and have a superior court pass upon whether a lower court has committed error. The right of appeal has been denied in renegotiation cases. In the eyes of businessmen, we are penalizing some of them because they operate efficient plants and good shops, and have done good work for the Government. They are not asking for excess profits. When they are accused of having made unreasonable profits, they do not have the right of appeal, and the right of a court record on which to make an appeal.

I think the amendment which I have offered is a sound one. I am quite willing to write it in bill form and submit it to the Finance Committee for consideration.

Mr. BYRD. We shall be glad to hear from the Senator.

Mr. MORSE. I withdraw the amendment, with the understanding it will be reintroduced in bill form.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I am glad the Senator is withdrawing the amendment. Certainly it is quite involved and complicated. I wish to make one suggestion in connection with any consideration which may be given to the proposal. Merely from having heard it read on the Senate floor, it is difficult to know precisely what it proposes, but it occurs to me that it might be establishing a right of appeal from the Tax Court, which right does not exist in other matters before that court. In the very nature of things, the Tax Court serves as an appellate court for the Renegotiation Board. To do what I think the amendment proposes might establish appellate procedure with regard to the Tax Court over and above that which exists with reference to ordinary tax cases which come before the Tax Court.

Mr. MORSE. I am glad the Senator from South Dakota raised that point, because that is exactly what I wanted to do. I wish to point out that the Tax Court does not really function as an appellate court in relation to another court, because the Renegotiation Board is not a court. It does not follow procedural guarantees to which I think litigants are entitled. There does not exist even a record.

I wish to say that when we deal with legal rights so important as those involved in renegotiation cases, I think we ought to guarantee to the litigants all the safeguards which exist today in other types of litigation.

I have no objection to appeals from the Tax Court. I think we ought to have the procedure of appeal from the Tax Court.

I shall submit my amendment in bill form on the basis of the premise discussed, because I see no reason why in tax cases litigants involved should not be entitled to appeal protection. I am perfectly willing to have my proposal take that form. I have withdrawn my amendment.

I wish to thank the Senator from Virginia for both his actions, first in taking the first amendment to conference, and secondly in assuring me that my proposal will receive a hearing before this committee.

Mr. SMATHERS. Mr. President, I wish to take a moment to say that I think the suggestions made in connection with the amendments submitted by the Senator from Oregon [Mr. MORSE] and the remarks made by the able Senator from Indiana [Mr. CAPEHART] as well as the remarks make by the very competent chairman of the Senate Small Business Committee [Mr. SPARKMAN] indicate that there is some dissatisfaction with the way the entire Renegotiation Act has been operating in recent years. Therefore, it is testimony to the wisdom on the part of the Finance Committee and its chairman that this measure embodies a proposal requiring that a committee study be made of the entire Renegotiation Act, and that a report on the study be made not later than May 1956, having in mind the making of proposals on how best to deal with the various inequities which all of us find have developed under the Renegotiation Act.

At the meeting of the Finance Committee, I offered an amendment, which I believe was suggested by the Senator from Alabama, that some relief be given to small business. I offered the amendment because it had been clear that, under the Renegotiation Act, the requirement that small businesses must hold in escrow, so to speak, whatever profits they made from Government contracts worked a hardship on many small businesses which did not have sufficient funds to be able to hold those profits for a long period of time, inasmuch as the money was needed by them for operating expenses. Today, Mr. President, the Renegotiation Act operates to the considerable detriment of small businesses, in particular.

So, Mr. President, when the amendment was rejected, I did not feel too badly about it, especially when the chairman of the committee proposed that a study be made of the entire act, and that the committee report of the study by May 1956, in contemplation of a drastic revision of the Renegotiation Act.

I think most persons will be pleased by the progress which has been made by the committee.

The PRESIDING OFFICER. The Senator from Wyoming has the floor. He yielded to the Senator from Virginia, [Mr. BYRD], to permit the consideration of a conference report and three small bills. The Chair is desirous of recognizing only Senators who wish to discuss those measures.

Mr. BUSH. Mr. President, will the Senator from Wyoming yield briefly to me in connection with the pending measure?

Mr. BARRETT. I yield.

Mr. BUSH. I should like to ask the distinguished chairman of the committee a question about the possible exemption from renegotiation of firms having contracts which result from competitive bidding. I ask the question because a number of small companies located in my area seem to complain very bitterly about the necessity of renegotiating contracts they have obtained by competitive bids. For instance, possibly 7 or 8 companies bid against each other, and finally one company is awarded the bid, at a rather low price, but then is required to renegotiate the contract. Having won the contract by competitive bidding, it cannot understand why the contract then should be renegotiated by the Government.

The only ones who have spoken to me about this matter are the owners of small-business enterprises, and I am somewhat sympathetic with their impatience with the additional red tape imposed by the renegotiation process.

I wonder whether the Senator from Virginia will comment on how the committee considered such requests for exemption.

Mr. BYRD. The committee went fully into that matter, and was much impressed with the fact that we should gradually work toward the end of having all contracts let on a competitive-bid basis. But the Renegotiation Board thought that could not be done completely at this time.

As the Senator from Connecticut knows, a Government contract to supply a standard commercial article is exempt from renegotiation, and the same is true of a contract, awarded on the basis of competitive bidding, for improving an existing structure or facility.

Mr. CAPEHART. Mr. President, why should contracts for work in the construction business be exempted, rather than contracts for the manufacture of such an article as toothpicks, for instance?

Mr. BYRD. It was done on the advice of the Chairman of the Board, Mr. Roberts. He thought that in connection with the construction of buildings there could be competitive bidding, and in that event such contracts should not be subject to renegotiation.

Mr. CAPEHART. But suppose the Government requests competitive bids on any given article; and suppose 35 firms bid, and one bids 90 cents, and it is the lowest bidder, and is awarded the contract. Why should that contract be subject to renegotiation?

Mr. BYRD. Because a tremendous volume of such commodities is under contract.

Furthermore, an exemption in the amount of $500,000 applies not only to the original bidder, but to subcontractors. In short, if a subcontractor, as well as the original bidder, does a gross business not in excess of $500,000, his contract is not subject to renegotiation.

Mr. CAPEHART. Does the Senator from Virginia refer to the total business in 1 calendar year?

Mr. BYRD. Yes, that applies to the contractor's total gross business or the subcontractor's total gross business in any 1 calendar year.

Mr. CAPEHART. But why should contracts for construction work be exempt, although they are let on the basis of competitive bidding, whereas other contracts which are let on the basis of competitive bidding are not exempt?

Mr. BYRD. Because the construction jobs are much smaller.

Mr. CAPEHART. I disagree. In fact, they are often much more complicated.

Mr. BYRD. For instance, let us consider the manufacture of an airplane. It requires hundreds of thousands of different small articles.

Mr. CAPEHART. So does the construction of a building.

Mr. BUSH. Mr. President, I should like to finish my questions.

Let me say that my understanding is that the committee considered the plea for exemption from renegotiation in the case of contracts let on the basis of competitive bidding; and the committee rejected the plea at this time, pending receipt of the report which I understand the committee has ordered, and which will be submitted by May of 1956. Is that correct?

Mr. BYRD. That is correct.

Mr. BUSH. The committee was not divided on that issue, was it?

Mr. BYRD. It was not. I think I can say for the committee—in the committee we discussed the matter at great length—that if what the Senator from Connecticut has suggested can be done, while safeguarding the interests of the United States Government, we favor the exemption of contracts awarded on a competitive basis from the requirements of the Renegotiation Act. But we were advised that at the present time, by reason of the large volume of Government contracts, particularly in the case of the Department of Defense, we would be wise not to go further than we have already gone in the two exemptions we have made, and also because of the fact that a subcontractor is not required to renegotiate his contract unless he does a gross business of more than $500,000 in any one year.

Let me say that I was much impressed with the testimony of Mr. Roberts, the chairman of the Renegotiation Board. He was fair and frank. Personally, and as a member of the committee, and as chairman of the committee, I am anxious to see to it than when the act is renewed again it will contain all the exemptions we possibly can make, while at the same time safeguarding the interests of the United States Government.

Mr. BUSH. I thank the Senator from Virginia.

Mr. BYRD. Furthermore, the report is to be made by the Joint Committee on Internal Revenue Taxation, after consultation with the Small Business Committee and with the Renegotiation Board and with the various governmental departments. I think something very constructive will be worked out.

Mr. BUSH. I thank the Senator from Virginia.

Mr. CASE of South Dakota. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I yield.

Mr. CASE of South Dakota. I think some of the questions regarding the continued necessity or need for renegotiation are answered when one goes into the question of the financing of some of the contractors and the equipment they use. In many of the cases, when some

of the new gadgets are made, the Government supplies the tools; and, relatively speaking, the capital investment of the contractors is very small.

In the hearings before the committee, I cited some such instances; and that material is set forth on page 73 of the hearings.

I ask unanimous consent that the portion of my statement beginning on page 73 with the words "One contractor whom I shall designate as contractor A," and continuing to the bottom of that page, be printed in the RECORD at this point as a part of my remarks.

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

One contractor whom I shall designate as contractor A designed and manufactured electronic connectors and adapters, largely for aircraft. Renegotiable sales were just under $2 million but the yielded profits of almost $1 million or actual 50.5 percent of the business.

This contractor's investment in machinery and equipment was only $14,000 when he began the year, and was only $48,000 at its end. Yet on that investment—an investment of $48,000—by the end of the year he had a profit of $1 million.

Over 90 percent of the work was subcontracted.

The return on the net worth of this manufacturer-contractor was 778.9 percent.

Under renegotiation a refund of $750,000 of the $1 million was determined.

Contractor B engineered and made oil filters for jet engines and tanks. His renegotiable sales of $4,500,000 produced profits of 24.1 percent on the business, but 115.9 percent of net worth.

A refund of $550,000 was determined in this case.

Contractor C illustrates a case where the Government supplies equipment. This was a plant making gears. Profits of approximately $4 million were being made on sales of $16 million—actually a little better than 24 percent on the business, but in this plant the Government had placed machinery valued at $1,375,000. The return on the net worth of the contractor would have been 89.28 percent on this gear business, except for the refund of $2,400,000 through renegotiation.

Contractor D manufactured tools, jigs, and dies. Sales would have returned 58.4 percent of the gross or 306.7 percent of the net worth of the partners in this business except for renegotiation.

Contractor E manufactures electrical relays. On sales to the Government of $5 million, he would have had a 32-percent profit on business, but a return of 301.4 percent on the investment.

Contractor F produces trailer undercarriages and other equipment. Sales of approximately $4 million would have given him 45.7 percent on the business, and a return of 568.8 percent on his net worth. Renegotiation yielded a refund of $1,100,000 on the $4 million worth of procurement.

It seems to me that examples of this sort clearly indicate the necessity for extending the Renegotiation Act.

Mr. CASE of South Dakota. I point out that in the first illustration I used the contractor had only a $14,000 investment in tools when he started his contract. Even at the end of the contract he had only $48,000 invested. Yet he was able to make a profit of $2 million. Without renegotiation he would have made a profit of 789 percent on the amount of his invested capital.

We cannot treat, under the ordinary tax laws, a situation like that where the Government is supplying the capital or the tools, or when a contractor is asked to build something with respect to which he has no price experience and the Government has no price history. Even if there is a competitive bid, if the bidders are not bidding on all fours, if one bidder is bidding on the basis of his equipment and his capital, against another bidder, who has Government capital and Government tools, they are not bidding on an equitable basis. Renegotiation is the only device that has been found thus far to deal with cases like that on a basis which is fair to the Government and to the taxpayer, as well as to the defense effort.

Therefore I think that before we rule out renegotiation, even when competitive bids are considered, we need to know the terms and the background of the bidding.

Mr. CARLSON. Mr. President, I do not think there is any division in the Senate Finance Committee as to the extension of the Renegotiation Act at this time. However, I believe I can safely state that there was a sincere hope on the part of every member that the time may arrive when we can leave these contracts to competitive bidding. It is for that reason that we supported the chairman unanimously on the question of the study which is to be undertaken by the joint committee.

I sincerely hope that a thorough study will be made and that a report will be forthcoming which will give us a further basis for the need for extending the act the next time it expires.

Personally I hope the time may come when we can eliminate renegotiation and award business to private industry upon the basis of competitive bidding, as it should operate in a free-enterprise system.

Mr. CAPEHART. Mr. President——

Mr. BARRETT. Mr. President, I decline to yield further.

Mr. CAPEHART. I wish to discuss the pending bill.

Mr. BARRETT. I yielded for 5 minutes, and not for an hour and 5 minutes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CAPEHART. Mr. President, I wish to speak for only 1 minute on the bill. If the able Senator from Wyoming does not wish to yield, I suggest that he proceed with his speech.

Mr. BARRETT. I yield 1 minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Wyoming has yielded 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I shall vote for the extension of the act, of course, but I wish to say that I know of nothing more unfair than to say to contractors, "If you bid on a competitive basis for the erection of a building, or the construction of a road or something else, you are exempt from renegotiation," and then to say to a small manufacturer, or a group of small manufacturers, "If 12 of you bid competitively on some item and contract is awarded to the low bidder, it will be subject to renegotiation."

I wish to go on record as saying that I know of nothing more unfair; and I am amazed that a thing like that could happen.

Why is a contractor any more entitled to be exempt because he erects a building, constructs a highway, a road or a bridge, than is the small manufacturer who produces 1,000 or 10,000 of certain articles? On what basis is that called fair? I am amazed that the Senate is about to do such a thing. I am sure I understand the able Senator from Virginia correctly.

Mr. BYRD. Let me read the language to the Senator. Among other exemptions is the following, as found on page 3 of the bill, beginning in line 17:

(9) any contract, awarded as a result of competitive bidding, for the construction of any building, structure, improvement, or facility, other than a contract for the construction of housing financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended.

That language was approved by the Renegotiation Board. They thought that greater competition existed today with respect to the items I have mentioned than with respect to many other contracts of the Government for defense purposes.

Mr. CAPEHART. I think I shall suggest the absence of a quorum. I think we should debate the bill a little longer. I cannot conceive of the Senate doing the sort of thing proposed here.

Mr. CASE of South Dakota. Mr. President, will the Senator yield to me for a very brief reply?

Mr. CAPEHART. I do not have the floor.

Mr. BARRETT. Mr. President, I decline to yield further.

Mr. CAPEHART. The able Senator from Wyoming has the floor, and he will not yield, so I shall take my seat.

I shall speak further on the bill after the Senator from Wyoming shall have concluded his speech. I cannot conceive of exempting contractors in America who build roads, highways, and houses, and then saying to the small manufacturers who build this, that, and the other thing, "You are subject to renegotiation." I think I shall stand here a little while longer and talk about the bill further at a later time.

Mr. ANDERSON. Mr. President, will the Senator from Wyoming yield to me in order that I may request the Chair to lay before the Senate the amendment of the House of Representatives to Senate bill 1747?

Mr. BARRETT. Mr. President, I have yielded for some time.

Mr. BYRD. The Senator yielded, as I understood, for the purpose of disposing of the pending bill.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from Wyoming yielded for the purpose of disposing of the pending bill, and also for the consideration of three other small measures on the calendar.

Mr. BARRETT. I did not understand that other measures were involved. However, I did yield with the understanding that the statements would require only a few moments, and not an hour or more.

May I inquire if the Senator from Indiana desires to take considerable more time on the bill?

Mr. MORSE. Mr. President, I think it is obvious that there has been a misunderstanding as to the nature of the yielding. Under those circumstances, I think the equities lie always on the side of the Senator who does the yielding. I think the Senator from Wyoming should be allowed to proceed, in case there is a misunderstanding between the Senator from Wyoming and the leadership of the Senate as to the nature of the yielding. I suggest that the Senator from Wyoming be allowed to proceed.

Mr. BYRD. Mr. President, I do not think there is any misunderstanding with regard to the passage of the pending bill.

Mr. BARRETT. Mr. President, there is no misunderstanding with respect to the passage of the pending bill, except that I was under the impression that it would not require more than 10 or 15 minutes.

Mr. BYRD. I think we are about ready to act upon the bill now.

Mr. BARRETT. In that case, I withdraw my objection.

Mr. CAPEHART. Mr. President, I have said all I can say, in as strong language as I know how to use. I think the action we are about to take is very unfair.

With that statement, I am ready to vote.

Mr. BARRETT. Mr. President, I yield further, in order that the bill may be disposed of.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4904) was read the third time, and passed.

INCREASED PUBLIC BENEFITS FROM NATIONAL PARK SYSTEM

Mr. ANDERSON. Mr. President, will the Senator from Wyoming yield to me for not to exceed 2 minutes, in order that the Chair may lay before the Senate the amendment of the House of Representatives to Senate bill 1747?

Mr. BARRETT. I yield, with the understanding that I do not lose the floor by yielding, and that whatever proceedings are had will not break up the continuity of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1747) to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, which was to strike out all after the enacting clause and insert:

That the purpose of this act shall be to increase the public benefits from museums established within the individual areas administered by the Secretary of the Interior through the National Park Service as a means of informing the public concerning the areas and preserving valuable objects and relics relating thereto. The Secretary of the Interior, notwithstanding other provisions or limitations of law, may perform the following functions in such manner as he shall consider to be in the public interest:

(a) Accept donations and bequests of money or other personal property, and hold, use, expend, and administer the same for purposes of this act;

(b) Purchase from such donations and bequests of money museum objects, museum collections, and other personal properties at prices he considers to be reasonable;

(c) Make exchanges by accepting museum objects, museum collections, and other personal properties, and by granting in exchange therefor museum property under the administrative jurisdiction of the Secretary which is no longer needed or which may be held in duplicate among the museum properties administered by the Secretary, such exchanges to be consummated on a basis which the Secretary considers to be equitable and in the public interest;

(d) Accept the loan of museum objects, museum collections, and other personal properties and pay transportation costs incidental thereto, such loans to be accepted upon terms and conditions which he shall consider necessary; and

(e) Loan to responsible public or private organizations, institutions, or agencies, without cost to the United States, such museum objects, museum collections, and other personal property as he shall consider advisable, such loans to be made upon terms and conditions which he shall consider necessary to protect the public interest in such properties.

Mr. ANDERSON. Mr. President, this subject has been considered by the entire Interior and Insular Affairs Committee, and I move that the Senate concur in the House amendment.

The motion was agreed to.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from Wyoming [Mr. BARRETT] had yielded for the consideration of Calendar No. 581, Senate Resolution 106; Calendar No. 582, Senate Resolution 103; and Calendar No. 584, House Joint Resolution 232.

Mr. BARRETT. Mr. President, I shall not object to the consideration of those measures, provided I do not lose the floor, and provided also that the proceedings in connection therewith shall not interrupt the continuity of my remarks.

Mr. MORSE. Mr. President, I thank the Senator from Wyoming very much.

The understanding is that the Senator from Wyoming yields long enough to dispose of the three measures which have been mentioned, and which are in charge of the distinguished senior Senator from Rhode Island [Mr. GREEN].

ADDITIONAL FUNDS FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. MORSE. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 581, Senate Resolution 106.

The PRESIDING OFFICER. The Secretary will state the resolution.

The resolution was read, as follows:

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the 84th Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 of the Legislative Reorganization Act of 1946.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GREEN. Mr. President, this is a routine resolution. It was referred to the Committee on Interior and Insular Affairs, which approved the resolution without amendment. It was then referred to the Committee on Rules and Administration, which reported it to the Senate without amendment. The resolution would authorize the expenditure by the Committee on Interior and Insular Affairs of an additional $10,000 to meet routine expenses. The committee recommends favorable action on the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

INCREASE IN LIMIT OF EXPENDITURES BY THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. MORSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 582, Senate Resolution 103.

The PRESIDING OFFICER. The Secretary will state the resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 103) increasing the limit of expenditures by the Select Committee on Small Business.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with amendments, in line 3, to strike out "$100,000" and insert in lieu thereof "$50,000", and in lines 4 and 5 to strike out "prior to July 1, 1956", and insert in lieu thereof "through January 31, 1956," so as to make the resolution read:

Resolved, That the Select Committee on Small Business is authorized to expend from the contingent fund of the Senate the sum of $50,000 for the purpose of discharging obligations incurred by it through January 31, 1956, in carrying out the duties imposed upon it by Senate Resolution 58, 81st Congress. Such sum shall be in addition to any other moneys available to the committee for such purpose, and shall be disbursed upon vouchers approved by the chairman.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to.

ERECTION OF MEMORIAL GIFT FROM THE GOVERNMENT OF VENEZUELA

Mr. MORSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 584, House Joint Resolution 232.

The PRESIDING OFFICER. The Secretary will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 232) authorizing the erection of a memorial gift from the Government of Venezuela.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 232) was considered, ordered to a third reading, read the third time, and passed.

MULTIPLE USE OF THE SURFACE OF THE SAME TRACTS OF PUBLIC LANDS

Mr. MORSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 559, S. 1713. I make the request so that the bill may be the pending business before the Senate.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 29. An act for the relief of Rica, Lucy, and Salomon Breger;

S. 120. An act for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos;

S. 130. An act for the relief of Antonin Volejnicek;

S. 131. An act for the relief of Bohumil Suran;

S. 195. An act for the relief of Giuseppe Minardi;

S. 243. An act for the relief of Szjena Peison and David Peison;

S. 375. An act for the relief of Alexy W. Katyll and Ioanna Katyll;

S. 412. An act for the relief of Jan Hajdukiewicz;

S. 432. An act for the relief of Aniceto Sparagna;

S. 471. An act for the relief of Aina Brizga;

S. 574. An act for the relief of Martin P. Pavlov;

S. 587. An act for the relief of Hildegarde Hiller;

S. 604. An act for the relief of Alick Bhark;

S. 640. An act for the relief of Roger Ouellette;

S. 644. An act for the relief of Sandy Michael John Philp;

S. 650. An act for the relief of Antonios Vasillos Zarkadis;

S. 676. An act for the relief of Robert A. Borromeo;

S. 735. An act for the relief of Sarah Kabacznik;

S. 892. An act for the relief of Jose Perez Gomez;

S. 1197. An act for the relief of Slavoljub Djurovic and Goran Djurovic; and

S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 33) withdrawing suspension of deportation of Bernardino Canares Saclo.

GIVE THE AMERICAN SUGAR PRODUCERS A BREAK

Mr. BARRETT. Mr. President, to my way of thinking, the time has come for Congress to give the American sugar producers a break.

The United States has an enormous sweet tooth. We consume more sugar than any other nation on earth—over 8 million tons each year. If our annual consumption of sugar was hauled by one train, it would take 201,454 freight cars, each carrying 80,000 pounds, propelled by 1,967 triple unit diesel locomotives. The head engine, after traveling through the great beet sugar towns of Scottsbluff, Nebr., and Torrington, Wyo., would reach Worland, Wyo., the center of a thriving beet growing area, while the caboose of the train would still be in the Union Station at Washington, D. C. Our per capita consumption in 1954 was 94.4 pounds of refined sugar, just about one full bag for every man, woman, and child in the country.

Sugar is unquestionably our cheapest food on a calorie basis, and without equal as a source of energy. Our per capita consumption is considerably higher than in any of the more populous nations. Only Australia and New Zealand consistently consume more per capita, while Canada, Sweden, Denmark, and Ireland each have in some years consumed as much or more.

In the early years our per capita consumption was low. Back in 1822 only 9 pounds, on the average, was consumed, and in 1855 our consumption had reached only 33 pounds. Our consumption increased gradually, even though irregularly, through 1921. In most years since 1930 it has averaged between 90 and 100 pounds, except in those years when war conditions had their influence. It now appears that we have reached a plateau in consumption slightly under a hundred pounds. On the other hand, our population is increasing at the rate of 2½ million people each year and as a result the country's total consumption continues to increase.

From the housewife's standpoint, adequate supplies are indispensable in the preparation of daily menus. Nothing can take the place of sugar as a sweetener or as a preservative. One is compelled to use superlatives in discussing sugar—highest producer of human energy—cheapest—and purest of all foods.

Sugar is grown in nearly all countries—exceptions being Norway, Portugal and, of course, the Arctic countries. Sugarcane is produced in the tropics, and sugar beets in the temperate areas. It is truly an international commodity. While no doubt it was then a rather crude product, it is known that sugar was made from cane in India 400 years before Christ. Many authorities believe that sugarcane originated in India. The crusaders got their first taste of sugar when they marched through the sugarcane plantations of Tripoli. During the Middle Ages the Venetian merchants carried on a lucrative business in cane sugar throughout Europe. It is well documented that Columbus brought sugarcane to the Western Hemisphere on his second voyage to America in 1493.

Although sugar was crudely refined from sugarcane for centuries, it remained for Napoleon to introduce the sugar beet and its refining industry to Western Europe on a commercial basis in the early 1800's. While everyone knows that Napoleon was a master in military science, it is seldom recognized that this great genius by one bold stroke established a thriving and permanent sugar beet industry in his native land that greatly contributed to an adequate supply of food energies for his massive armies. From this early start, Europe and Russia today produce 86 percent of the world's supply of beet sugar. Napoleon issued a decree ordering the Minister of the Interior to plant 79,000 acres of beets, and it is recorded that within 1 year France had 40 thriving sugar factories producing over 3 million pounds of sugar annually. Napoleon has been credited with saying, rather crudely to be sure, that "an army travels on its belly," but many of his contemporaries credit much of his success to the energy supplied by the sugar beets produced in France. The concentrated food value of sugar was recognized as a tremendous asset to France in the Napoleonic wars. Yet the same idea led the Committee on Agriculture of the House of Representatives to write in its report on the Sugar Act of 1948 that "sugar is an essential food product and it has long been

the established policy of the United States Government—for defense and strategic reasons—to preserve within the United States the ability to produce at least a portion of this vital food product needed by American consumers."

Beet sugar was first mentioned prominently in the press of this country on the occasion of the organization of the Beet Sugar Society of Philadelphia, in 1836. David Child built the first beet-sugar factory in Northampton, Mass., in 1839, although it soon failed. In 1852, John Taylor, a European missionary for the Mormon Church, shipped machinery for a beet-sugar factory from Europe to New Orleans which was reshipped and set up at Provo, Utah. But the venture failed and the factory was sold to the Mormon Church, and was later moved to Salt Lake City.

No doubt Peter Magnus, a German immigrant, did not realize how truly he spoke when he prophesied in 1865, "If we had sugar-beet factories in Colorado, I imagine Colorado farmers would produce more gold than all the mines in the mountains." The output of refined sugar in Colorado in recent years has been valued at about eight times all the gold, silver, and precious metals produced annually.

As might have been expected, there were many failures in the early days of experiments in sugar refining, but credit for establishing the first profitable sugar factory is due E. H. Dyer, who established a plant in Alvarado, Calif., in 1870, and later put it on a profitable and sound basis by 1879. This factory is still operated.

Sugar played a significant role in the early days of our Republic when it was extremely difficult for the Congress to raise adequate funds to finance the struggling Union. Sugar was one of the important items in the first tariff under Washington, and during his administration the rates were increased on five different occasions. The tariff on sugar ranged from 1 cent a pound, under Washington, in 1789, to 3.4 cents under Grant in 1875, and now is one-half cent to Cuba, and five-eighth's of a cent to other foreign countries. The only source of revenue available to the Federal Government after the formation of the Union were import duties, excise taxes, and land sales. Although sugar tariffs have been in force throughout almost our entire history, their purposes and effects have changed greatly with the passage of time. From 1789 until 1890, when a 2-cent subsidy was inaugurated under the McKinley Tariff Act, the primary purpose of the sugar tariff was for revenue. Import duties in much of this earlier period constituted the principal source of ordinary revenues. Sugar duties were of first rank importance, and often constituted at least 20 percent of all duties collected. Changes in rates of duty largely reflected the Government's financial position. When Federal revenues exceeded expenditures, tariff reductions were in order.

I ask unanimous consent that a statement entitled "Raw Sugar: United States Tariff Rates, 1789–1951," be printed in the RECORD at this point.

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

Raw sugar: United States tariff rates, 1789–1951

Years	Tariff rate		Preferential Cuban rate, cents per pound
	Percent	Cents per pound	
1789–90		1	
1790–97		1.5	
1797–1800		2	
1800–16		2.5	
1816–32		3	
1832–46		2.5	
1846	30	2.15	
1847	30	1.76	
1848	30	1.79	
1849	30	1.43	
1850	30	1.50	
1851	30	1.50	
1852	30	1.30	
1853	30	1.43	
1854	30	1.30	
1855	30	1.56	
1856	30	1.82	
1857	30	2.21	
1858	30	1.56	
1859	30	1.50	
1860	30	1.56	
March 1861		.75	
August 1861–62		2.50	
1862–64		3.00	
1864–70		3.50	
1870–75		2.75	
1875–83		3.4375	
1883–90		2.75	
1890–94			
1894	40	.98	
1895	40	.87	
1896	40	.93	
1897	40	.80	
1897–1903		1.685	
1903–13		1.685	1.348
1914–21		1.256	1.0048
1921–22		2.00	1.60
1922–30		2.206	1.7648
1930–34		2.50	2.00
1934		1.875	1.50 .90
1934–39		1.875	.90
1939–42		1.875	.90
1942–47		.9375	.75
1948–51		.6875	.50
1951		.625	.50

Mr. BARRETT. During the first century of our country the tariff, incidentally, afforded substantial protection in two cases: After the Louisiana Purchase the sugar industry of that area fell heir to the existing tariff protection of 2½ cents per pound. Under the reciprocal treaty of 1876, Hawaii was permitted to ship raw sugar duty-free to this country. Production in Louisiana grew rather unsteadily at first, while Hawaiian production grew rapidly after tariff removal and before long it surpassed that of Louisiana. In 1890 the country was in a rather prosperous condition with a favorable position in the Treasury, and the Congress very liberally provided that for the next 16 years a bounty of 2 cents per pound be paid on refined sugar to domestic producers. However, a combination of circumstances brought about the repeal of the Sugar Bounty Act after 3 years. First, there was a severe drop in Treasury receipts brought about by a business depression; second, because of the large increase in production the mounting payments to producers became extremely burdensome; and third, the bounty system created new and insurmountable problems that adversely affected the Hawaiian economy.

After the repeal of the Bounty Act the Congress deliberately imposed sugar duties for protective purposes. Under Cleveland in 1894 a tariff of nearly a cent a pound was levied on sugar, and in 1897, under McKinley, the tariff was increased to 1.6 cents per pound. This rate remained in effect for 16 years, and during this period the production of beet sugar increased from 36,000 tons to a yearly average of 732,000 tons during 1914 to 1916. The cane sugar production in the continental United States reached a peak of 414,000 tons in 1909, a figure never again equaled until 1937. This growth was brought about by the high tariff and also by the substantial and steady increase in sugar consumption, which cleared the markets of increasing supplies. Consumption in the United States grew from 1,825,000 tons in 1897 to 4½ million in 1913, a gain of 146 percent, while our population during the same period increased from 63 million to 97 million, an increase of 54 percent. Per capita consumption, meanwhile, grew from 54 to 86 pounds. Growth in population and in per capita consumption accounted, about equally, for the great increase in total consumption. In passing it should be noted that sugar production has been encouraged by both our State and National Governments. Chemists of the Department of Agriculture, including Dr. William McMurtrie, and Dr. Harvey W. Wiley, began assisting farmers with beet culture and seed development, and processors in the technology of sugar manufacture as early as 1879. While Secretary of Agriculture from 1897–1913 James Wilson encouraged large investment in sugar factories, amounting to well over $80 million during this period.

During this growth in domestic production, other significant tariff changes profoundly affected our sources of supply of this commodity. Over the years Cuba has become our principal supplier. Cuban production of sugar amounted to only 347,000 tons in 1898, but by 1952 it had reached 8 million tons, by far the largest production in the world. Cuba's principal market has always been the United States. Under a reciprocity treaty concluded in 1903, Cuba was granted a 20 percent differential under the full duty on sugar. Thereafter, sugar shipments to the United States rose rapidly, from 891,000 tons in 1902 to 2,063,000 tons in 1915. Other changes in tariffs favoring offshore sugar-producing areas have been: Puerto Rico, duty free since March 1, 1902. Philippines (a) 75 percent of general rate, March 8, 1902; (b) free of duty up to 300,000 tons August 5, 1909; (c) duty free since March 1, 1914; (d) gradual reinstatement of duty, increasing at 5 percent of dutiable rate per year, beginning January 1, 1956. Virgin Islands, duty free since March 3, 1917.

The period from 1890 to World War I was a period of great growth in production in response to growing consumption in the United States. The bounty system, the protective tariff, the extension of preferential duty rates to Cuba and the free entry privileges to certain other

countries, produced profound changes in the pattern of sugar-industry development, both in the United States and among our suppliers in offshore-producing areas. At the turn of the century more than half of our sugar came from foreign countries other than Cuba. However, by 1913, producers here and in our Territories together with those in Cuba practically took over our entire market. Sugar prices had remained quite stable from 1900 to 1914, ranging from 3½ to 4½ cents per pound for raw sugar, duty paid in New York. The two decades ending in 1914, on the whole, afforded general growth and prosperity as a result of tariff protection to domestic and other producers of sugar for consumption in our country. At the same time sugar was available to consumers at relatively reasonable prices. In contrast, the following two decades witnessed much greater disparity in production and consumption, in wide fluctuations in prices, with serious economic and social consequences in our country and in all producing areas. During those years a chronic national and international sugar problem developed which led to the passage of the Sugar Act of 1934.

During the period of tariff protection prior to World War I, there was considerable agitation to reduce the sugar duty or remove it altogether, resulting in the Underwood tariff of October 1913 which reduced the full duty rate from 1.68 cents to 1.25 cents effective March 1914. The Underwood Act also provided that sugar imports should be duty free 2 years later. However, only a few days before the duty was to be removed, a resolution continuing the 1.25-cent rate was passed by Congress and approved by President Wilson. This rate continued unchanged until May 27, 1921.

The effect of World War I was such as to upset the traditional tariff policy, which appeared so successful in a stable, though expanding market. During the war sugar was controlled under the Food Administration and later by the United States Sugar Equalization Board. Supplies during the war years were cut greatly because so much Cuban sugar was diverted to England, France, and Italy. During this period production in Cuba increased from 2,951,000 tons in 1914, to 4,554,000 tons in 1919. Later, it reached nearly 5,900,000 tons in 1925, and again in 1929. Much of the trouble of the industry in the post World War I period can be laid to the tremendous increase in sugar production in Cuba during those years. The war retarded the growth in domestic production, but it was again resumed in the postwar years, reaching new highs during the decade 1920–30.

World production climbed from about 13 million tons in 1901, to a peak of 21 million tons in 1914. In 1924 it jumped to 23.1 million tons and moved steadily upward until it reached a peak of 32,594,000 tons in 1931, which was higher than any succeeding year until 1951. After 1925, prices tumbled as demand failed to keep up with supply. This is shown in the following table, quoted from a letter of the Secretary of Agriculture to Congress in 1933:

World sugar production, carryover, and prices

[Short tons, raw value]

Crop year	Production	Carry-over Sept. 1	Total supply	Average price per pound (cents)
1924–25	26,670,000	2,705,000	29,375,000	3.1
1929–30	30,607,000	5,842,000	36,449,000	1.7

World supplies increased about 7 million tons between 1925 and 1929, and prices decreased at the same time by nearly one-half.

While world production and prices were undergoing marked changes from 1913 to 1930, a similar growth of domestic production and comparable price effects were taking place in the United States. From 1913 to 1919, production from areas supplying the United States increased from 5 to 7 million tons, most of the expansion being in Cuban output. As might be expected, there was considerable apprehension that continuation of this trend in expansion would adversely affect American producers. Accordingly, action was taken to forestall flooding our markets with foreign imports. The Emergency Tariff Act became effective on May 27, 1921, and raised the full rate on sugar from 1.256 cents to 2 cents for all foreign producers except Cuba, with the increase from 1 cent to 1.60 cents for Cuba.

In September 1922 the Fordney-McCumber Act again raised rates to 2.2 cents, full-duty rate and to 1.7605 cents for Cuba. The next change was effected under the Smoot-Hawley Tariff of June 1930, which increased rates to 2.5 cents and 2 cents respectively. The experiences under these tariffs were quite unlike those prevailing before the First World War. Increased production during the war and in the postwar period created selling pressures on markets which had not grown as fast. Cuban production reached 5.9 million tons in 1925 and continental beet sugar reached its highest mark up to that time of 1,166,000 tons. The total production of all suppliers of the United States market at that time was 9,383,000 tons and although our consumption had reached an all-time high of 6,603,000 tons, this left a surplus of 2.78 million tons. Prices of Cuban raw sugar, duty paid in New York, dropped from 7 cents average for 1923 to 4⅓ cents in 1925. European countries stepped up their sugar-beet production during that same period in an effort, first, to become self-sufficient and, later, to become exporters, all of which cost Cuba a substantial portion of their world market. Production of our supplying areas lessened during the years 1926–28 but was still a great deal in excess of United States consumption and prices continued low. The total production of our supplying areas reached another peak of nearly 9.6 million tons in 1929 while our consumption that year was less than 7 million tons. The average price dropped to 3¾ cents, duty paid in New York.

In spite of increased tariff protection domestic sugar prices continued to fall in 1930 through 1931 and reached bottom in 1932. Cuban sugar averaged 2.93 cents per pound in 1932, duty paid in New York. Imports from Cuba dropped sharply, from 4.15 million tons in 1929 to less than 1.6 million tons in 1933. On the other hand, production of domestic beet sugar and duty-free Hawaiian, Puerto Rico, and Philippine cane sugar increased from 3.6 million in 1929 to 5.6 million tons in 1933. The rapid and continuous expansion in domestic production, as well as that from duty-free countries, resulting from tariff protection, offset the reduced imports from Cuba. The tremendous increase in the production of sugar during the 1920's brought about largely by improvements introduced in all segments of the industry made it apparent to nearly everyone that a system of tariffs was not the answer to the increasingly difficult sugar problem. It was inevitable that the continued low price of sugar would have a disastrous effect on our producers. This condition raised economic and social problems of gravest concern to our sugar-supplying countries and to us.

During the early months of 1933 the Tariff Commission made a careful study of the prevailing sugar situation and recommended to the President a program emphasizing supply controls in the place of the tariff protection system. The Commission's letter is a historic document in the annals of the American sugar industry, as it represents a new approach and a different course of action seeking to relieve the distress then prevailing in the industry. It foreshadowed action which the Congress took a year later by enacting the Sugar Act of 1934. The importance of that letter merits mention at this point, and I ask unanimous consent to have inserted in the body of the RECORD at this point a copy of a letter, under date of April 11, 1933, from the Chairman of the Tariff Commission, to the President of the United States.

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

APRIL 11, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: In view of the possibility of early action by our Government in regard to tariff bargaining, I venture to send you certain conclusions that have been reached by the Tariff Commission from our study of the sugar industry. We hope to have the complete report ready for submission within a few weeks, but we have thought that an earlier statement of certain facts might be helpful to the administration.

It is evident from our study that the duty on sugar cannot justly be based on a difference between domestic and foreign costs of production. The situation in Cuba, which is the chief competing foreign country, is such that the higher the American tariff may be, the lower are the costs of producing sugar in Cuba.

Cuba must fix the price at which she sells sugar at a point which will enable her product to enter the American market. The result is that the price has gone down to a point which is disastrous both for American and for Cuba producers. It is evident that no increase of the American tariff can relieve the resulting situation in this country or in Cuba.

For the reinstatement of comparative prosperity in the domestic industry, and also to

such an extent in Cuba as may enable her again to become a customer on a considerable scale for American exports, it is necessary that the price of sugar should be somewhat higher than has prevailed recently.

To raise the price it will be necessary to limit the supplies of sugar offered for sale in the United States. This cannot be done by an increase of the tariff, but must be done by limiting imports to this country. Such limitation should be imposed not only upon Cuba but likewise upon the Philippine Islands, and it might be extended, under the powers conferred upon the administration through the Farm Relief Act, to the production of sugar in Hawaii, in Puerto Rico, and, if necessary, in the continental United States.

Should some such quota system meet with the approval of the administration, the duty on Cuban sugar might be reduced on a limited importation by such amount as the Government might find expedient, with a view partly to revenue and partly to the restoration of the purchasing power of Cuba.

If it be desired, the Tariff Commission is prepared to render assistance in working out such quotas for the various sources of sugar supply as would appear to be most feasible.

ROBERT L. O'BRIEN,
Chairman.

Mr. BARRETT. I may say, Mr. President, that one paragraph of that letter reads as follows:

Should some such quota system meet with the approval of the administration, the duty on Cuban sugar might be reduced on a limited importation by such amount as the Government might find expedient, with a view partly to revenue and partly to the restoration of the purchasing power of Cuba.

In 1933 Congress passed the Agricultural Adjustment Act, the purpose of which was to raise prices and restore farmers' purchasing power by restricting production of "basic" farm commodities and making benefit payments in return for crop restriction, and through voluntary marketing agreements. Sugar crops were not included as a "basic" commodity, although the Secretary was empowered to assist sugar producers under the marketing agreements. A sugar stabilization plan was worked out by the various segments of the industry, in cooperation with Government officials. However, it was found that the agreed upon plan did not provide for adequate restriction of production, lacked means of enforcement, as well as incentives for compliance. The plan was not acceptable to the Secretary of Agriculture but it provided a basis for the Jones-Costigan Sugar Act of 1934. According to a press release of July 3, 1933, there would be then available at least 7,500,000 tons of sugar in this country and in Cuba to meet the needs of the market and that the estimate for the next year's consumption was 6,350,000 tons. The industry's original intention under the stabilization plan was to set aside the difference, 1,150,000 tons, as a reserve to be released to the market in subsequent years. However, the next year's crop was the largest on record for our continental and insular areas. It totaled about 5.8 million tons, or 976,000 tons more than the quotas which had been set for these areas under the 1934 act. Thus, the situation which developed during the year following the Tariff Commission's letter to the President not only confirmed, but pointed up the absolute necessity for control of production in the rapidly growing sugar industry.

THE SUGAR ACT OF 1934

The act required the Secretary of Agriculture to bring about an adjustment of supply and demand by:

First. Setting a yearly estimate of consumption of sugar in the United States.

Second. Fixing quotas of production for United States mainland, insular areas, and foreign countries that could be marketed in the United States.

Third. Providing allotments to producers of sugarcane and beets for domestic and insular areas within the quotas set for each area.

The estimate for consumption for 1934 was set at 6,476,000 short tons. The Secretary used deliveries in the years 1931, 1932, and 1933 as the basis for determining quotas for insular areas, except for Hawaii, the years 1930, 1931, and 1932 were used:

The resulting quotas were:

Set by Congress in the act

	Tons
United States beets	1,556,000
United States cane	260,000

Set by Secretary of Agriculture under the act

	Tons
Cuba	1,902,000
Philippine Islands	1,015,000
Puerto Rico	821,000
Territory of Hawaii	917,000
Virgin Islands	5,000
All other (foreign)	17,000

The act provided for a levy of one-half cent a pound processing tax on sugar, raw basis, on all floor stocks and all subsequent production. The funds so derived were used as benefits to domestic cane and beet producers and these payments served as the means of encouraging and effecting compliance with both the acreage allotments and labor provisions of the act.

As previously noted, the carryover of stocks from 1932 and the large domestic and insular production during the 1933–34 crop season made necessary drastic curtailment of production and marketing quotas under the new act. In the years, 1934–35, mainland and insular production was decreased by 1,785,000 tons, or 30 percent under the previous year. This was not entirely the result of restrictions but was in part due to the drought in our beet areas. A similar loss of beet production occurred in 1936 again because of drought conditions.

These adjustments were made possible and were financed from the processing tax of one-half cent a pound levied on raw cane and beet sugar. The benefit payments to cane and beet producers under the act from May 1934 to October 1936 were:

Area	Payments	Percent of total
Louisiana	$9,463,418	11.73
Florida	1,231,727	1.53
Beet	29,158,469	36.16
Territory of Hawaii	13,323,861	16.52
Puerto Rico	12,099,904	15.01
Philippine Islands	15,359,533	19.05
Total	80,636,912	100.00

Shortly after the passage of the Sugar Act two changes in duties were made on sugar imported from Cuba: First, on June 18, 1934, reducing the duty from 2 cents to 1.5 cents per pound; second, on September 4, 1934, reducing the duty from 1.5 to 0.9 cents per pound.

The early years of control of the sugar industry were difficult ones, but it must be said that the achievements were considerable. Foreign suppliers, especially Cuba, complained bitterly about the quotas established. But in view of the increased returns to growers and the resulting stability in production, the decisions made in those years were abundantly justified. By the end of 1936 and after 2½ years of experience under the act, the duty-paid price of raw sugar had increased by 27 percent, and the price of Cuban sugar in our market had increased by over 105 percent, part of which reflected the sharp reduction in duty rates. The average price of duty-paid raw sugar in New York was 3.594 in 1936 compared to 2.93 in 1932, while the Cuban net return increased from 0.93 cent to 2.69 cents from 1932 to 1936.

Excessive stocks and crops in Puerto Rico and the Philippines had been curtailed, permitting a larger export from Cuba to the United States, from 1,558,000 tons in 1933 to 1,996,000 tons in 1934. The value of total sugar exports from Cuba increased from $62,505,000 in 1933 to $126,913,000 in 1936, reflecting largely the higher net returns on shipments to this country.

Under the act, American producers of sugar beets and cane received better prices for their production. The average price for beets, including Government payments, increased from $5.36 per ton in 1933 to $6.96 in 1935. The average price received by producers of sugarcane increased from $3.17 in 1933 to $3.87 in 1935.

In the meantime, sugar prices for consumers remained relatively steady, within a range of 5.4 to 5.9 cents per pound from the beginning of the act through 1937.

THE SUGAR ACT OF 1937

On January 6, 1936, the Supreme Court decision invalidated the processing-tax phase of the Agricultural Adjustment Act and this decision destroyed the incentive and enforcement provisions of the Sugar Act. The quota sections of the act were not affected by the decision and the 74th Congress promptly ratified these provisions.

The Sugar Act of 1937 carried forward the general schemes of quotas and benefit payments as in the earlier act, though in somewhat different form, as follows:

First. Instead of setting quotas by tons, as in the 1934 act, each quota was represented as a percentage share of the Secretary's estimate of consumption and was thereafter to apply automatically. The percentages set in the 1937 act were:

	Percent of domestic area quota	Percent of total consumption requirements
Domestic beet sugar	41.72	23.19
Mainland cane sugar	11.31	6.29
Hawaii	25.25	14.04
Puerto Rico	21.48	11.94
Virgin Islands	.24	.13
Total	100.00	55.59

The division of the quota for foreign countries and the Philippines was as follows:

	Percent of foreign countries quota	Percent of total consumption requirements
Philippine Islands	34.70	15.41
Cuba	64.41	28.60
Other foreign countries	.89	.40
Total	100.00	44.41

The 1937 act provided that a Philippine deficit should be awarded to foreign countries other than Cuba.

The act further provided that in no event should total quotas of domestic producing areas be less than 3,715,000 tons, distributed as follows:

	Tons
Domestic beet	1,550,000
Mainland cane	420,000
Hawaii	938,000
Puerto Rico	798,000
Virgin Islands	9,000
	3,715,000

An excise tax of one-half cent a pound was imposed on all domestic production and an equivalent import compensating tax was fixed on all imports.

It was intended that the Sugar Act of 1937 would remain in effect until the end of 1940, but it was extended several times, the last time being in 1946. Quota provisions were suspended from September to December 1939 and again on April 14, 1942, and remained suspended until the expiration of the act. In the meantime the bill revising the Sugar Act was passed and was approved by the President on August 8, 1947, and became effective the first day of the following year and was therefore designated as the Sugar Act of 1948.

That act made important changes in the method used in determining quotas among producing areas as compared with previous acts. Instead of percentage quotas applied to the Secretary's estimate of consumption, the new act provided fixed quotas for the mainland, insular and Philippine areas, the remainder being divided 98.64 percent to Cuba and 1.36 percent to other countries. The specific quotas were:

	Short tons (raw value)
Domestic beet	1,800,000
Mainland cane	500,000
Hawaii	1,052,000
Puerto Rico	910,000
Virgin Islands	6,000
Philippine Islands (set under Trade Act, 1946)	982,000
	5,250,000

The act provided that in no event should the Cuba quota be less than 28.6 percent of our consumption estimate, being identical with its share under the 1937 act. It was known that the Philippines would be unable to supply their quota as a result of the war, and the act provided that Cuba should be allocated 95 percent of any Philippine deficit. It should be noted that under the 1937 act such deficits were allocated to foreign countries other than Cuba.

Thus, the 1948 act took into account the operations under the 1937 act, the change in industry conditions as a result of the war, the prospective consumption in the years ahead, and necessary adjustments to be made to bring production somewhat into balance with demand, and promote stability within the industry.

Under the 1937 act, domestic and insular producers were allotted 55.59 percent of our market, with a minimum of 3,715,000 tons. Such a minimum would require a total estimate determination of 6,682,000 tons, which, in fact, was the initial estimate of 1938, made December 20, 1937. That act provided that when requirements went above that figure each area would share on the basis of the schedule of fixed percentages.

When the 1948 act was drafted in 1947, sugar quotas were again revised, after a lapse of over 5 years. By that time it appeared that a figure of 7,600,000 to 7,800,000 would be an appropriate estimate of consumption. The initial determination on January 2, 1948, was 7,800,000.

In establishing these quotas under the 1948 act, rigid ceilings were placed on production and marketings of the United States, the insular and Philippine areas contrasted with a floor or guaranteed minimum for Cuba of not less than 28.6 of our consumption estimate. Cuba was permitted to share in any deficits of United States domestic areas in proportion to its quota and in addition was to receive 95 percent of any Philippine deficits. These provisions, instead of fixed allotments, were considered at the time to be of great value to Cuba, inasmuch as the Philippine industry was practically destroyed during the war while United States production had suffered considerable fluctuations in those years due to war food requirements. In fact, the total Philippine production in 1947 was only 184,000 tons, although its set quota under the Trade Treaty of 1946 was 952,000 tons.

Only in the first year of the 1948 Act was the Cuban quota figure less than its 28.6 percent minimum share. But in that year, deficits awarded from the Philippine and domestic areas amounted to 1,017,000 tons, bringing Cuban total marketings to 40.8 percent of total United States quota. In fact, total deficits awarded Cuba during the 5 years the act was in effect amounted to 2,655,000 tons. In addition, Cuba has benefited to the extent of over 2½ million tons because of increased consumption in the United States while fixed quotas under the 1948 act with the 1951 amendment froze quotas of other supplying areas.

The 1948 act anticipated in a large degree the supply situation which ensued. Furthermore, Cuba's expansion during and after the war was also taken into account. In the 3 years 1939–41 production in Cuba averaged about 3 million tons while during 1944–46 it averaged 4.7 million and in 1947 and 1948 a little over 6½ million tons.

In a discussion of the quota provisions of the Sugar Act of 1948, the House Committee on Agriculture made certain significant statements in its report.

Mr. President, I ask unanimous consent that that portion of the House committee report be printed at this point in the RECORD.

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

It has been recognized for some time by people interested in sugar that the Sugar Act of 1937, as amended, would not be adequate should the reimposition of quotas become necessary because of certain conditions affecting the production and distribution of sugar which have been brought about by the war.

Under the Sugar Act of 1937 any deficit in the quota for the Republic of the Philippines is required to be allotted to foreign countries other than Cuba. This provision of law, which was included at a time when it was never contemplated that any Philippine deficit would be other than a nominal one, makes the Sugar Act of 1937 unworkable in view of the present situation, where for the next few years the probability is that the Philippine deficits will be substantial. During the war the supply of sugar from the Philippines was cut off entirely and greatly increased supplies were obtained from Cuba with the result that during this period Cuban production was greatly expanded. By permitting Cuba to supply the principal portion of the Philippine deficit at a time when its production is at an all-time high will, in effect, substantially continue the pattern established during the war and enable Cuba to gradually adjust its production downward to a sound level with a minimum of economic disruption.

It should be pointed out that this bill is a short-term measure designed to meet postwar adjustment problems in the production and distribution of sugar. For example, provision has been made for allotting to Cuba almost the entire deficit anticipated in the Philippine quota. Domestic areas have been given fixed quotas rather than percentage quotas for a temporary period of 5 years, which period is believed to be of sufficient duration to enable necessary postwar adjustments to be made in the foreign areas supplying the United States sugar market. The committee believes that it should be made abundantly clear that the distribution of the American sugar market among the producers of the United States and foreign countries and the provision for the establishment of quotas for the ensuing 5 years on the basis provided for in this bill is not intended to establish, and should not be construed as establishing, a permanent production and distribution pattern nor as waiving American producers' rights to such portions of the American market as they can supply at the conclusion of the 5-year period covered by the bill. On the contrary, it should be emphasized that this bill is designed to meet the problems of the temporary postwar transition period and is not to be regarded as the establishment of long-time national sugar policy.

Mr. BARRETT. Mr. President, I call attention particularly to this statement in the report:

It should be pointed out that this bill is a short-term measure designed to meet postwar adjustment problems in the production and distribution of sugar. For example, provision has been made for allotting to Cuba almost the entire deficit anticipated in the Philippine quota. Domestic areas have been given fixed quotas rather than percentage quotas for a temporary period of 5 years.

So the clear understanding at that time was that the 1948 quota system was

on purely a temporary basis. Of course, Congress reserved the right to change it at any time.

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

Mr. BARRETT. I yield.

Mr. WELKER. Will the Senator from Wyoming state the percentage which was allocated to Cuba under the 1948 act? I missed that figure, because I was called out of the Chamber. Was it still 28.6 percent?

Mr. BARRETT. It was the same minimum which was guaranteed to Cuba under the 1937 act, namely, 28.6 percent, and it was carried over into the act of 1948. It represented a minimum of 2,058,000 tons, but actually Cuba's quota plus deficits that year amounted to 2,940,000 tons.

Mr. WELKER. Was the provision made in the law that the quota could not go below 28.6 percent?

Mr. BARRETT. That is correct.

Mr. WELKER. I thank the Senator from Wyoming.

Mr. BARRETT. As a result of the deficits which I have just mentioned, and by reason of the quota which was assigned to Cuba, since the enactment of the 1948 Sugar Act Cuba has received from 33 percent to 41.2 percent of our total market during the years 1948 to 1954 under the 1948 Sugar Act.

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

Mr. BARRETT. I yield to my distinguished colleague the Senator from Nebraska.

Mr. HRUSKA. Under the bill, will Cuba lose any of its present exports of sugar to the United States?

Mr. BARRETT. Cuba will not lose a single, solitary ton of its present quota. That quota will not be disturbed in any way, shape, or form under the bill introduced by the senior Senator from Louisiana [Mr. ELLENDER] and cosponsored by myself and 47 other Senators.

Mr. HRUSKA. Will the minimum of 28.6 percent for Cuba still obtain in the bill which has been introduced?

Mr. BARRETT. The minimum of 28.6 percent will be maintained in the bill which was introduced by the senior Senator from Louisiana.

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

Mr. BARRETT. I yield.

CUBA GAINS FROM PHILIPPINE DEFICITS

Mr. MALONE. Did I understand correctly that the latest sugar act includes a provision that any deficit from the Philippines or other areas shall be filled by Cuba?

Mr. BARRETT. That is true. The deficit in Philippine production was allocated 95 percent to Cuba and the balance to other foreign producers. The purpose of that provision was to give Cuba an opportunity to enable her to dispose of the tremendous supplies she had on hand after World War II.

It was intended only as a temporary provision.

Mr. MALONE. Was the importation of sugar from Cuba to the United States interrupted during World War II?

Mr. BARRETT. No; it was not interrupted during World War II, but a good deal of the Cuban production during World War II was diverted to England. During World War II we were, of course, required to reduce our consumption of sugar.

Mr. MALONE. Was the shipment of Cuban sugar to those European countries interrupted?

Mr. BARRETT. No; it was not interrupted except by reason of shipping difficulties. As I have outlined, during World War II there were no restrictions or quotas in this country, and Cuba was at liberty to ship in all the sugar she could, after supplying all other countries which needed sugar at that time.

Mr. MALONE. When was there set the percentage of our market that the Cubans were to have? When was the percentage now in effect set?

Mr. BARRETT. It was set in 1948.

Mr. MALONE. What was that percentage?

Mr. BARRETT. That percentage, fixed in 1948, was set on the basis of various amounts, of which the beet producers of this country obtained 1,800,000 tons, and the domestic cane producers obtained 500,000 tons. Hawaii, 1,052,000 tons; Puerto Rico, 910,000 tons; Virgin Islands, 6,000 tons; 982,000 tons to the Philippines; and practically all of the remainder went to Cuba.

Mr. MALONE. The purpose of my question is to ascertain whether the percentage which was allocated in 1948 still obtains in 1955.

Mr. BARRETT. Indeed, it does.

Mr. MALONE. Has there been any considerable increase in consumption percentagewise in the United States since 1948?

Mr. BARRETT. Yes. Consumption in this country has increased from 7,200,000 tons to 8,200,000 tons.

MILLION-TON SUGAR GAIN

Mr. MALONE. There has been an increase of about 1 million tons. Is that correct?

Mr. BARRETT. That is correct. About 1 million tons.

Mr. MALONE. What effect did that increase in consumption in the United States have on Cuban sugar?

Mr. BARRETT. The effect of that increase in consumption in this country from 1948 to 1955 has resulted in Cuba getting an additional quota in this country of about 745,000 tons. The balance was divided by an amendment in the 1951 act, in which Puerto Rico got 170,000 tons and the Virgin Islands got 6,000 tons, if I remember the figures correctly.

Mr. ELLENDER. Those are the correct figures.

Mr. BARRETT. I thank the Senator from Louisiana.

Mr. MALONE. Will the Senator yield further?

Mr. BARRETT. I yield.

WESTERN HEMISPHERE TRADE SECURE IN TIME OF WAR

Mr. MALONE. I am sure the distinguished Senator from Wyoming agrees with me that we are concerned with the Western Hemisphere, particularly since transportation could not be seriously disturbed in that area in the case of another war.

Mr. BARRETT. I am generally in agreement with the Senator on that theory.

AID UNITED STATES SUGAR PRODUCERS FIRST, THEN WESTERN HEMISPHERE NATIONS

Mr. MALONE. There are other nations in the Western Hemisphere that are very interested in the sugar market. I merely wished to leave with the Senator the suggestion that since there has been that increase in our market, and if it would not adversely affect exports from any of the other countries that have become dependent on our market, we could allow those countries a reasonable increase. If other nations in the Western Hemisphere which depend to a large extent on 2 or 3 or 4 articles of production, sugar being one of them, could be helped, it might be well to review the entire list, to be sure that our own producers are taken care of first; and, secondly, that the allocations of the countries which have become dependent on us should not be reduced, but if anything, should have a reasonable increase. However, before there is an unusual increase, like an increase of nearly 1 million tons a year, or three-fourths of a million tons a year——

Mr. BARRETT. I may say to my colleague that the increase of 1 million tons took place from 1948 to 1954, and there was no such increase as 1 million tons a year. It was an increase of 1 million tons over that period of time, which was about 6 years.

Mr. MALONE. I did not mean an increase in a year. I meant a gradual increase, but amounting to about three-quarters of a million tons.

Mr. BARRETT. The Senator is correct.

Mr. MALONE. Then it would be well, it seems to me, under those conditions, to review the situation to ascertain if some concessions could not be made to other nations where a relatively small amount, just a few thousand tons, means a great deal in their trade with this country.

Mr. BARRETT. I may say to the distinguished Senator from Nevada that I think there would be considerable difficulty with his suggestion. We are presently endeavoring to get an increase in the quota for our own domestic producers, and particularly for the thousands of veterans who have settled on the irrigated lands of the West, and many of whom at the present time are prohibited from growing sugar beets at all.

WESTERN HEMISPHERE SUGAR PRODUCTION REVIEW URGED

Mr. MALONE. Will the Senator yield for another question?

Mr. BARRETT. I will be pleased to yield to my colleague.

Mr. MALONE. I agree fully with the Senator from Wyoming that the United States of America should be considered first. It has been considered last, in about everything, for 22 years. The purpose of my questioning was that we should first establish that there was an increase in the market sufficient to take care of the United States, both in the cane and beet sugar field; but after that,

without decreasing the original allotment for the countries which have become dependent upon the markets of the United States, it would be well to review the Western Hemisphere situation, and, if there be any increased consumption beyond the amount necessary for our own producers, take countries in the Western Hemisphere into account. The export of an additional very few thousand tons annually in those countries makes the difference between having and not having a stable economic situation, which makes for hemispheric solidarity, whereas quite a considerable amount of increased exports in 1 or 2 of the other countries which are located offshore, and which have become accustomed to depend on our markets, would make very little difference to them.

Mr. BARRETT. Mr. President, I may say to my friend from Nevada that his proposal would necessitate a reduction in the Cuban allotment in our market. I can say to him that the distinguished junior Senator from Utah [Mr. BENNETT], who is presently presiding over the Senate, has made great efforts during the past few months to increase the quotas of domestic producers of beet and cane sugar, so that our own people might get some relief in 1955 and 1956 and future years. But so far the Cuban producers have been sufficiently powerful to stymie such requests.

So, I assume that the distinguished Senator from Nevada would be obliged to contest with Cuba for a reduction in the Cuban quotas for importation into the United States, so that other countries to the south of us would have an opportunity to participate in our sugar market.

CONGRESS, NOT STATE DEPARTMENT, SHOULD MAKE SUGAR DECISION

Mr. MALONE. Mr. President, if the Senator from Wyoming will yield further to me, I should like to say that if we have reached the point where the Congress of the United States is not as powerful as the State Department—and that has been amply demonstrated a good many times at this session of Congress, although I refuse to believe it—and if in the matter of the division of the sugar market of the United States, the Congress cannot take care of the United States producers, I think it is time to have a showdown.

Mr. ALLOTT. Mr. President, will the Senator from Wyoming yield to me?

Mr. CURTIS. Mr. President——

Mr. CASE of South Dakota. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. BARRETT. I yield first to the Senator from Colorado, and thereafter I shall yield to the Senator from Nebraska, and then to the Senator from South Dakota.

Mr. ALLOTT. I thank the Senator from Wyoming for yielding to me.

Although I do not wish to belabor the point, I should like to ask the Senator from Wyoming whether it is true that under the present act, as it now is constituted, United States producers, including both the cane-sugar producers and the beet-sugar producers, are deprived of any opportunity to participate in the increased use of sugar in the United States, by reason of the growth of the population of our country and also by reason of the increased per capita use of sugar.

Mr. BARRETT. The Senator from Colorado is entirely correct. That has been the law since 1948.

Mr. ALLOTT. I do not know that many persons put the matter quite that bluntly, but I think perhaps it needs to be stated in that way.

Next, I should like to ask whether one of the purposes of the act, which has been sponsored by the Senator from Louisiana [Mr. ELLENDER] and the Senator from Wyoming and many other Senators, is that both the United States sugarcane growers and the United States sugar-beet growers should have an opportunity to participate in the increased and additional use of sugar in the United States occurring both by reason of our growth of population and by reason of the increased per capita use of sugar.

Mr. BARRETT. Yes; I think it is only fair, right, and proper that the domestic producers of beet sugar and the domestic producers of cane sugar should participate in the additional consumption in the United States occasioned by an increase in our population particularly the modest percentage provided by S. 1635, which is in accordance with the historic division under the 1937 act.

Mr. ALLOTT. Yes. I understand that the Senator from Wyoming will discuss later the specific provisions of the bill. However, I know he does not wish to say that is the only purpose of the bill, but is one of its purposes.

Mr. BARRETT. That is correct.

Mr. ALLOTT. I thank the Senator from Wyoming.

Mr. CURTIS. Mr. President——

Mr. BARRETT. I yield to the distinguished Senator from Nebraska.

Mr. CURTIS. Is it not true that the increased quotas have been allowed to Cuba in recent years largely by reason of the deficits in both domestic production and production in the Philippines?

Mr. BARRETT. That is correct.

Mr. CURTIS. Was there ever any Congressional intent, either express or implied, which could cause the Cuban Government to believe that was a permanent arrangement?

Mr. BARRETT. I may say to my colleague, the distinguished Senator from Nebraska, that, as he well knows, the reports of the various Congressional committees, which are submitted either to the House of Representatives or the Senate in connection with the reporting of bills, are regarded as indicating the intent of those committees in connection with the enactment of the legislation. In this case, the reports of both the House committee and the Senate committee under the 1948 act specifically stated that it was a temporary measure and that it was enacted solely to permit Cuba to work its way out of the difficulties confronting Cuba at that time.

Mr. CURTIS. As a matter of generosity to Cuba?

Mr. BARRETT. That is correct.

Mr. CURTIS. So the Cubans could have an orderly tapering-off period?

Mr. BARRETT. That is precisely correct.

Mr. CURTIS. Mention has been made of the veterans who need some of the newly irrigated lands. At the present time they are without sugar acreage, are they not?

Mr. BARRETT. That is correct. In most cases they have no sugar acreage allotments at all.

Mr. CURTIS. There are also newly irrigated areas where practically no one has a sugar-beet acreage allotment. Is it not in the interest of the economy of those particular sections that the production of sugar be allowed there?

Mr. BARRETT. That is correct. In all sections of the Nation the sugar acreage has been substantially cut.

Mr. CURTIS. I think we should also keep in mind that the increased cost of farming operations makes it necessary that a production unit be of considerable size, in order to be economically sound. So while more sugar beets per acre are being produced, the producers cannot stand a reduction in acreage; is not that correct?

Mr. BARRETT. The Senator from Nebraska is entirely correct.

Mr. CASE of South Dakota. Mr. President, will the Senator from Wyoming yield to me?

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

Mr. BARRETT. I yield to my colleague from South Dakota.

Mr. CASE of South Dakota. I wish to commend the Senator from Wyoming for directing attention to this important problem.

Reference has been made to the veterans who have settled on newly irrigated projects, and do not have sugar-beet quotas. That situation exists on the Angostura project, in South Dakota. In the case of that project, this year some increased acreage was obtained by courtesy of the nearby Bellefourche project. But a shortage is in prospect this year, and an even greater shortage is in prospect next year, when more acreage will come under irrigation. That situation not only punishes the veterans, but also punishes the Government of the United States.

This particular irrigation project was developed with the expectation that those who settled on it would be able to grow sugar beets, and would have the cash benefits coming from that production, in order to make it possible for them to pay the Government for the land and for the water. Unless they are able to obtain quotas which will be adequate and will be in keeping with the size of the project, those settlers will find it difficult to make their payments. In that case, the loser will be the Treasury of the United States itself.

Mr. BARRETT. Mr. President, I thank the Senator from South Dakota for his contribution.

The Government has spent vast sums of money in constructing reclamation projects and in making it possible for veterans and others to establish homes

there. In several of the projects in my State, the veterans are unable to plant a single acre in sugar beets. In our part of the country, as the Senator from South Dakota well knows, the production of sugar beets is very important, not only because sugar beets are a good cash crop, but also because the production of sugar beets complements the livestock industry in an important way. So when the veterans who settle on these lands are deprived of an opportunity to raise sugar beets it presents a serious problem for them.

I thank the Senator from South Dakota for his contribution.

Mr. CASE of South Dakota. Of course, Mr. President, in the latter part of his remarks, the Senator from Wyoming has revealed how practical he is in his knowledge of agriculture.

The necessity for a livestock feeding operation in connection with new irrigation projects arises simply from the necessity of increasing the fertility of the soil. That is a very important factor which goes right along with the cash-crop idea.

I know that is one of the reasons why the advisers for the Angostura project, in my State, have advised the settlers there to go into the feeding of livestock, both as a complement for their cash crop and because of what it will do to improve the fertility of the soil.

Mr. BARRETT. I thank the Senator from South Dakota.

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

Mr. BARRETT. I am delighted to yield to the distinguished junior Senator from Utah. Before doing so, I should like to pay tribute to him for the fine contribution he has made over the past several months by his efforts to have this proposed legislation considered by both the House and the Senate. I am sure that the beet sugar producers of the West, and also the cane producers of the South, are very grateful to him for his fine work in that regard.

Mr. BENNETT. The Senator from Utah is profoundly grateful for the remarks of his colleague from Wyoming.

I am interested in this particular part of the colloquy, which develops the collateral values of the sugar-beet industry to agriculture in the West.

Is it not true that, in addition to all its other values, the growing of sugar beets is an important step in the process of rotating crops on irrigated lands, and that farmers who are deprived of the privilege of putting a beet crop in rotation on their property are deprived of the opportunity to maintain the fertility of the soil?

Mr. BARRETT. The Senator is entirely correct. He is anticipating my speech a bit. I intended to take some time a little later to develop that point. I thank the Senator for his fine contribution.

Cuba was very fortunate, not only because of the expected deficits of the Philippines, but because of the fact that our domestic consumption returned again to higher levels after the restrictions under rationing were lifted. In addition, the 10-year increase in population added about 25 million to our consuming public. In 1948, the final determination of consumption was 7,200,000 tons, and for later years has been:

	Tons
1949	7,500,000
1950 (due to Korean war)	8,700,000
1951	7,900,000
1952	7,900,000
1953	8,100,000
1954	8,250,000

The only change in fixed quotas since establishment of the Sugar Act was by the 1951 amendment, effective January 1, 1953, making increases as follows: Puerto Rico from 910,000 tons to 1,080,000 tons; Virgin Islands from 6,000 tons to 12,000 tons.

The 170,000-ton increase to Puerto Rico put that country's quota back to the basis of its share under the Sugar Act of 1934, on the basis of a consumption estimate of 8,200,000 tons. With the expected increases in consumption demand in 1954 and 1955, which have now been confirmed, the Puerto Rican change has been justified.

In addition to fixed quota changes just cited, the 1951 amendment provided that the Cuban and other foreign countries share of the remainder, after fixed quota allocations, should be divided 96 percent to Cuba and 4 percent to the other foreign countries. In the 1948 act the proportions applicable to each were 98.64 and 1.36 percent, respectively. This change restores the full-duty countries to the relative position they occupied prior to the war. In the years 1937 through 1941, before sugar quotas were suspended, these countries provided 3.97 percent of our dutiable sugar imports and Cuba the balance of 96.03 percent.

With the statement of quota provisions in mind, it is now important to review the results which flowed from their operation. These are presented in tabular form.

I ask unanimous consent to have printed in the RECORD at this point a table showing the final consumption estimates, United States domestic producers' quotas, Cuban quotas, and deficits in the United States sugar market, for the period from 1948 to 1954.

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

Final consumption estimates, United States domestic producers [1] quotas, Cuba's quotas, and deficits in United States sugar market, 1948–54

[In thousands of short tons, raw value]

	Final consumption estimate	United States domestic producers [1]		Cuban basic United States quotas	Net total deficits awarded Cuba	Cuba's United States quota plus deficits	Percent, Cuban quota of total United States quotas	Percent, Cuban quota plus deficits of total United States quota
		Fixed basic quotas	Final adjusted quotas					
1948	7,200	4,268	3,956	[2] 2,058 1,923	1,017	2,940	26.7	40.8
1949	7,500	4,268	3,798	2,219	874	3,093	29.6	41.2
1950	8,700	4,268	4,669	3,403	28	3,431	39.1	39.4
1951	7,900	4,268	4,124	2,614	333	2,947	33.1	37.3
1952	7,900	4,268	4,054	2,622	403	3,025	33.2	38.3
1953	8,100	4,444	4,354	2,574	185	2,759	31.8	34.1
1954	8,250	4,444	4,436	2,719	5	2,723	33.0	33.0
1955	[3] 8,200	4,444	----------	2,668	----------	----------	32.5	[4] 32.5

[1] Includes United States, Hawaii, Puerto Rico, and Virgin Islands.
[2] Minimum.
[3] Initial consumption estimate.
[4] If no deficits added.

Mr. BARRETT. A short résumé of the operation of the Sugar Act of 1948 reveals an interesting pattern of the changes from time to time in the quotas awarded to the various supplying areas.

The final consumption estimate rose from 7,200,000 tons in 1948 to 8,250,000 tons in 1954, representing an increase of 1,050,000 tons. The final estimates of consumption made by the Secretary in any year have generally proved to be quite accurate. It is fortunate that such is the case, as these estimates serve as a controller on the quantities marketed and exert a marked effect upon prices, returns to growers, restriction of acreages farmed, wages paid, and other factors.

Of the increase of 1,050,000 tons above mentioned 796,000 tons went to Cuba, and beginning in 1951, Puerto Rico and the Virgin Islands received 176,000 tons, and the balance of 87,000 tons went to other foreign countries. The United States mainland, insular and Philippine producers did not share to the tune of a single solitary ton in this increase.

The sum of increases over 1948 for Cuba in the final quotas for the years 1948 through 1954 has been 2,813,000 tons, and that total will exceed 3,500,000 tons at the end of this year.

The quota for Cuba on the basis of an estimate of 8,350,000 tons for this year will be 2,812,000 tons. This is 424,000 tons more than the minimum of 28.6 percent guaranteed to Cuba under both the 1937 and 1948 acts. In fact, Cuba's actual quota this year totals 32.5 percent of our market, while the fixed quotas for United States mainland producers reflect a drop from 32 to 27.5 percent of the consumption estimates between 1948 to 1955.

But this is not all the story. In addition to quotas fixed in the law, the distribution of production deficits has been important, at least to Cuba. From 1948 through 1953 our own domestic areas failed to produce a total of 1,200,000 tons of our allotted quota and the Philippines were unable to produce 1,600,000 tons of its quota. These total deficits of 2,840,000 tons were assigned to Cuba in addition to its own quota.

Therefore, with quota increases plus deficits, Cuba's share of the total United

States market has ranged from 32.5 percent to 41 percent under the act, and has averaged about 37 percent compared to the 28.6 percent minimum guaranteed under the act. On the other hand, only in the years 1950, 1953, and 1954, did the final adjusted quotas for mainland and insular areas equal the basic quotas, while the final quotas have fallen short by 1,126,000 tons in the other 4 years.

Mainland cane and Puerto Rico produced more than their quotas since 1952 and all domestic producing areas have exceeded their quotas since 1953 and accordingly, domestic deficits now appear to be replaced by surpluses, as set forth in the following table:

[In thousands of tons]

	Fixed quota	Production		
		1952	1953	1954
Beet sugar	1,800	1,519	1,872	1,975
Mainland cane	500	605	630	600
Hawaii	1,052	1,020	1,099	1,092
Puerto Rico	1,080	1,372	1,182	1,204
Virgin Islands	12	12	14	10
Total	4,444	4,528	4,797	4,881

A review of the production quota and marketing figures indicates that as of the first of January last, the mainland cane and beet sugar industry, divided on about an equal basis, held over 500,000 tons of above-quota sugar stocks. Puerto Rico also carries over several hundred thousand tons of above-quota stocks of sugar.

Are these surpluses the result of acreage expansion in the industry? The answer to that, of course, is "No." The acreage planted in these recent years are controlled by the Secretary of Agriculture under the act. The increased output has come about by reason of improved seed, better technology, application of research findings, improved farming methods and, of course, favorable growing conditions. The beet output per acre has increased rapidly since the war as shown by United States Department of Agriculture studies. The following figures are for the 3 years preceding the 1948 act and the last 3 years for which data are available for sugar-beet production.

	1945–47	1951–53
Average annual production (tons, sugar)	1,572,000	1,644,000
Average annual acreage planted (acres)	894,000	765,000
Average annual acreage harvested (acres)	808,000	707,000
Average annual beet yield per acre (planted), tons	11.9	14.4
Average annual beet yield per acre (harvested), tons	13.3	15.6

These figures reflect an increase of 21 percent in the average yeld of beets per acre planted during this period. Over the 15 years before the war, the yield per acre of beets harvested held to a fairly constant average of 11.2 tons compared with 15.6 tons during 1951 through 1953. There have been 6 years in which beet acreage planted has been greater than in 1954 since the passage of the Sugar Act of 1937. During the war years consumption was curtailed by the Government and, also, acreage was converted in response to Government urgings to expand other crops. Marked improvements have been made in productivity in both the sugar beet and cane industry. In 1954 southern cane farmers produced 615,000 tons of sugar on fewer acres, as against 477,000 tons produced in 1948. This improvement has occurred during the operation of the 1948 act, when our annual consumption has increased well over 1 million tons. Our cane and beet sugar producers were not permitted to supply any of this increase in consumption, but were obliged at the same time to pile up surplus stocks of a half million tons of sugar and now to cut acreage to be put in production.

The acreage fixed for 1955 for United States sugar cane producers is 294,000 acres compared with 315,000 acres for 1954, and an average of 340,000 acres for 1949–53. This represents a reduction of 8 percent in 1954 and a further drop of 6 percent in 1955. For beet growers the acreage was cut about 10 percent from 944,000 in 1954 to 850,000 acres in 1955. For Wyoming the reduction is even greater—from 39,707 acres in 1954 to 34,645 in 1955, a decrease of 13 percent. For Idaho, the decrease is nearly 15 percent and for Minnesota, 14 percent.

These reductions are extremely serious to small farmers, and particularly to thousands of war veterans now trying to establish homes in the new irrigated valleys of the West. The imperative need of a cash crop such as sugar beets to these men is obvious—and the denial unexplainable.

Up to this point I have discussed the main outlines of production and consumption of sugar and the efforts that have been made to bring about a reasonable balance, first through tariffs and since 1934 under the various Sugar Acts. I desire now to turn to some other aspects of the industry. I should like to discuss prices, returns to growers, and other factors.

Sugar is probably one of the cheapest of consumer commodities on the market today. Over the years the price of sugar has declined more than the prices of all foods, and under postwar inflation has increased less.

In 1870, the wholesale price of sugar in New York was 13½ cents per pound and in succeeding decades it has exceeded that figure only once and during half the time since it has been less than half that price:

1880	9.6
1890	7.6
1900	5.3
1910	5.0
1920	15.5
1930	4.6
1940	4.3
1950	7.8

Using 1935–39 average prices as base, wholesale sugar prices increased 83 percent by 1950 compared with 121 percent for all foods, and 205 percent for disposable per capita income. Since prewar times wholesale sugar prices have increased only 69 percent as much as all food prices. Sugar prices have not only increased less, but they have also been more stable than most commodities. In setting the estimate of consumption upon which quotas are based, the Secretary must take into account price effects and in this way price changes are held within a relatively narrow range for the benefit of the consuming public. Because of this, the domestic market is not affected to any large degree by the wide fluctuations in the world market. In this respect the Sugar Act with its production and marketing quotas have brought a measure of stability to the industry which tariff rates failed to accomplish after World War I.

As recently as 1951, prices on the so-called world market were above United States sugar prices. Since then, world market prices have been depressed and are lower than the United States prices. However, the term "world market" is somewhat misleading. Fully 90 percent of the world's sugar production is controlled by national legislation of one kind or another, and the so-called world market is in reality only a dumping ground for sugar that has no other place to go. The term "world price" is likewise misleading, because prices in 75 percent of the nations of the world are higher than in the United States. Nevertheless, the fact that prices in the United States are above prices on what is called, for want of a better name, the world market, has been of immense benefit to Cuba. During 1953 and 1954, for example, the Cuban producers received about 2 cents more per pound for sugar sold in this country than for sugar she sold on the world market. Cuba received about $220 million more for her sugar sold here during those 2 years than she would have received if she had sold the same quantity at prices prevailing in the world dumping ground.

The disparity between world and United States prices reflects the great increase in world production from 31.6 million tons in 1948 to 40.2 million in 1953 with an average of over 38.5 million tons for the years 1951–54. Cuba also greatly expanded its production from 5,763,000 tons in 1948 to nearly 8 million tons in 1951. A great deal of this increased tonnage still hangs over the world market and accounts largely for the low levels of world prices as compared to prices here.

It is now and always has been one of the principal purposes of the sugar acts to provide a fair and reasonable return to domestic growers of sugarcane and sugar beets. In this connection, one of the often-misunderstood and misinterpreted provisions of our sugar-quota legislation is the provision for conditional payments to sugar farmers who comply with all the restrictive requirements of the legislation. These payments actually have a double purpose—to enforce compliance by growers with the restrictive features of the law, and to assure a fair distribution of the sugar dollar among growers and labor and processors. The payments are part and parcel of the tax-quota-compliance provisions of the law, and they work like this:

The price of sugar is determined by the free play of the factors of competition and supply and demand. Part of the price which the processors and refiners receive for their sugar is collected by the Government in the form of an excise tax of one-half cent a pound.

The Government, in turn, pays farmers part of their expected return for their sugarbeets or sugarcane—if they comply with all the restrictive features of the law, such as wages paid to fieldworkers, planting within the number of acres prescribed by the Government, and so forth. No other segment of American agriculture has so many or so extensive restrictions placed upon it as do the producers of our sugar crops. The farmer who does not comply with all the restrictions does not receive the Government payment and, therefore, he does not receive full payment for his sugarbeets or sugarcane.

The payments are made on a graduated basis, ranging downward from 80 cents per 100 pounds of sugar for farmers whose cane or beet output yields less than 350 tons—raw value—to 30 cents per 100 pounds to farmers whose output yields more than 30,000 tons. In 1953 the average payment per 100 pounds of sugar produced in domestic areas was about 73 cents, while the payment per 100 pounds of sugar consumed amounted to about 40 cents. The total wholesale value of domestically produced refined sugar was about $750 million in 1953, and Sugar Act payments to producers amounted to only $66 million.

It is especially important to point out that the operations of the Sugar Act result in a net gain to the Treasury of the United States. As I shall detail later, the Government has collected excise taxes of some quarter of a billion dollars more than the total of payments made to producers, and the total net gain to the Government, including tariff collections, has been more than $300 million. Under the Sugar Act, the Government annually collects an average of $15 million to $20 million more than it pays out, including all payments to producers and the costs of administering the act. I know of no other Government program involving farm production which consistently results in a net gain or profit to the United States Treasury.

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

Mr. BARRETT. I am glad to yield to the distinguished Senator from Minnesota.

Mr. THYE. While the Government has participated in the program, the consumer has always been assured of an adequate supply of sugar at a very reasonable price.

Mr. BARRETT. The Senator from Minnesota is entirely correct.

Mr. THYE. If the Senator from Wyoming will yield further, I commend him for his very able remarks on this important question. I wish to associate myself with his remarks, because I am one of the cosponsors of the bill which proposes to establish sugar quotas in this calendar year, before the expiration of the present act.

Mr. BARRETT. I thank the Senator. He has taken an important part in this legislation, and has rendered great service, not only to the people of his own State, but to the sugar producers of the country generally.

Mr. THYE. Mr. President, if the Senator will further yield, I should like to state that the producers in the United States must share in the increased consumption of sugar in the United States. We have an increased population, as well as an increase in per capita consumption, and the producers of this Nation must share in the increased consumption. Otherwise we shall find a certain phase of our economy suffering because it is denied the right to produce what we domestically consume, or to produce commodities with respect to which the consumption has increased.

Mr. BARRETT. The Senator is entirely correct.

Since 1948 Cuba has not only received its own quota, as provided under the law, but it has inherited most of the deficits in production in this country and in the Philippines. In addition, our population has increased about 14 million, and Cuba gets the entire benefit, practically speaking, of the increase in population in this country since 1948.

Mr. THYE. It is nothing more than plain justice for the Senator and me, as Members of this legislative body, to protect our producers and make certain that they have an opportunity to increase their acreage planted in accordance with the increased consumption domestically.

Mr. BARRETT. They are entitled, by every rule of equity, to a fair share in their own markets here at home.

Mr. THYE. And we have not denied Cuba its share, because we have permitted Cuba to increase the amount exported to the United States by more than 700,000 tons, as I understand.

Mr. BARRETT. The Senator is correct.

Mr. THYE. During the life of the present Sugar Quota Act.

Mr. BARRETT. The Senator is entirely correct. There is no disposition to affect the quotas which Cuba has at the present time, and the bill does not contemplate it.

Mr. THYE. I thank the Senator.

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

Mr. BARRETT. I am delighted to yield to my distinguished colleague from Colorado.

Mr. ALLOTT. As I understood the Senator's statement a few moments ago, in 1870 the price of sugar was 13½ cents a pound, and in 1950 it was 7.8 cents a pound. A part of the opposition argument which has been bandied about on the question of sugar is the great cost of the sugar program to the people of the United States.

I wish to associate myself with the remarks of the Senator from Wyoming, who is showing that this program has actually resulted in a profit to the Government of the United States. I should also like to inquire of the Senator if he knows of any other ordinary common commodity the unit price of which has decreased almost 50 percent between 1870 and the present time?

Mr. BARRETT. I may say to the Senator that I made a search on that particular point, and I found that the price of no other commodity has decreased so much as has the price of sugar. Furthermore, the price of sugar to the consumer in this country is much less than it is in most of the other countries of the world.

Mr. ALLOTT. With the general decline in the value of the dollar since 1870, and the fact that the price of sugar is about only 55 percent of the price in 1870, on a rough estimate, it would represent a price of about one-sixth of what the normal price of sugar would be if the price had increased at the same rate the prices of other commodities have increased.

Mr. BARRETT. The Senator is entirely correct. I believe he has made a valuable contribution to the debate.

The Government payments are not something extra the farmer receives for producing a sugar crop; they are part of his regular income for the crop if he meets all the strict requirements of the law. I want to emphasize that. Certainly the payments have not unduly increased the income of sugar farmers in relation to the income of other farmers. In fact, even including the conditional payments, the total average returns for sugar beets and sugarcane have advanced less than for most farm products. A comparison of prices during the whole decade of the 1930's with those since the war clearly indicates that over these years, prices received by farmers for sugar beets and sugarcane have advanced far less than prices received by farmers for all farm products.

I ask unanimous consent that the table showing a comparison of the prices be printed in the RECORD at this point.

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

Comparison of prices received by farmers for sugar beets and sugarcane with prices received for all farm products

[Index: 1930-39=100]

	Index of prices received for all farm products	Actual average prices received per ton for sugar beets	Index based on 1930-39 average price	Actual prices received per ton for sugar cane	Index based on 1930-39 average price
1930-39	100	$6.53	100	$3.63	100
1947	283	14.44	221	8.46	233
1948	296	12.94	183	6.91	190
1949	256	13.41	206	7.41	204
1950	264	13.70	210	9.00	248
1951	310	14.13	216	7.50	207
1952	297	14.48	222	8.07	222
1953	264	14.43	221	8.43	233

Mr. BARRETT. Mr. President, it should be noted that while prices paid for beets and cane include Sugar Act payments, the increases in beet and cane prices paid to the farmers are nevertheless much less than returns received by producers for all farm products.

Thus it is quite clear that in any comparison of prices—wholesale or retail for sugar, or prices received by farmers—our domestic sugar has been held on a reasonable price level compared with all other food and farm prices. The cane and beet growers only chance to keep abreast of economic improvement lies in greater productive efficiency, but the imposition of acreage restrictions removes that advantage in short order.

Prices for sugar beets, including Sugar Act payments, reached parity only in 1949 and for sugarcane only in 1950 and

1953. For the other years beet prices have averaged 93 percent and cane prices only 84 percent of parity. These prices have prevailed since 1948 even though the net returns to growers have averaged 62½ percent of processors' sales of beet sugar and 67 percent of sales of cane sugar.

The results achieved under the sugar acts in reviving an ailing industry and promoting stability, efficiency, and growth are evident in its every phase. Today we hear very little of the criticism that the domestic sugar industry is uneconomic and should be permitted to languish, if indeed it should exist at all. The industry has developed an enviable record of performance under the sugar acts, contrary to the expectations and attitudes of those who have been hostile or indifferent to the interests of domestic producers, and who have favored greater or even total dependence on foreign sources of supply. As a nation, we are indeed fortunate that the philosophy of Henry Wallace, then Secretary of Agriculture, did not prevail, when he said in his book, published in 1934, America Must Choose:

> This will involve a radical reduction in tariffs. That might seriously hurt certain industries, and a few kinds of agricultural businesses, such as sugar beet growing and flax growing. It might also cause pain for a while to wool growers, and to farmers who supply material for various edible oils. I think we ought to face that fact. If we are going to lower tariffs radically, there may have to be some definite planning whereby certain industries or businesses will have to be retired. The Government might have to help furnish means for the orderly retirement of such businesses, and even select those which are thus to be retired.

One thing is certain, if we did not have a thriving domestic sugar industry, we would be entirely dependent upon foreign producers in crucial times and perhaps foreign cartels at all times. There is no doubt that our domestic production serves as a safety valve to protect against excessive increases in prices to our consumers.

Important as prices, taxes, tariffs, and quotas are in preserving stability and promoting development of the sugar industry in this country, there are other factors of equal importance to the beet growers of the West.

Sugar has been described as nothing more than "crystallized water and sunshine" or, simply, carbon, taken from the air, combined with hydrogen and oxygen in the proportion of water, taken from the soil. Certain it is that sugar beets do not rob the soil. As a matter of fact, the sugar beet returns almost everything it takes from the soil. The roots of the beet reach deep into the soil, enriching it every inch of the way. The growing of sugar beets figures importantly in any program of farming diversification in producing areas.

During the past 40 years, sugar beet production in the United States has utilized upward of 1 million acres. At times acreages have increased when new irrigation projects have been brought into production and acreage reductions have resulted from labor shortage, drought, or when marginal areas drop out of the producing picture.

For some years, the number of farms producing beets has declined while the acreage planted per farm has increased. In 1939, there were 57,600 farms, averaging 17.2 acres in beets, while in 1953 we had only 25,000 farms averaging 32.8 acres. The size of operation reflects the intensive nature of beet farming and its adaptability to a sound rotation program in the irrigated valleys of the West together with its close relation with the sheep and cattle feeding operations. It is probably true that no major agricultural activity creates more product per acre, directly and indirectly, than sugar beet farming.

The beet sugar industry produced only about 75,000 tons 50 years ago compared to over 1,800,000 tons today. The growing and processing of beets made greater headway much earlier in Europe than in our country. After years of study, Truman G. Parker prepared a private study which in 1912 became a Senate document on the subject "The Influence of Sugar-Beet Culture on Agriculture, and Its Importance in Relation to National Economics." In that document, Mr. Parker contended:

> Until recently, outside of strictly scientific agricultural circles, it was a generally accepted conclusion in the United States that sugar-beet culture injured the soil. Farmers so contended, and so universal was the contention that factory managements were compelled to concede that the farmers were right. Certain it was that after having been planted to beets 2 or 3 successive seasons, fields yielded a lower tonnage with each succeeding year.
>
> While the Department of Agriculture pointed out many advantages of sugar-beet culture and urged farmers to engage in it, various agricultural weeklies advised their readers that whatever might be the tonnage per acre and the price of beets per ton, they could not afford to engage in beet culture, as it soon would destroy the productivity of their fields and ruin the value of their farms.
>
> American farmers were growing beets on the same soil, year after year, their only thought being "so many tons of beets per acre at so much per ton," whereas, since learning of the indirect value of sugar-beet culture, European farmers use them as a means to increase the yield of other crops rather than for their direct money value, and in order to spread the benefits over as great an area as possible they plant beets on the same soil but 1 year in 3 to 5. From time to time, this information since has been placed before American sugar-beet farmers, and now, by practical experience, many have learned of the value of sugar-beet rotation and are enthusiastic over the results obtained.
>
> Such a discovery was made a century ago and was heralded and utilized by the leading nations of Europe, with the result that their wornout soils have been so rejuvenated that now they produce 2 bushels of grain where formerly they produced but 1. But for the fact that Europe learned to rotate her cereal crops with a hoed root crop and thereby doubled her acreage yield of cereals, European nations still would be encouraging and assisting emigration because of inability to feed their increasing population.
>
> Strange as it may seem, this important discovery has not been exploited in the United States. With few exceptions American writers on agricultural topics seem to have been totally oblivious both as to the cause and of the fact that the wornout soils of Europe have been so built up that they now produce 2 bushels of grain where the virgin soils of the United States produce but 1. In their ignorance, some American writers even advise our farmers against adopting the very method which has revolutionized agriculture in Europe. And so it follows that American farmers have not profited by it and their yields per acre remain practically stationary, while the crop yields of the balance of the world increase from year to year. During the past 30 years the combined average yield per acre of wheat, rye, barley, and oats in the United States has increased but 6.6 percent, while the acreage yield of the same crops in Germany has increased 80 percent during the same period.

In the interval since Parker's report was printed, the American beet farmer has not only become fully aware of the virtues of beet culture as a sound agricultural improvement practice but also in the development and use of beet byproducts.

Where beets are grown in rotation with hay, grain, and grass, they promote soil equilibrium; in fact, improvement in soil fertility increases as rotation proceeds, instead of "mining" the soil as often occurs in single-crop areas.

Furthermore, sugar beets may be grown in the high altitudes, where it is impossible to grow such crops as corn and cotton, and beets are also adaptable to soil conditions unfavorable for other crops. It is in those areas where it is difficult if not impossible to grow other crops that sugar-beet culture is of tremendous importance.

The benefits of sugar-beet culture are well known on reclamation projects of the West. Dr. Elwood Mead, who, by the way, was first State engineer of Wyoming and who was also for many years United States Commissioner of Reclamation, has testified:

> The sugar-beet industry is the backbone of those Federal reclamation projects where the crop is grown. It is one crop that contributes more than anything else to a rounded-out, complete agricultural program, gives winter and summer employment, enables the farmer to make the largest and best use of the surrounding grazing land, largest and best use of alfalfa that is grown, and gives an unusual measure of continuous employment for the family on the farms, with more stable income than anything else.

The nature of the sugar beet and the rotation system make it abundantly clear why farm conditions improve where sugar beets are grown. As I indicated earlier, the root system of the beet penetrates the ground to a depth of 6 or 7 feet and when the beets are cut, thousands of roots are cut off and left in the soil to an estimated average of a ton per acre and this constitutes a valuable contribution to the richness of the soil. Furthermore, the root system loosens up the compact soil, permitting air to reach down below the surface and fertilizing the soil. When rotation is practiced, the roots of subsequent crops follow the channels of the beets and thereby draw nutriment from much greater depth, which promotes growth.

Refined sugar, itself, is nothing more than carbon and water. Thus, when sugar is extracted from the beet, the remainder is available for feeding livestock, converted into meat and milk, and also furnishes manures to be returned to the soil. No other crop pays back so much fertility to the soil from whence it came.

The byproducts of beet sugar, such as beet tops, molasses, and pulp, have built an enormous lamb- and cattle-feeding industry in the Western States. The tops from an acre of beets are considered to have the feeding value equivalent of one ton of alfalfa hay. It has been demonstrated that the byproducts of an average acre of sugar beets exceed in feeding value the entire product of an average acre of corn.

E. J. Maynard, formerly dean of the Utah State Agricultural College, has summarized years of experience in this field, as follows:

> Sugar-beet byproducts fed along with grain and alfalfa hay will produce cheaper beef and mutton or lamb than any ration available in the United States, not even excepting the grain and alfalfa combinations fed in the Corn Belt. * * * It is safe to say that there is no fattening ration for lambs that will produce as cheap or heavy a gain as a full feed of wet beet pulp, about a half pound of grain, and a full feed of alfalfa.

The average acre of sugar beet yields approximately 3,500 pounds of pure granulated sugar, and the byproducts from the same acre will produce at least 300 pounds of meat, when these byproducts are properly fed to livestock.

Millions of sheep and cattle from the ranges of 11 Western States are annually fattened on the feed lots of the beet-sugar regions. The growth in the production of sugar beets is followed immediately by a corresponding expansion in livestock-feeding operations. To many of our Western States this means that the livestock industry can carry on a complete operation—feeding and fattening as well as growing. In fact it means a wholly new industry for those areas.

Thus it is clear that growing beets means more than producing sugar. It has made possible the development of some of the most productive farming areas in the country. It has helped in a big way in crop rotation and farming diversification. It has made a great contribution to a well-rounded-out livestock operation in the Mountain States. No wonder, then, that beet growers and the Nation as a whole have a great stake in a thriving sugar-beet industry. Any reasonable man must agree that this great industry must be permitted to grow with the country and that it must be released from the shackles and chains of fixed quotas.

No one will deny that the tremendous progress in sugar-beet culture in the mountain west left its imprint on a sound and successful plan of diversification in our agricultural economy. By no means were these results accidental, in fact, they were achieved only after experimentation and research in the laboratories, and by trial and error application of the carefully screened theories in the year-to-year operations on the farm. This constant planning and endless effort to improve and refine farming methods runs on and on with increasing purpose with the process of the suns. I realize that it is often said that farmers love the soil and that agriculture is more a way of life than a vocation. While I do not hold to that philosophy, one must admit that there is considerable substance to the contention.

Some 4 years ago, while I was Governor of my State, I sensed that the shift from sugar beets to other crops promising better immediate cash returns might, in the long run, operate against the best interests of our agricultural community. Accordingly, I called a statewide conference jointly with Dr. G. D. Humphrey, the president of the University of Wyoming, at Worland, Wyo., in September 1951, for the purpose of centering the attention of our people on the wisdom of maintaining our sugar-beet industry on a sound and expanding basis.

The meeting was highly successful and was attended by upwards of 500 leaders among the beet producers, processors, cattlemen, woolgrowers, businessmen, bankers, agricultural experts, and leaders in Government. Frank Kemp, the president of Great Western Sugar, and Merrill Shoup, president of Holly Sugar, both attended the conference, and Mr. Kemp highlighted the discussion on that occasion as he does at most important discussions on the sugar problem anywhere in the country. Many important papers by eminently qualified speakers were read at the forum and the basic importance of the sugar-beet industry to the economy of our State was stressed time and again. To my way of thinking the meeting was quite successful.

In those days we were trying to encourage the farmers in our irrigated valleys to increase their acreage of sugar beets. Many leaders expressed the thought that sooner or later the growers would wish they had a good history of sugar-beet plantings. They did not know then how well they spoke. Many spoke of soil improvement, crop rotation, sound farming, better livestock feeding operations, and increased productivity on our irrigated farms. Our great objective in those days was to encourage our farmers to grow more sugar beets.

Pretty soon it was not plant more; it was plant less. The high degree of efficiency attained in beet culture brought about terrific increases in production, and soon we were confronted with production exceeding the rigid fixed marketing quotas, and then enforced acreage reductions. The repercussion cut deeply into every phase and segment of the industry—crop rotation, soil improvement, diversification, the fattening and feeding of our livestock. Try as we will, it is impossible to explain to a group of young struggling veterans that they just cannot plant any beets. Logic, reasons, explanations, excuses mean little to a young fellow thinking only of the desperate needs of his young family.

And so, Mr. President, that is the résumé of sugar from the first days of our Republic down to this very moment. I have spoken in considerable detail because I wanted to make crystal clear that the stand I take here and now is in accordance with our historical position. For 165 years our country has held steadfast to the policy of first nurturing and encouraging and later of protecting and sustaining a sound domestic sugar industry. Down through the years many of the great leaders of our country have taken an important part in molding that policy right here on the floor of the United States Senate.

The building of the industry enabled many of our farmers to produce a crop that provided attractive returns and improved the soil at the same time. The sugar industry has taken nothing out of the Treasury, but, on the other hand, has piled up a surplus of over 310 million over the years since the enactment of the Sugar Act, as shown by the following table:

Sugar Act tax collections and Sugar Act payments to growers

Tax collections (1938–54):	
Excise tax	$1,149,640,000
Import tax	67,500,000
Total	1,217,140,000
Sugar Act payments (1937–53)	906,508,000
Excess of tax over payments left in U. S. Treasury, total	310,532,000
Excess of excise tax over payments	243,032,000

More importantly, the Congress itself has declared that in order to promote the welfare of and to provide for the security of our country, we must have a sound, prosperous and growing domestic sugar industry.

For more than a half century we have assumed a certain measure of responsibility toward the people of Cuba. Our relations with Cuba have always been cordial and friendly. Their economy is built almost entirely on sugar. The ease of production on a tremendous scale has resulted on several occasions in building up stockpiles of sugar that the whole world could not absorb over a period of many years. That was precisely the fix which confronted Cuba in 1948. After disposing of all of that year's crop that it possibly could, Cuba still had a carryover of enough sugar to supply its quota in our markets for a full year.

In recognition of this deplorable situation and with a sincere desire to help a friend in distress, the Congress, in the Sugar Act of 1948, determined on a purely temporary basis to provide a way for Cuba to work out of its difficulty. In spite of the fact that the annual increase in consumption, arising largely by reason of increases in population, had been divided from the first day of our Sugar Acts on the basis of 55.59 to our domestic and insular producers and 44.41 to foreign producers, which to all intents and purposes means Cuba, the 80th Congress gave Cuba not only nearly 80 percent of the total increase in consumption which developed by 1954, but, in addition, Cuba was granted the right to export to the United States sufficient sugar to replace that part of the quotas which other producing areas were unable to supply.

While the concession was admittedly on a temporary basis, the additional tonnages given to Cuba were so enormous over a period of 7 years that it was given every opportunity to resolve its surplus problem. Now the shoe is on the other foot and our domestic producers find themselves in a similar predicament to that which confronted Cuba in 1948. We have built up such large stockpiles of sugar that our producers cannot sell.

Thousands upon thousands of our veterans have been denied the opportunity to plant a single acre of beets or cane for sugar production. And so the spirit which animated the Congress to enact legislation for the relief of Cuban producers in 1948 impels similar action on behalf of our own people this year.

Mr. ELLENDER. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I am delighted to yield to the distinguished chairman of the Committee on Agriculture and Forestry who has introduced the bill which we are supporting here today.

Mr. ELLENDER. I thank the Senator. Is it not a fact that when the Sugar Act was passed by Congress in 1948 it was with the express purpose of helping Cuba to get her sugar-production back on a peacetime basis?

Mr. BARRETT. The Senator from Louisiana is entirely correct.

Mr. ELLENDER. But instead of doing that, as the Senator pointed out a while ago, Cuba has greatly increased her production from prewar levels. In 1951 she produced nearly 8 million tons, compared with an average of 3,183,000 tons for the years 1935–39.

Mr. BARRETT. That is correct. That was done in spite of the fact that, as the Senator well knows, Cuba had not only a residual quota with a minimum but had the advantage of making up most of the deficits in production in this country and in the Philippines, which amounted approximately to 2,840,000 tons, if my recollection is correct.

Mr. ELLENDER. Is it not also a fact that the difference between the conditions in Cuba and in this country today, with respect to our increased production, has not been due to increased acreage, but to increased production on less acreage?

Mr. BARRETT. The Senator is entirely correct. We reduced our acreage, but production has increased because of more scientific methods applied in our farming communities.

Mr. ELLENDER. I am sure the same condition prevails in the beet sugar area as in the mainland sugar area where today the farmers are producing more sugar on approximately 18 or 20 percent less land than in 1948.

Mr. BARRETT. The Senator is correct. The domestic beet sugar producers and cane sugar producers have piled up a surplus of more than 500,000 tons. So today we find ourselves in the predicament of not being able to dispose of the surplus which has been produced in this country; and, furthermore, we have no hope of giving farmers any additional acreage, and, particularly, we cannot give new farmers any acreage at all. In fact, our producers are confronted with reductions of nearly 100,000 acres in 1955.

Mr. ELLENDER. I do not wish to divert the Senator from his speech, but——

Mr. BARRETT. I am delighted to have the Senator interrupt me.

Mr. ELLENDER. Is it not a fact that Cuba will obtain in 1955 the same proportionate share of our total consumption up to 8,200,000 tons that she received during 1954?

Mr. BARRETT. The Senator is entirely correct. Disregarding deficits, I may say that the percentage to which Cuba would be entitled would be 32.5 percent of our market, which is, roughly, about one-third of our domestic consumption.

Mr. ELLENDER. Is it not also true that the estimate of consumption for 1955, according to the latest reports, is approximately 8,400,000 tons, and if that be true, the extra 200,000 tons will be shared by the domestic and foreign producers as follows: 188,000 tons under the bill will be first allotted to domestic producers in the proportion of 85,000 tons for beet sugar; 80,000 tons for mainland cane sugar; 20,000 tons for Puerto Rico; 3,000 tons for the Virgin Islands, and the balance will be divided so that Cuba will receive 96 percent of 45 percent and the domestic producers will receive 55 percent?

Mr. BARRETT. That is correct; and I submit that such an arrangement is eminently fair.

Mr. ELLENDER. And that, in effect, as the Senator has pointed out on several occasions, is approximately the same basis as that which obtained prior to 1948.

Mr. BARRETT. The Senator is entirely correct.

Mr. ELLENDER. Mr. President, I wish to take this opportunity of congratulating the Senator from Wyoming for going into detail and giving us the benefit of the past history concerning the sugar situation.

Mr. BARRETT. I thank my distinguished colleague from Louisiana for his kind remarks.

Mr. President, in conformity with that same conciliatory spirit, we have drafted a bill dictated wholly by a sense of fairness to our own farmers. The bill does not take away one pound of existing quotas from Cuba or any other foreign producer. In order to permit our producers to sell a little of our surplus supplies in our own markets, we asked for a modest increase in domestic quotas amounting to 188,000 tons, to be divided between our mainland and insular producers out of increases in consumption on the following basis:

	Tons
Domestic beet	85,000
Mainland cane	80,000
Puerto Rico	20,000
Virgin Islands	3,000

After giving Cuba 7 years' monopoly in the increase in our domestic market, we ask now that our own producers be given a chance to share in our market to the extent of 55 percent and foreign producers 45 percent, of which 96 percent of the latter is awarded to Cuba. I have prepared a table, Mr. President, which will show the way our market is divided today, how it will be divided if we are allowed the 188,000 tons increase, and how it will be divided in 1962, when we hope our consumption will have increased by another million tons.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing the effects on quotas under the operation of Senate bill 1635.

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

Effects on quotas under operation of S. 1635

	Present quota at 8,200,000 tons	Percent of total	Proposed quota at 8,388,000 tons	Percent of total	Proposed quota at 9,200,000 tons	Percent of total
United States beet	1,800,000	22.0	1,885,000	22.47	2,066,768	22.46
Mainland cane	500,000	6.1	580,000	6.91	635,914	6.9
Puerto Rico	1,080,000	13.2	1,100,000	13.12	1,206,067	13.11
Hawaii	1,052,000	12.8	1,052,000	12.54	1,153,423	12.53
Virgin Islands	12,000	.15	15,000	.18	16,429	.18
Subtotal	4,444,000	54.25	4,632,000	55.22	5,078,601	55.18
Philippines	977,000	11.9	977,000	11.65	977,000	10.62
Cuba	2,668,000	32.5	2,668,000	31.81	3,018,784	32.8
Other foreign	111,000	1.35	111,000	1.32	125,616	1.37
Subtotal	3,756,000	45.75	3,756,000	44.78	4,121,400	44.79
Total	8,200,000	----------	8,388,000	----------	9,200,000	----------

Mr. WELKER. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I am delighted to yield to my colleague from Idaho.

Mr. WELKER. I should like to join the distinguished senior Senator from Louisiana [Mr. ELLENDER], in congratulating the great Senator from Wyoming for his knowledge of this subject matter. I will say by way of observation that it is too late indeed for us to think that any action will be taken on the sugar bill at this late hour. I have heard the distinguished Senator from Wyoming speak on this question on the floor of the Senate and in conferences, as I have heard the distinguished senior Senator from Louisiana and the distinguished senior Senator from Nevada, and other Senators speak on it. I should like to ask the Senator from Wyoming this question:

In view of the remarks made, is it not eminently clear to the Senator from Wyoming what we are doing to the domestic sugar industry at home?

Mr. BARRETT. It certainly is. I have taken the floor today to explain the effect of the 1948 act on the beet producers of Wyoming and other Western States as well as the cane producers of Louisiana and Florida, in the hope that some remedial legislation may be enacted.

I do not quite agree with the Senator that it is a rather hopeless situation; in fact, I think we have made some headway since the bill was introduced.

The administration has made some concessions, for which we are very thankful. It has been admitted that the

Sugar Act should be amended this year, that the domestic industry should share in the future growth of our own sugar market, and that the domestic industry needs an increase above the present fixed quotas. We hope that before this session of Congress is concluded, it will be possible to enact legislation which will be fair and reasonable. To my way of thinking, S. 1635 will do precisely what should be done.

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

Mr. BARRETT. I yield.

Mr. WELKER. I am aware of the fact that the senior Senator from Wyoming feels that something can be done about the sugar situation. But the names of the Senators who have appeared and argued this question for months and months are well known to him. It seems to me that the only relief which will be afforded domestic producers in the watered-down version will be merely a few crumbs from the table. Cuba will be permitted to benefit, but our domestic users will look out the window and wonder what has been happening in Washington, D. C.

Mr. BARRETT. After all, Congress itself has the responsibility to enact legislation. I am very hopeful that the House, which under the Constitution must initiate legislation of this type, will send to the Senate a bill that will be substantially the same as the bill which many of us have joined with the senior Senator from Louisiana in introducing, one which will be fair so far as the domestic producers, as well as all other producers, are concerned.

Mr. WELKER. May I ask the Senator from Wyoming if it is not a fact that with respect to the bill which we have discussed so minutely, the Committee on Agriculture and Forestry, headed by the senior Senator from Louisiana, has been, in effect, practically ignored, because the agricultural experts at the State Department, on the Cuban desk, seem to have the ear of persons to whom we cannot get close?

In other words, I have felt that the committee on which I was honored to serve for the past 2 years, but on which I no longer serve, because of the change in the control of Congress, is making a dry run by asking the representatives of the United States sugarcane and sugarbeet industry from Louisiana, Wyoming, and Idaho to testify before the committee, when the powers of the committee have been taken away.

Those most interested in sugar production are farmers. They understand the problem. But the powers of the Committee on Agriculture and Forestry have been curtailed, and we listen, whether we like to do so or not, to the testimony of a representative of the State Department. I can state his name, if the Senator desires. The result is that the domestic sugar producers suffer.

Mr. BARRETT. Of course, that official in the State Department will not have a vote in either the Senate or the House. I am relying on the membership in both bodies to take care of this situation, and I am very hopeful they will do so.

I share the fears my distinguished colleague has expressed, but I am quite certain that in the long run the commonsense of the membership of the Congress on both sides of the aisle, will recognize the predicament in which the domestic producers find themselves today, and that they will support legislation which will give our producers a fair share of their own market.

Mr. WELKER. I appreciate the great efforts which have been made by the senior Senator from Wyoming. I hope and pray that his wishes will be fulfilled. But when I consider Idaho, I am worried, because I know of boys there who were maimed and injured in Korea, and who have been given valuable land on which to make a start in agriculture, but are unable, because our Government will not give them an allocation, to raise the only cash crop on which they can make a profit, namely, sugar beets. Yet we look out the window and pay our attention to Cuba.

As the Senator knows, I am fully in agreement with helping Cuba at all times; but I am not an "America-laster," and I know my colleague from Wyoming is not an "America-laster."

I think we can assure the war veterans and the producers who have had their acreage cut for the benefit of Cuban producers that this is a problem which their Representatives in Congress view with alarm. The gentleman from the State Department will not be here to vote, but he swings a very wicked bat, as the Senator from Wyoming well knows.

Mr. BARRETT. I appreciate the contribution to the discussion by my friend from Idaho. I still feel that in the long run it will be possible to make substantial progress in Congress this year. I believe that the provisions of our bill are quite modest and I am sure that any legislation will be substantially along the lines of our bill.

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

Mr. BARRETT. I am delighted to yield to my distinguished colleague from Idaho, who, I may say, anticipated this situation perhaps a little earlier than any of the rest of us, because a year ago he introduced a bill which would have revised the 1948 act at that time. I think probably a mistake was made in not insisting upon revision of the act last year, instead of waiting for action this year.

Mr. DWORSHAK. I thank the Senator from Wyoming for his words of commendation. The Senator from Wyoming has rendered exceptional service today by reflecting the thinking of the leaders of the domestic sugar industry, both beet and cane.

I wish to ask him if there has not been unusual cooperation, harmony, and unity among all segments of the domestic sugar industry, in the efforts which have been made during the past year to make an equitable revision of the Sugar Act?

Mr. BARRETT. That certainly is the fact. The domestic beet and cane sugar producers have cooperated in splendid fashion. The processors of this country who use domestic beets and cane, as also the processors in the insular possessions, have, on the whole, cooperated. I think that all the industries in this country which are interested in sugar production generally have cooperated in splendid fashion in an effort to solve this very difficult problem. All the sugar producers in this country, in our Territories, and also in the Philippines, have endeavored to work out a program which would be fair to all concerned.

Mr. DWORSHAK. One of the most serious problems facing our country, and especially agriculture, is the accumulation of surplus commodities, which depress prices and make it difficult to effect a sane and constructive diversification of farm acreage.

Is it not true that when the country has the burdensome surpluses of commodities which are produced beyond current requirements, the farmers, particularly those of the irrigated sections of the West, want to know why they should not be permitted to extend their acreages gradually, so far as sugar beets are concerned, when less than 30 percent of the sugar consumed in our country is produced in the United States?

Mr. BARRETT. The Senator is entirely correct. I think the percentage actually produced in the United States is about 28 percent.

It seems only proper that the producers in the United States should be permitted to participate in increased consumption arising because of the growth of their country. I think it is most amazing that the producers of the Nation do not have the opportunity to participate in supplying the increasing demand for sugar, which arises from the increase in population, and that we are forced to give to Cuba practically the entire benefit of the increased demand.

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

Mr. BARRETT. I am delighted to yield.

Mr. DWORSHAK. The Senator from Wyoming has pointed out that more than a majority of the Members of this body have cosponsored the bill to revise the Sugar Act, in an effort to give our domestic producers an opportunity to participate in supplying the demand caused by the increased consumption of sugar in this country.

While I understand that hearings will be started in the other body later this week, is it not true, as has already been indicated, that the legislative responsibility rests upon the Congress—the Senate and the House—and if there is a majority sentiment in the two bodies, there is no logical reason why we should not pass the bill revising the Sugar Act at this session? If there should be some opposition to the bill from certain executive departments, we ought to have confidence and faith that the President, who is fully aware of the various aspects of the overall program, will, after he studies the bill which finally will come from the Senate and the House, if action is taken at this session, sign the proposed legislation.

Mr. BARRETT. I am very confident the President will approve any legislation Congress will write with reference to a new Sugar Act. I believe it is the purpose of every Member of both the House and the Senate to be perfectly fair about the entire problem; but we are bound and determined to see that the people of this country are accorded the

same fair treatment the people of Cuba have been given under the 1948 act.

Mr. WELKER. Mr. President, will the Senator yield for a brief observation and a question?

Mr. BARRETT. I am glad to yield.

Mr. WELKER. I cannot leave the floor of the Senate, or leave the termination of the debate to someone else, without paying my profound respects to our Secretary of Agriculture, who was born in my State of Idaho, and who comes from the neighboring State of Utah, and who I understand has been firmly behind the domestic producers of sugar beets in this controversy. I wish to ask my friend, the senior Senator from Wyoming, why we have a Secretary of Agriculture and, if we are not to be governed by his advice and technical opinion in this connection, rather than quiver when someone in the State Department puts his foot down—a certain somebody who would not know a sugar beet from a football?

Mr. BARRETT. I may say to my distinguished colleague, the Senator from Idaho, that I share his respect for Mr. Benson, the distinguished Secretary of Agriculture. I may say the Secretary has contributed greatly to the efforts of a majority of the Members of this body and of the House in getting this proposed legislation before the Congress this year. I am sure that, because of his great knowledge of the situation in the Western States, and particularly in his native State of Idaho, and in Utah and Wyoming, he has fought the battle for fair play for the domestic producers. I am hopeful that with his aid we shall be able to get this type of legislation on the statute books before Congress adjourns this summer.

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

Mr. BARRETT. I yield.

Mr. ALLOTT. As this debate is drawing to a close, I should like to associate myself completely with the remarks the Senator from Wyoming has made this afternoon. It seems to me all of us present on the floor owe to him a debt of gratitude for his wonderful historical and factual presentation of the subject. It is a presentation which perhaps has been made many times, but one which perhaps should be made many times more. On my own behalf particularly, and I am sure I speak for other Senators, I extend to the Senator from Wyoming my thanks for the study, labor, and work which he and the other Senators who are sponsoring the proposed legislation have done on this subject.

Mr. BARRETT. I thank the Senator for his kind remarks.

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

Mr. BARRETT. I am glad to yield to my colleague from California.

Mr. KUCHEL. I can truthfully say for the 13 million people of California whom I have the honor, in part, to represent in the Senate that they are most grateful for the manner in which the Senator has emblazoned on the RECORD of the Senate of the United States the history and the facts with respect to the production of sugar, and the increasingly urgent necessity for remedial action by the 84th Congress. I congratulate my friend for the manner in which he has discussed that subject today.

Mr. President, a number of years ago a great American said, across the length and breadth of this land: "Only the productive can be strong, and only the strong shall be free."

If I may, I should like to say to my friend from Wyoming that the strength of America is derived from a strong American economy, a strong industrial pattern, and a strong agriculture.

If my friend will permit me to say so, California produces more beet sugar than does any other American State. In 1954 California's total sugar output from more than 220,000 acres of sugarbeets exceeded 500,000 tons, the value of which was more than $80 million.

I listened with great interest to the statistical information which the Senator from Wyoming gave to the Senate with respect to the increase in sugar production, not alone in Cuba, but in other foreign states, at a time when, by reason of technological developments and the debilitating effects of the present law, production of sugar in America remained relatively static while acreage previously devoted to sugar went bare.

I could not help rising and joining with other Senators who, like my good friend the able chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], have participated today in the building of a record which I believe will indicate to all fairminded Members of Congress the need for this type of legislation in the field which my able friend has outlined.

Mr. President, the United States is a leader in the world, and it needs to continue to lead toward freedom and toward peace. We shall trade, and continue to trade, with all the free nations of the world, but we shall not sit idly by here in the Senate of the United States and see continued the gross disparity which exists in the law, under which Americans are permitted to produce only a certain amount of sugar, while such friends of ours as Cuba can produce almost without limit.

I merely wish to say, as I conclude: Congratulations to FRANK BARRETT and let us keep fighting for the proposed legislation.

Mr. BARRETT. Mr. President, I thank my colleague, the junior Senator from California, for his splendid contribution. I have served for more than 2 years with him on the Committee on Interior and Insular Affairs. On many occasions I have had the opportunity to observe his fine work. I can say truthfully that in my judgment he is one of the outstanding Members of this body, and he has worked hard, day and night, in the best interests of the people of his great State and of our country.

In his remarks, Mr. President, the Senator from California stated that the production in California in 1954 was from 220,000 acres. I wish to call his attention to the fact that under the allotments made by the Secretary of Agriculture for 1955, California has been reduced to 182,410 acres. California is still the No. 1 producer of sugar beets in the United States. Under the regulations adopted by the Secretary of Agriculture, a sugar-beet total of 850,000 acres has been set for all States. Sugar beets are grown in 21 States, and cane sugar is grown in 2 States, Louisiana and Florida.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the proportionate share of each of those 21 States, insofar as sugar-beet acreage is concerned.

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

PROPORTIONATE SHARES FOR FARMS IN THE DOMESTIC BEET SUGAR AREA

(a) National acreage and State acreage allocations: A national acreage objective for 1955-crop sugar beets of 850,000 acres is hereby established and allocated to States as follows:

	Acres
California	182,410
Colorado	130,715
Michigan	81,420
Idaho	79,715
Minnesota	66,035
Nebraska	58,720
Montana	50,980
Wyoming	34,645
North Dakota	34,600
Washington	30,795
Utah	30,545
Ohio	20,220
Oregon	17,685
Wisconsin	12,865
Kansas	7,255
South Dakota	5,365
Illinois	2,095
Texas	1,590
Iowa	1,545
New Mexico	770
Indiana	30
Total	850,000

Mr. BARRETT. Mr. President, I have taken a great deal of the time of the Senate. I know that the distinguished senior Senator from Nevada [Mr. MALONE] is anxious to speak. But, Mr. President, in light of all the facts which have been developed, it seems to me the case of the American sugar producer is so clear, so convincing, and so eminently fair, that the conclusion is inescapable that the Congress can take but one course of action and that is to give the American sugar producers a break.

Mr. MALONE. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER (Mr. BENNETT in the chair). Does the Senator from Wyoming yield to the Senator from Nevada?

Mr. BARRETT. I am prepared to yield the floor but I will yield to my colleague, the senior Senator from Nevada.

Mr. MALONE. As the Senator from Wyoming concludes his remarks, I wish to say he has made a valuable contribution, not only to the discussion of sugar, but also to the discussion of the general welfare of the United States of America, provided the sugar producers will carry their thinking just one step further. In short, of course it is improper to deny to the sugar producers in the United States additional acreage in keeping with the increased consumption of sugar, and particularly so because most of the sugar production is in the arid areas, where large amounts of Federal funds have

been spent on reclamation projects. That money must be returned to the Treasury of the United States; and the people of those areas have counted on being able to engage in crop rotation, especially by having a cash crop. In view of that situation, and also in view of our increased population, and in view of the further fact that, after two recent world wars, many of the younger veterans are going into the farming business, it is clear that it is imperative that the course recommended by the Senator from Wyoming be followed.

Simply on the basis of economics, in regard to building up the communities in the Far West, in the Middle West—for, of course, great quantities of sugar beets are grown in the Middle West—and in the South, where cane sugar is grown, it is simply commonsense for the producers in those areas to be allowed to develop their operations in the way they must be developed, in the interest of the entire Nation.

Again I wish to commend the distinguished senior Senator from Wyoming for his well-thought-out remarks.

Mr. BARRETT. I thank the Senator from Nevada for his contribution.

ORDER FOR ADJOURNMENT

During the delivery of Mr. BARRETT'S speech,

Mr. JOHNSON of Texas. Mr. President, will the Senator from Wyoming yield briefly to me, to permit me to propound a unanimous-consent request for the Senate to stand in adjournment until tomorrow, at noon, following the end of today's session?

Mr. BARRETT. I yield for that purpose.

Mr. JOHNSON of Texas. I wish to make the request for the reason that in a few moments I must leave the Chamber, to attend to other business.

Mr. BARRETT. I understand.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business for today, it stand adjourned until tomorrow, at 12 o'clock noon. I also ask unanimous consent that this request appear in the RECORD at the conclusion of the remarks of the Senator from Wyoming.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 142. An act for the relief of Thomas Kunhyuk Kim; and

S. 284. An act for the relief of Margarita Oy Wan Chan.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 903. An act for the relief of Harold C. Nelson and Dewey L. Young;

H. R. 1069. An act for the relief of Hussein Kamel Moustafa;

H. R. 1202. An act for the relief of Robert H. Merritt;

H. R. 1400. An act for the relief of David R. Click;

H. R. 1409. An act for the relief of H. W. Robinson & Co.;

H. R. 1416. An act for the relief of J. B. Phipps;

H. R. 1640. An act for the relief of Constantine Nitsas;

H. R. 1643. An act for the relief of the estate of James F. Casey;

H. R. 2456. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 2529. An act for the relief of Albert Vincent, Sr.;

H. R. 2760. An act for the relief of the estate of William B. Rice;

H. R. 3045. An act for the relief of George L. F. Allen;

H. R. 3958. An act for the relief of Louis Elterman;

H. R. 4249. An act for the relief of Orrin J. Bishop;

H. R. 4714. An act for the relief of Theodore J. Harris;

H. R. 5196. An act for the relief of the Overseas Navigation Corp.; and

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. MILLER of New York were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. BOYLE, and Mr. MILLER of New York were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. SHEPPARD, Mr. SIKES, Mr. NORRELL, Mr. WHITTEN, Mr. ANDREWS, Mr. RILEY, Mr. DEANE, Mr. FLOOD, Mr. CANNON, Mr. WIGGLESWORTH, Mr. SCRIVNER, Mr. FORD, Mr. MILLER of Maryland, Mr. OSTERTAG, Mr. DAVIS of Wisconsin, and Mr. TABER were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

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

H. R. 103. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies;

H. R. 1664. An act for the relief of Charles Chan;

H. R. 2126. An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; and

H. R. 4650. An act to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone.

GATT DIVIDES UNITED STATES MARKETS AMONG FOREIGN NATIONS

Mr. MALONE. Mr. President, under a measure recently passed by the Senate, an organization 3,000 miles from the United States—an organization called the General Agreement on Tariffs and Trade, at Geneva—commonly known as GATT—is allowed to divide the markets of the United States among 33 foreign nations, members of GATT.

I wish to call certain facts to the attention of the distinguished Senator from Wyoming, who has just concluded making a notable address to the Senate. Let me say that he served with me on a special committee engaged in a study of Western Hemisphere matters, the report of which committee was published last year.

Mr. BARRETT. That is correct.

Mr. MALONE. We agreed upon recommendations and findings which are entirely in conformity with the views expressed today by the distinguished Senator from Wyoming, and which would have the Nation proceed in a direction entirely opposite from the direction in which the Senate and House of Representatives have been traveling as regards dividing the markets of the United States among foreign producers, while refusing to permit the Senate to have anything to do with the making of trade agreements.

NEW GATT GO-AROUND PLOTTED IN GENEVA

Mr. President, I hold in my hand a special dispatch to the New York Times, published in today's issue of that newspaper, and coming from Geneva, Switzerland. The dispatch is by Michael L. Hoffman, is published in the business and finance section of the Times, and reads in part as follows:

PARLEY PROPOSED ON WORLD TARIFFS—MEETING THURSDAY IN GENEVA TO PLAN CONFERENCE IN 1956 ON FOURTH ROUND FOR GATT — EIGHTY PERCENT OF TRADE AFFECTED—RECIPROCAL ACT NOW GIVES UNITED STATES MORE LEEWAY TO NEGOTIATE ON REDUCING OF BARRIERS

(By Michael L. Hoffman)

GENEVA, July 20.—Plans for a world tariff conference next year will be drawn up at a meeting that will start here on Thursday.

UNITED STATES MARKETS TARGET OF FOREIGN GREED

So, Mr. President, we see that, according to the article, what the Senator from Wyoming has been talking about is a barrier in the view of foreign nations who wish to divide between themselves the sugar market of the United States.

Mr. BARRETT. I may say the barrier operates against our domestic producers by preventing them from having a fair share of their own market.

Mr. MALONE. But the barrier referred to in the article is against foreign

nations who wish to divide among themselves practically all the markets of the United States—not only the United States sugar market, but practically all other United States markets.

Mr. BARRETT. That is correct.

Mr. MALONE. So I congratulate the Senator from Wyoming for the splendid presentation he has made today.

Mr. BARRETT. I thank the Senator from Nevada.

FIVE THOUSAND AMERICAN PRODUCTS AFFECTED BY FOREIGN DRIVE ON UNITED STATES MARKETS

Mr. MALONE. In my opinion, Mr. President, the Senator from Wyoming is entirely correct in the philosophy he has expressed. However, sugar is only 1 of 5,000 products of the United States which are affected by the barriers referred to in the dispatch from Geneva. That dispatch was written 3,000 miles from the United States.

At Geneva, the foreign producers are getting ready further to divide the United States markets, not only to prevent the United States producers from obtaining an increased share of their own markets, but also to take away the share the United States producers now have.

Mr. BARRETT. That is correct.

Mr. MALONE. So that goes a great deal further than the division of the United States sugar market.

Mr. BARRETT. There is no question that the Senator from Nevada is correct as to that, Mr. President.

Mr. MALONE. I wish to read further from the dispatch to which I have referred, because I know that the Senator from Wyoming is intensely interested in the welfare of the United States of America.

ONE-ECONOMIC-WORLDERS SCHEMED FOR UNITED STATES MARKETS WHILE TRADE ACT BEING CONSIDERED

At this point let me call his attention to the fact that while the Senate Finance Committee was considering House bill 1, to extend for 3 more years the 1934 Trade Agreements Act, the Geneva Conference was going on, and had been for 4 months. At this GATT session there was a proposal to include Japan as a member bringing the total of foreign members to 34. It was proposed there also to further divide among foreign nations participating in GATT the textile market of the United States, and to permit Japan to share in the division.

This was done; the announcement was made, and that action was taken immediately after the approval of H. R. 1 by the Senate committee, but prior to approval by the Senate and the House of Representatives of the conference report on House bill 1, which extends for 3 more years the 1934 Trade Agreements Act.

GATT PARTIES PEGGED CONGRESS ACTION IN ADVANCE

In other words, they seemed to know exactly what was going to happen. Anything they did in Geneva about the division of the markets already established here—not about increasing world markets—would hurry the procedure here. They were not talking about the increased markets. They were talking about dividing the ones they have already developed here, over the past 175 years.

UNITED STATES CONCESSIONS ESSENTIAL FOR NEW WORLD TRADE SHUFFLE

Reading further:

Final passage of the United States Reciprocal Trade Act, giving the President new powers to negotiate tariff redutcions with other countries, has created a situation under which, for the first time in 3 years, a new multilateral tariff conference is feasible.

The United States can now participate in such a conference with leeway to negotiate. And United States participation is essential to any extensive review of the world tariff picture.

UNCLE SAM "SUCKER" IN WORLD TRADE POKER GAME

The senior Senator from Nevada has upon many occasions called the game in Geneva a "sucker" poker game, in which there are 34 boosters.

The United States and 33 boosters are in the game. So, if we do not sit down, there is no game. If we sit down, as in any other sucker poker game, the game goes on. So it is said that—

United States participation is essential to any extensive review of the world tariff picture.

Reading further:

TARIFF TAXES FIXED BY GATT

The planned conference is already being referred to by tariff experts as the "fourth round." That is because on three previous occasions since World War II general multilateral tariff conferences have been held, at Geneva in 1947, at Annecy, France, in 1949 and at Torquay, England, in 1951–52.

Nearly 80 percent of world trade is taxed at national frontiers according to customs duties fixed as a result of these tariff conferences.

The organizers of the new conference are the governments that adhere to the General Agreement on Tariffs and Trade. A committee of the contracting parties to GATT (a name for the group of countries in their collective capacity as a governing body for the GATT trade system) will make the preliminary plans.

The conference will be conducted under the basic rules that have been worked out in the previous rounds, but there will be substantial differences in detail. A country may negotiate bilaterally with as many other countries as will agree to negotiate with it.

The results of all negotiations, with few exceptions, will be combined into one standard tariff for each country, the rates in which will be applied without discrimination to all the countries adhering to GATT.

GATT TO ADJUST TO PRESIDENT'S NEW TARIFF-CHOPPING POWERS

Japan is now a member of GATT. It was made so immediately upon the approval of the extension of the Trade Agreements Act.

One further paragraph is of interest:

The GATT secretariat intends to suggest a variation of this highly complex scheme adapted to fit the new powers of the President under the Reciprocal Trade Act.

The power to make a 5 percent reduction in each of three successive years and the power to reduce duties higher than 50 percent ad valorem to that level are the chief ones that could be utilized by the United States in any such scheme.

In other words, the "sucker" poker game is on, because we sat down. I call it to the attention of the distinguished Senator from Wyoming at this point because what is happening is, in reverse, what is happening to the increased market for sugar. It is happening not only to the increased consumption of American market for sugar, whereas it is happening to the already established markets in respect to every other product. The established American markets are being divided among the 33 "boosters" in the game.

Mr. BARRETT. I thank the distinguished Senator.

RESPONSIBILITY FOR POLIO VACCINE PROGRAM

Mr. PURTELL. Mr. President, will the Senator from Nevada yield to me for a period of 5 or 6 minutes?

Mr. MALONE. I am happy to yield to the Senator from Connecticut for that length of time.

Mr. PURTELL. I thank the distinguished Senator.

This afternoon the United Press—and other wire services, I am sure—carried bulletins relating to statements regarding the responsibility of Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, with respect to the polio vaccine program. I read a portion of the United Press bulletin:

Senator RICHARD L. NEUBERGER, Democrat, of Oregon, charged Secretary Oveta Culp Hobby with disloyalty today for assigning any faults in the polio vaccine program to the Public Health Service.

"Loyalty to subordinates is a quality this national administration is direly in need of," he told the Senate.

I may say that loyalty to facts which are presented to the American people is equally important. I intend to present some facts concerning the remarks of the Senator from Oregon and the facts as to the attitude of the Secretary of Health, Education, and Welfare, toward Dr. Scheele, and toward the other organizations, before the 6 minutes which the Senator from Nevada has allowed me have expired.

Continuing to quote from the news ticker item:

NEUBERGER'S criticism was prompted by a remark Mrs. Hobby, Secretary of Health, Education, and Welfare, made last night in a radio interview. Administration officials said later she was backing the Public Health Service to the limit and was being technical rather than critical when she said it must bear responsibility for the vaccine program.

"We have seen the Secretary of State (John Foster Dulles) abandoning subordinates in time of stress and trouble," NEUBERGER said. "Now we see the Secretary of Health, Education, and Welfare laying full blame and responsibility on a subordinate in time of similar or perhaps greater stress and trouble. * * *

"I would counsel both Mr. Dulles and Mrs. Hobby that there are higher rewards in life than to remain in seats of power and authority. To have measured up fully to the demands of being a courageous and indomitable human being is something to be desired, too."

Let me say to the junior Senator from Oregon that there is no question about it. It is something very much to be desired, not only in two people, but in all people—even including the elected representatives of the people.

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

Mr. PURTELL. Will the Senator permit me to complete the quotation? I shall be happy to yield later.

Continuing to quote from the news ticker item:

"One can only imagine what such desertions as these in two great departments must do to employee morale in the Federal service."

There is much being done to employee morale, and there is much being done to the morale of the people of America in regard to the Salk vaccine. It is being done by people who are not heads of departments, but are in the public eye, by reason of holding public office.

Reading further:

Mrs. Hobby's remark was interpreted by some as an implied effort to shift criticism from her to Surgeon General Leonard A. Scheele.

Mr. President, the American people are entitled not only to the opinions which Senators may express on the floor of the Senate, but to the facts as they really exist. I shall read some of the facts. What did Mrs. Hobby say? I have before me a transcript of her statement during her appearance on the Reporters' Roundup program, on Monday, June 20, 1955. I read:

Mr. LUCAS. You recently told a congressional committee—I think the word was that you had no apologies, or you are proud of the way your Department had handled this program. Could you expand on that? Looking back on what has transpired, is there anything that you now would do differently?

Mrs. HOBBY. Well, let me——

Mr. LUCAS. Rather broad.

Mrs. HOBBY. Let me say, to begin with, that there is nothing I could have done differently. The law charges the Public Health Service—not the Secretary of Health, Education, and Welfare. The only responsibility that the Secretary of Health, Education, and Welfare has in this program was the licensing, which the law says, and I think I am quoting almost verbatim, that the Secretary shall license, upon the recommendation of the Surgeon General. Now I have no apologies in any sense for licensing on the 12th. Let me show you the other side of the picture for the minute. There had been a great field test that the Public Health Service had worked with under the National Foundation for Infantile Paralysis. Two of these manufacturers had made vaccine for these field tests. On April 12, when this was regarded as a great discovery, we had nothing but joy, and I am sure the Public Health Service had nothing but certainty when they recommended to me that we license this and begin it right away. Sometimes it's useful to look at the other side of a coin.

I continue to quote from Mrs. Hobby.

Had the manufacturers not been licensed and had some of the children who have been given this perfection—protection, developed polio—one has to consider that side of the question. A great many children were given some protection. The so-called Cutter incident, which I am told the scientists do not yet know the answer to, was the thing which raised the questions in the minds of the scientists, and until we know the answer to the Cutter question, I don't think we know the answer to your question, Mr. Lucas. I don't.

Mr. LUCAS. Is your faith in the vaccine itself still unimpaired?

Mrs. HOBBY. Well, I have almost daily conversations with Dr. Scheele and the scientists, and I have read all of their papers, and I for one take the advice of scientists and medical people. I never tried to diagnose for my own children. I always took them to a doctor or to a scientist. So I am in the same position that you are in. I am taking the words of doctors and scientists.

Then Mr. Hurleigh, the moderator of the program said:

Mr. HURLEIGH. Madam Secretary, hasn't it in the past during this great avalanche of publicity that we have had on the Salk vaccine taken some of the personal responsibility away from that physician and that personal doctor of the Hobbys to whom you took your children? Today a physician is in a very indelicate position if he would refuse to give the vaccine to children, and yet on the other hand, if he gave it to children and it proved to trigger, as it has in some instances, he can say: "Well, there is no personal responsibility here because the Government licensed it and we had all this Foundation for Infantile Paralysis publicity behind it." Do you think that that has impaired the personal relationship of the physician with the patient?

Mrs. Hobby's reply was:

I think the thoughtful doctor—and I certainly think the great majority of them are—will take all factors into consideration before a shot is given. Now I noticed the report, and Dr. Scheele told the staff of the group called the National Foundation on whether or not shots should be conducted through the summer—this troubles many people, as to whether or not a shot may, to use your expression, trigger polio. Well now, what else can we do except take the advice of the best medical and scientific people we can put to work?

Then Mr. Mollenhoff, of Cowles Publications, said:

Mrs. Hobby, you seemed to draw some distinction a little while ago between the Public Health Service and your office with regard to any responsibility in this case, and I wondered if you felt that anyone in the Public Health Service as such had been negligent in any way in the way this was handled.

Mrs. HOBBY. I don't think I am qualified to answer that question, nor do I believe anyone will know where or if there was negligence in the Public Health Service until you know the answer to the Cutter problem. When you know the answer to the Cutter problem, then I think we may begin to say, Were we negligent? Was there something we should have done that we did not do?

In other words, Mrs. Hobby said that we may then begin to ask the question. She made no attempt to give an answer. In fact, there may not be any need for the question when all the facts are revealed.

Mr. Mollenhoff continued:

But wouldn't the Department now take the position that there were some faults in the way the vaccine was put to work and tested in the past?

Mrs. Hobby said:

I would like to make a continuing distinction here between the Department and the Public Health Service, and I would suggest to you that you look at Reorganization Plan No. 1, so that you might be familiar with it.

Mr. President, I would recommend to those who wish to pass opinions and judgments on this matter that perhaps a look at Reorganization Plan No. 1 might be helpful to them also.

Mrs. Hobby said:

I would suggest to you that you look at Reorganization Plan No. 1, so that you might be familiar with it.

Mr. MOLLENHOFF. Don't you feel you could do anything with the Public Health Service?

Mrs. HOBBY. Certainly not. The law runs to the Surgeon General.

Mr. MOLLENHOFF. I see.

Mrs. HOBBY. You read the law and you will——

She was interrupted by Mollenhoff, who said:

But if you were dissatisfied with Dr. Scheele's performance here, then you would not be able to move in and do anything about it if you wanted to, is that correct?

Mrs. Hobby replied:

Well, in the first place, let me say I am not dissatisfied with Dr. Scheele's performance, but let me——

Mollenhoff interrupted her:

Mr. MOLLENHOFF. Well, I——

Mrs. Hobby continued:

Mrs. HOBBY. Tell you what the law is. The Surgeon General is a Presidential appointee and a term appointee. The law governing the Public Health Service runs to the Surgeon General, not to the Secretary of Health, Education, and Welfare.

Mr. President, I trust that the junior Senator from Oregon will at least read that portion of the statement tomorrow, so that he will know exactly to whom the law runs.

Mr. MOLLENHOFF. What jurisdiction do you have over him in a case like this then?

Mrs. HOBBY. I would have none.

Mr. MOLLENHOFF. Suppose he would give you information and you would make a mistake in licensing, for example, in some case like this. What would your remedy be?

Mrs. HOBBY. I have no remedy under the law.

The law says that she shall give these licenses at the direction of the Surgeon General.

Mollenhoff said:

Have you suggested some change in the law?

Mrs. Hobby said:

I have not. The whole—the Public Health Service is now studying the whole Biologics Control Act and will make its own recommendations.

Then Mr. Mollenhoff said:

Do you think there was any mistake at all in the licensing of this under the circumstances?

Mrs. Hobby said:

No; I do not think so. I have asked that question repeatedly, and these six manufacturers had already made vaccine, were making it for the National Foundation. The Public Health Service, and I should say the National Biologics Control had complete confidence in these manufacturers.

She was interrupted by Mr. Lucas, who started to say "Mrs. Hobby—" and Mrs. Hobby continued:

So I go back again—until you know the answer to the Cutter problem you will not know wherein a mistake has been made.

Mr. Lucas asked:

Mrs. Hobby, you have been subjected to some criticism, some of it rather personal, in the press and in other forums. Has that—are you concerned about that?

Mrs. HOBBY. Well, of course, Mr. Lucas, I think any person is concerned about criticism. I suppose that is one of the occupational hazards of public life, that when you try to serve the people you are bound to be criticized. There are people who are bound to disagree with what you do. And I am

sorry for much of it that has come. I think much of it has not been objective, but there are lots of people in the world who are not objective too.

Mr. President, I subscribe to the expression of Mrs. Hobby that there are too many people in the world who are not objective.

Mr. Mollenhoff said:

Mrs. Hobby, in planning—you do have budgetary control over the Public Health Service though, don't you?

Mrs. HOBBY. Yes.

Mr. MOLLENHOFF. Do you have—that's in your budget and so forth?

Mrs. HOBBY. We—I don't know whether we have what you say, budgetary control; we have budgetary conferences, and the Chiefs of Bureau, Dr. Scheele and I agree with what goes over to the Bureau of the Budget, and if you say in terms of control, that I cut something out, strike it out—I never have without conference with the Public Health Service.

Then Mr. Mollenhoff said:

Then any blame in that respect would fall on the Public Health Service itself, if there was blame?

Mrs. Hobby said:

I would be delighted to share it with them.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the complete text of the radio program, from which I have quoted excerpts.

There being no objection, the text of the radio program was ordered to be printed in the RECORD, as follows:

REPORTERS' ROUNDUP

Guest: Oveta Culp Hobby, Secretary of Health, Education, and Welfare.

Moderator: Robert F. Hurleigh.

Panel: Clark Mollenhoff, Cowles publications; Jim Lucas, Scripps-Howard newspapers.

Mr. FISKE. Reporters' Roundup, where bylines make headlines. In a moment hear United States Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, answer questions fired at her by a panel of veteran reporters.

Mr. HURLEIGH. What assurances can now be offered American parents that the Salk vaccine is safe enough to use in mass inoculations?

Mr. MOLLENHOFF. What age group of children would benefit from the vaccination program your Department has outlined?

Mr. LUCAS. Has there been any great evidence of incompetency in your Department in connection with the handling of the Salk vaccine program?

Mr. HURLEIGH. Almost daily since last April the antipolio vaccine has been headlined on radio newscasts and metropolitan front pages and newsreels and news magazines. An avalance of information concerning polio and the vaccine has been directed at the public. Inevitably a certain amount of confusion has resulted. To assist the American public to form an intelligent conclusion as to what actually has been transpiring in the United States Public Health Service, Reporters' Roundup has invited Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, to answer some of the questions raised by American parents and authorities on the polio vaccine situation since its inauguration and as it exists tonight. Our guest, Mrs. Hobby, was appointed the Nation's first Secretary of Health, Education, and Welfare on April 11, 1953. Secretary Hobby, who directed the Women's Army Corps with the rank of colonel during World War II, is the only woman member of President Eisenhower's Cabinet. And now our guest is ready.

Mr. FISKE. Reporters' Roundup, which comes to you transcribed this evening from the office of the Secretary of Health, Education, and Welfare in your Nation's Capital, is presented by Mutual and Facts Forum as part of Facts Forum's effort to stimulate interest in current issues. Facts Forum—nationwide adult educational organization, is devoted to encouraging a desire in all Americans to listen, read, and think more about public affairs. Facts Forum has faith that if the American people will inform themselves from sources of their own choosing, they will make wise decisions. May the opinions you will now hear expressed by our guest prompt you to further thought. United States Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, according to some experts, should not be completely blamed for all the confusion and delay in the large-scale polio vaccine inoculation program. Some say it was public anxiety plus the tragic incident of some manufacturers—licensed by Mrs. Hobby's Department—that threw the entire polio vaccine program into a turmoil and that the Government is now eliminating and correcting any shortcomings which showed up in the mishandling of the Salk polio vaccine program. And now Secretary Hobby is prepared to meet the challenging questions of this panel of well-known and able reporters: Mr. Clark Mollenhoff, Washington correspondent for Cowles publications, and Mr. Jim Lucas, newspaper columnist for Scripps-Howard newspapers. Your moderator—Robert F. Hurleigh, outspoken nationwide news editor, commentator, and director of Mutual's Washington operations.

Mr. HURLEIGH. And now, Mr. Lucas, let's have the first question for Secretary Hobby.

Mr. LUCAS. Mrs. Hobby, we are both competitors and compatriots—you own a paper in Houston and I write for one. I assume that establishes some sort of tenuous connection. I am curious to know, Mrs. Hobby, why is it socialized medicine to provide $135 million worth of vaccine, as the Democrats propose you can, and not socialized medicine to provide, to limit that to $34 million, as the President proposes?

Mrs. HOBBY. Mr. Lucas, the Public Health Service has long had a practice, and I think I can best describe this to you by describing a line in the appropriations bill, and it is called "Assistance to States, General," whereby the Federal Government makes an appropriation to each State. There is a great deal of flexibility in how the State uses this money. The State may, if it please, use some of that money for an antitoxin. I think there is a great difference between providing free vaccinations for all people in the United States and trying to arrive at a figure which would give reasonable assurance that all children who could—whose parents could not pay for vaccination—would be given by this. The proposal which we have suggested would provide free vaccinations for 22 percent of the children in the United States, and I must ask you to remember that with the national income at an all-time high, and the employment figures at a second all-time high in the United States, there is no reason to think that the rest of us cannot pay for vaccine for our children.

Mr. LUCAS. Well, who makes the determination of need?

Mrs. HOBBY. In the Public Health clinics they do that now, Mr. Lucas, and have been doing it for years.

Mr. LUCAS. Won't that prove rather unwieldy and time-consuming?

Mrs. HOBBY. No, it doesn't work that way now in all the other programs that they operate.

Mr. LUCAS. Well, what safeguards would there be? What, for instance, would prevent me going in and claiming that I am a needy person and can't pay for vaccine and obtaining free vaccine?

Mrs. HOBBY. They might give it to you. The programs operate differently in each of the 48 States. It would depend upon which State or which city or which town you went to.

Mr. LUCAS. Would any penalty attach to a person who obtained free vaccine under those circumstances?

Mrs. HOBBY. I am not familiar with all the State laws.

Mr. LUCAS. It would be a State matter then?

Mrs. HOBBY. Yes.

Mr. MOLLENHOFF. Well, Mrs. Hobby, this would be handled by the States regardless of whether it was 34 million or 134 million, wouldn't it? I thought you were drawing some distinction a little earlier that the program that you plan would be handled by the States, indicating the other would be more Federal direction, which is one of your complaints.

Mrs. HOBBY. I am not quite sure how the other plan would operate. There seems to be a difference of opinion as to exactly what the language means. We interpret it one way. The author of the bill interpreted it another way. So how much federalization of the plan would be in it I do not know. One thing I think you have to remember, and that the people of the United States have to remember—that whether you spend $34 million for vaccine or $134 million for vaccine does not get the shots into the children's arms. The shots must be given by doctors. Now it has long been the practice for the medical profession in all the States and communities to be as helpful and as useful as they can in working in Public Health clinics and in their own offices in assuring that no child is denied vaccine. Whether you ask the physicians of the country or not to provide free vaccination for people up to age 19—and I have forgotten what the total population is—I think you must first say how this is going to be done before you say you are simply going to give money to a State to do this, because this does not insure vaccination.

Mr. MOLLENHOFF. I think some of the Democrats were contending that it was a little easier to handle the whole program and get the maximum number vaccinated if you had what they call a captive audience that you would have where you had everyone under the program, as opposed to the one where you had only the needy families. Have you looked into that?

Mrs. HOBBY. Well, you know—no, when you say "looked into it" I simply want to say that I think people have a right to say whether they want to be a part of a captive program or not.

Mr. MOLLENHOFF. Well, on that point, Mrs. Hobby, under the program that was conducted before, the people would have that right, wouldn't they, and under your program the needy families would have that right?

Mrs. HOBBY. Of course. Under the——

Mr. MOLLENHOFF. In other words, if this was given at school the children would come to school with some kind of a certificate which says "My parents say I can have it"—regardless of the program, isn't that true?

Mrs. HOBBY. Or to a Public Health center. This necessarily need not go on in schools. I think that's where a great deal of the misunderstanding takes place, particularly when people talk about how are you going to see that this child gets it and this child doesn't. This doesn't have to take place in schools.

Mr. MOLLENHOFF. I think——

Mrs. HOBBY. None of the Public Health Service's practices as a rule do.

Mr. MOLLENHOFF. Mr. Basil O'Connor, I think, testified that it was a little easier——

Mrs. HOBBY. It is easier.

Mr. MOLLENHOFF. To give the vaccinations under those circumstances. Well, I wonder if you could give us your idea as to whether you could encompass everyone that should come under the program with your program

or whether it would be easier probably with this captive audience approach.

Mrs. HOBBY. Well, I basically don't like the idea of a captive approach, having a group of people in and saying that you must take this. We do not do that in the Public Health clinics anywhere now. A parent brings their child in and asks for it on consultation. From the standpoint of numbers, yes, surely, just the way you get any group together and run them through you will get more people.

Mr. MOLLENHOFF. I want to get that captive audience cleared up. It didn't mean—it was used loosely by the committee. They didn't mean bringing everyone in and forcing them to be vaccinated. It was a matter of going through in the same manner as under your program.

Mr. LUCAS. Mrs. Hobby, I think we are all in agreement that it's wise and best and fair that the children receive this vaccine first, but could you give us any estimate as to how long it might be before vaccine is available also to adults? I know of a number of cases in which mothers, for instance, have been stricken and have been placed in iron lungs for the rest of their lives.

Mrs. HOBBY. Well, I wish I knew the answer to that. I do not know the answer to that, and the scientists do not know the answer to that. Mr. Lucas, from the day this vaccine was announced, though the Public Health Service under the law operates it and has responsibility for it, and I as Secretary, had responsibility for licensing the manufacturers—I have taken the position from the beginning that the first obligation of the Federal Government is to be sure that the vaccine is a safe vaccine. Now under the revised testing standards it is impossible to say exactly at what point something comes off the line, and I am sure you are familiar with that. All of the scientists in the United States who are knowledgeable in this field are working with the Public Health Service in attempting to clear vaccine as soon as it comes out from the manufacturers.

Mr. LUCAS. I take it from the fact that we don't know that it probably will be some time more before it is available for the rest of us.

Mrs. HOBBY. I would think so, Mr. Lucas, yes.

Mr. LUCAS. You recently told a congressional committee—I think the word was that you had no apologies, or you are proud of the way your Department has handled this program. Could you expand on that. Looking back on what has transpired, is there anything that you now would do differently?

Mrs. HOBBY. Well, let me——

Mr. LUCAS. Rather broad.

Mrs. HOBBY. Let me say, to begin with, that there is nothing I could have done differently. The law charges the Public Health Service—not the Secretary of Health, Education, and Welfare. The only responsibility that the Secretary of Health, Education, and Welfare has in this program was the licensing, which the law says, and I think I am quoting almost verbatim, that the Secretary shall license, upon the recommendation of the Surgeon General. Now I have no apologies in any sense for licensing on the 12th. Let me show you the other side of the picture for the minute. There had been a great field test that the Public Health Service had worked with under the National Foundation for Infantile Paralysis. Two of these manufacturers had made vaccine for these field tests. On April 12 when this was regarded as a great discovery, we had nothing but joy, and I am sure the Public Health Service had nothing but certainty when they recommended to me that we license this and begin it right away. Sometimes it's useful to look at the other side of a coin. Had the manufacturers not been licensed and had some of the children who have been given this perfection—protection, developed polio—one has to consider that side of the question. A great many children were given some protection. The so-called Cutter incident, which I am told the scientists do not yet know the answer to, was the thing which raised the questions in the minds of the scientists, and until we know the answer to the Cutter question I don't think we know the answer to your question, Mr. Lucas. I don't.

Mr. LUCAS. Is your faith in the vaccine itself still unimpaired?

Mrs. HOBBY. Well, I have almost daily conversations with Dr. Scheele and the scientists, and I have read all of their papers, and I, for one, take the advice of scientists and medical people. I never tried to diagnose for my own children. I always took them to a doctor or to a scientist. So I am in the same position that you are in. I am taking the words of doctors and scientists.

Mr. HURLEIGH. Madam Secretary, hasn't it in the past, during this great avalanche of publicity that we have had on the Salk vaccine, taken some of the personal responsibility away from that physician and that personal doctor of the Hobbys to whom you took your children? Today a physician is in a very indelicate position if he would refuse to give the vaccine to children, and yet on the other hand, if he gave it to children and it proved to trigger, as it has in some instances, he can say, "Well, there is no personal responsibility here because the Government licensed it and we had all this Foundation for Infantile Paralysis publicity behind it." Do you think that that has impaired the personal relationship of the physician with the patient?

Mrs. HOBBY. I think the thoughtful doctor—and I certainly think the great majority of them are—will take all factors into consideration before a shot is given. Now I noticed the report, and Dr. Scheele told the staff of the group called by the National Foundation on whether or not shots should be conducted through the summer—this troubles many people, as to whether or not a shot may, to use your expression, trigger polio. Well, now, what else can we do except take the advice of the best medical and scientific people we can put to work?

Mr. MOLLENHOFF. Mrs. Hobby, you seemed to draw some distinction a little while ago between the Public Health Service and your office with regard to any responsibility in this case, and I wondered if you felt that anyone in the Public Health Service as such had been negligent in any way in the way this was handled.

Mrs. HOBBY. I don't think I am qualified to answer that question, nor do I believe anyone will know where or if there was negligence in the Public Health Service until you know the answer to the Cutter problem. When you know the answer to the Cutter problem, then I think we may begin to say, were we negligent? Was there something we should have done that we did not do?

Mr. MOLLENHOFF. But wouldn't the Department now take the position that there were some faults in the way the vaccine was put to work and tested in the past?

Mrs. HOBBY. I would like to make a continuing distinction here between the Department and the Public Health Service, and I would suggest to you that you look at Reorganization Plan No. 1 so that you might be familiar with it.

Mr. MOLLENHOFF. Don't you feel you could do anything with the Public Health Service?

Mrs. HOBBY. Certainly not. The law runs to the Surgeon General.

Mr. MOLLENHOFF. I see.

Mrs. HOBBY. You read the law and you will——

Mr. MOLLENHOFF. But if you were dissatisfied with Dr. Scheele's performance here, then you would not be able to move in and do anything about it if you wanted to; is that correct?

Mrs. HOBBY. Well, now, in the first place, let me say I am not dissatisfied with Dr. Scheele's performance, but let me——

Mr. MOLLENHOFF. Well, I——

Mrs. HOBBY. Tell you what the law is.

Mr. MOLLENHOFF. Um-hmm.

Mrs. HOBBY. The Surgeon General is a Presidential appointee and a term appointee. The law governing the Public Health Service runs to the Surgeon General, not to the Secretary of Health, Education, and Welfare.

Mr. MOLLENHOFF. What jurisdiction do you have over him in a case like this, then?

Mrs. HOBBY. I would have none.

Mr. MOLLENHOFF. Suppose he would give you information and you would make a mistake in licensing, for example, in some case like this. What would your remedy be?

Mrs. HOBBY. I have no remedy under the law.

Mr. MOLLENHOFF. Have you suggested some change in the law?

Mrs. HOBBY. I have not. The whole—the Public Health Service is now studying the whole Biologics Control Act and will make its own recommendations.

Mr. MOLLENHOFF. Do you think there was any mistake at all in the licensing of this under the circumstances?

Mrs. HOBBY. No; I do not think so. I have asked that question repeatedly, and these six manufacturers had already made vaccine, were making it for National Foundation. The Public Health Service, and I should say the National Biologics Control, had complete confidence in these manufacturers.

Mr. LUCAS. Mrs. Hobby——

Mrs. HOBBY. So I go back again—until you know the answer to the Cutter problem you will not know where a mistake has been made.

Mr. LUCAS. Mrs. Hobby, you have been subjected to some criticism, some of it rather personal, in the press and in other forums. Has that—are you concerned about that?

Mrs. HOBBY. Well, of course, Mr. Lucas, I think any person is concerned about criticism. I suppose that is one of the occupational hazards of public life, that when you try to serve the people you are bound to be criticized. There are people who are bound to disagree with what you do. And I am sorry for much of it that has come. I think much of it has not been objective, but then there are lots of people in the world who are not objective, too.

Mr. MOLLENHOFF. Mrs. Hobby, in planning—you do have budgetary control over the Public Health Service, don't you.

Mrs. HOBBY. Yes.

Mr. MOLLENHOFF. Do you have—that's in your budget and so forth?

Mrs. HOBBY. We—I don't know whether we have what you say, budgetary control; we have budgetary conferences, and the Chiefs of Bureau, Dr. Scheele and I agree with what goes over to the Bureau of the Budget, and if you say in terms of control, that I cut something out, strike it out—I never have without conference with the Public Health Service.

Mr. MOLLENHOFF. Then any blame in that respect would fall on the Public Health Service itself, if there was blame?

Mrs. HOBBY. I would be delighted to share it with them.

Mr. LUCAS. Mrs. Hobby, you said earlier that the actual distribution and control of this vaccine will be in the hands of State health departments, and that they will make the determination of need. Is there any assurance that all of the States will actually assume that responsibility and that they are——

Mrs. HOBBY. I am very glad you asked that question, because it's one I would like to answer. When the Governors were here—I think it was on May 3—we discussed the distribution of the vaccine and asked the Governors if they thought that the Department of Health, Education, and Welfare

should assume responsibility for an equitable distribution among States. Their answer was yes. Then we asked the Governors to designate someone in their State to work with the Department of Health, Education, and Welfare in arriving at what was that State's fair share. Every Governor has done so, and I think it will please you and please the public to know that 41 of the States have appointed State Advisory Committees on the vaccine, just as we have here a National Advisory Committee on the vaccine, which goes into the priority age groups. So there is great awareness on the part of the Governors, great awareness on the part of the State and Territorial health officers, and I may say great awareness of many, many city health officers.

Mr. LUCAS. What about the other seven States that haven't appointed them?

Mrs. HOBBY. Well, they will, I am sure.

Mr. LUCAS. They are working up to that. Now that the vaccine is in short supply, what sort of rationing program have you developed?

Mrs. HOBBY. Well, the formula is a very simple one. The National Advisory on Poliomyelitis Vaccine, which met several weeks ago and established priorities, established ages 5 to 9 as the first priority group while the vaccine is in short supply. They are meeting again, I think, on Wednesday, to take up the next age group. And I am sure you have noticed since then that the American Medical Association and other medical groups have endorsed this first 5-to-9 group. They do it, Mr. Lucas, on a basis of the incidence of the disease.

Mr. LUCAS. Is there enough for all of the children between 5 and 9 in all of the States, or must each State limit that to a percentage of its children in that age group?

Mrs. HOBBY. Depends on how the supply becomes available. If, fortunately, enough becomes available so all States could have it, all 5 to 9, that would be simple. I doubt if it comes that way.

Mr. LUCAS. In New York, or say Texas, for instance, will there be enough?

Mrs. HOBBY. Well, each State will get its pro rata share, Mr. Lucas, of its children in the age 5 to 9, so every State will be treated exactly alike, depending on the 5-to-9 population in that group.

* * * * *

Mr. HURLEIGH. And now, Secretary Hobby, here are those prize-winning questions from our listeners.

Mr. FISKE. From Mrs. Tina Principato, of 201 Park Street, West Roxbury, Mass.

Mr. HURLEIGH. "Since polio has been the dread of mothers since its existence, I would like to know why you were quoted as saying that no one could have foreseen the great demand for the serum?"

Mrs. HOBBY. Well, I think that's a very good question. I myself ask why we could not anticipate that, and the best answer and I think it was a very good answer, came that there had never been such a demand for any other serum or antitoxin in the history of the United States. And I think this is one to learn from. It's a good question, and it was a unique situation.

Mr. FISKE. From Irwin Sherr, of Wilmington, Del.

Mr. HURLEIGH. "Secretary Hobby, what is the Federal Department of Health, Education, and Welfare doing in the field of mental health?"

Mrs. HOBBY. One of our legislative programs this year goes to mental health. We have asked for two pieces of legislation, and I am sure your questioner must know that almost 50 percent of the hospital beds in the United States are occupied by mental patients. I am sure they are also aware that we are very short of psychiatric medical personnel in the United States, and to alleviate the situation we must have more psychiatric medical workers and more research into the causes of mental illness, because it is now a serious national problem.

Mr. FISKE. From Richard Wagner, of New London, Conn.

Mr. HURLEIGH. "I wonder if you could give a short answer to this political question—do you think, Madam Secretary, Texas will back Eisenhower if he runs in 1956?"

Mrs. HOBBY. I wish all questions were that easy; yes.

Mr. PURTELL. Mr. President, desperate men at times take desperate measures. I know it is not unusual, out of sheer desperation to make men whipping boys. However, it is uncommonly common, I may say, to make whipping girls, too.

Mr. President, I wish to speak a little more about why, where, and how the responsibility for the Public Health Service rests. Let me say that I have a great admiration for and complete confidence in Dr. Scheele. As chairman of the Subcommittee on Health of the Committee on Labor and Public Welfare, last year, I had the opportunity of working with both Dr. Scheele and Mrs. Hobby, and I have the highest respect and the greatest admiration for both of those great public servants. Actually, what happened was that in order more efficiently to administer the affairs of Government, President Eisenhower submitted Reorganization Plan No. 1. Under this plan 3 independent agencies of Government, namely, Social Security, the Office of Education, and the Public Health Service, were placed in 1 department known as the Department of Health, Education, and Welfare. Because, Mr. President, this gave the head of the new Department a Cabinet status, it had the effect of bringing those three important branches of Government into the Cabinet.

The Public Health Service has existed for many years. It started, as a matter of fact, as an organization to inspect ships, and persons thereon. When the reorganization act became effective we did not amend the volumes of laws passed throughout the years, so we find ourselves today with a Public Health Service headed by a commissioned service. It is a uniformed service. The head of it is appointed by the President. As a matter of fact, Dr. Scheele was appointed in 1948 by President Truman, and he has served the public interest well. But it is a position to which a person is appointed by the President and then his nomination is confirmed by the Senate. The Department of Health, Education, and Welfare has nothing to do with it. Every member of the Public Health Service staff, all the Public Health Service doctors, must be appointed by the President and approved by this body. The Secretary of the Department of Health, Education, and Welfare has nothing to do with it.

What is the attitude of the Secretary of Health, Education, and Welfare toward the head of the Public Health Service, Surgeon General Scheele? Let me tell the Senate what she said about him. In spite of the misinformation given on the Senate floor today by the junior Senator from Oregon, on June 14, a week ago today, hearings were held before the Committee on Labor and Public Welfare, of which I am a member, and of which the distinguished Senator from Colorado [Mr. ALLOTT] is also a member. At the hearings the distinguished Senator from Ohio [Mr. BENDER], who is also a member of the committee, asked this question:

Has any effort been made to retard, on the part of the Department, in any way, the supply of this vaccine, or making it safe?

Secretary Hobby said:

Senator, on the contrary, every effort has been made to see that this vaccine is safe and to see that it is distributed equitably. As for your comment on an effort to embarrass the Department, let me say that as the Secretary of the Department, I am not embarrassed in the slightest. Never do I intend to inject politics into the health of the people of the United States.

Mr. President, I wish that attitude were taken by all, so that fewer sleepless nights would be spent by so many mothers and fathers in this land.

She continued:

And let me say for the Public Health Service, which, as you know, is a career Public Health Service, that after 2½ years, I have the greatest possible respect for these men, and I think this country owes them a debt of gratitude rather than a lack of understanding in what they have tried to do.

When the truth of this is known, and when people cease to play politics with polio, I have no doubt that the Public Health Service of the United States will stand.

Mr. President, that is the Secretary who has been accused of being disloyal. Those were the remarks she made about the head of the Public Health Service, the Surgeon General.

On June 7, in a broadcast, she said:

The Public Health Service of the United States, whose duty it is to protect the health of the Nation, is a corps of physicians, scientists, and other professional health workers. It has served us with integrity since 1798.

Yet, Mr. President, there are those who would try to tell us that she is disloyal.

She said, further:

It is my privilege to present a distinguished public servant, Dr. Leonard A. Scheele.

Later, she said:

Ladies and gentlemen, from Dr. Scheele's report to you, I know that you feel that the scientists, the Public Health Service, the doctors, and the manufacturers are working together to give our children a safe and effective vaccine.

Mr. President, those who make such charges could have gone back to the records if they had wished to, but I am inclined to think records and facts do not interest some people some times. At any rate in her report to the President on May 16 Mrs. Hobby said:

The safety of the vaccine released for use will continue to be the responsibility of the Public Health Service under the biologics control provisions of the Public Health Service Act, and is receiving the constant and diligent attention of the Public Health Service.

Was it because the Secretary was placing the responsibility there? No; it was because the law placed it there. She could not assume that responsibility if she wished to. She said:

The safety of the vaccine released for use will continue to be the responsibility of the

Public Health Service under the biologics control provisions of the Public Health Service Act, and is receiving the constant and diligent attention of the Public Health Service.

Mr. President, I have listened to Mrs. Hobby testify as a witness before our committee many times, and I have yet to hear her utter one word of criticism. She has nothing but praise for Dr. Scheele and for the organization which he heads, and for the Public Health Service in general.

Let me close by saying that times must be pitifully barren of political issues when some persons have to take the head of the Department of Health, Education, and Welfare and try to make a whipping girl of her and attribute to her motives, actions, and words which everything she has said and done belies.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a news article appearing in the Washington Daily News of this date.

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

MRS. HOBBY BACKS PHS

Administration officials said today that Health Secretary Oveta Culp Hobby is backing the Public Health Service "to the limit" in its handling of the polio vaccine problem.

They insisted she was being technical rather than critical last night when she told newsmen the service must bear the responsibility for operation of the Government's vaccine safety program.

The statement, made during a radio interview, was interpreted by some as an implied effort to shift criticism of the Government's vaccine policies from Mrs. Hobby to Surgeon General Leonard A. Scheele.

But Mrs. Hobby explained later that her remarks "should not be interpreted in any way as criticism of the Surgeon General or the Public Health Service."

"They are serving the public with all the scientific knowledge at their command," she said.

During the broadcast, Mrs. Hobby said she licensed the Salk vaccine April 12 on the recommendation of the Surgeon General. She said she has "no apologies" for the action.

But from a technical viewpoint, she said Dr. Scheele has the real responsibility for assuring the safety of vaccines under the biologics law. Even if she had wanted to order changes in the way things were being handled, she said she could not have done so legally.

"There is nothing I could have done differently," she said.

Mrs. Hobby said she personally "is not qualified" to say whether anyone in the Public Health has been negligent. In fact, she asserted no one will be able to decide this until the scientists figure out what went wrong with some vaccine made by Cutter Laboratories.

Mrs. Hobby said the President's Polio Vaccine Committee will meet here tomorrow to consider establishment of additional priorities for the distribution of vaccine.

Mr. ALLOTT. Mr. President, I cannot let this moment pass without associating myself with the remarks of my colleague from Connecticut. Having been through all the hearings on the Salk vaccine, I cannot help but recall that upon one occasion the junior Senator from Oregon made a bitter and critical speech on the floor of the Senate which he admitted was based upon articles he had read in periodicals, even though hearings were held the day before, upon the subject matter which he was discussing.

I also call the attention of the junior Senator from Connecticut to the fact that on the two occasions when the Secretary of Health, Education, and Welfare has appeared before the Committee on Labor and Public Welfare, at no time has she had anything but the highest praise for Surgeon General Scheele and all the members of his staff.

I thank the senior Senator from Nevada for his courtesy in permitting me this brief moment to associate myself with the remarks of the junior Senator from Connecticut.

CONSTITUTIONAL VERSUS PERSONAL GOVERNMENT, LEGISLATIVE AND EXECUTIVE FIELDS DETERMINED

LET THE COURTS DECIDE

Mr. MALONE. Mr. President, what I consider the most important case affecting the Nation's industries, investors, and wage earners since Schechter Poultry Corp. against United States is now pending in the Federal courts.

Schechter Poultry Corp. against the United States, as we all remember, was the famous blue-eagle case decided on May 27, 1935, in which the Supreme Court of the United States declared the National Industrial Recovery Act to be unconstitutional.

The Supreme Court held the act invalid as a grant of legislative power to the President. Article I, section 1, of the Constitution states that—

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Article I, section 8, grants to Congress the exclusive power to regulate interstate and foreign commerce, and the Supreme Court also held the NIRA Act invalid as not being within the commerce power.

COURT DECISION CURBED ONLY DOMESTIC POWER GRAB

The Supreme Court decision curbed a President's ambition to be an all-powerful arbiter over the Nation's domestic trade and economy.

The case did not, however, deal with the same President's urge to be the all-powerful dictator of the Nation's foreign trade and commerce, a power obtained by the President through passage of the 1934 Trade Agreements Act.

On February 28 of this year I reported the filing of a suit in the United States district court to test the constitutionality of the 1934 Trade Agreements Act and GATT, the Geneva General Agreement on Tariffs and Trade.

GATT LOADED AGAINST UNITED STATES

GATT is a 34-nation treaty organization loaded against this Nation's producers, wage earners, and investors, and miscalled a General Agreement on Tariffs and Trade. It has caused and is causing irreparable injury to thousands of American industries and their employees. It has never been acted on by Congress or ratified by the Senate.

The effects of the Trade Agreements Act are more dangerous, in my opinion, to workers and investors throughout the Nation than would have been the National Industrial Recovery Act, had it not been declared by the United States Supreme Court to be unconstitutional.

1934 TRADE ACT, LIKE NIRA, UNCONSTITUTIONAL

I think, and many others think, that the 1934 Trade Agreements Act is unconstitutional. It is unconstitutional for the same reason that the NIRA Act was unconstitutional. Both acts constituted attempts to delegate to the President legislative powers in contravention of the express language of the Constitution.

Furthermore, the 34-nation multilateral treaty known as GATT—the Geneva General Agreement on Tariffs and Trade—and the 29 bilateral trade treaties prior to GATT, which were entered into pursuant to the 1934 Trade Agreements Act, are, in my opinion, clear violations of article II, section 2, of the Constitution.

ARTICLE II, SECTION 2, OF CONSTITUTION IGNORED BY EXECUTIVE

Article II, section 2, grants to the President power to make treaties "by and with the advice and consent of the Senate" and "provided two-thirds of the Senators present concur."

In none of the above-mentioned treaties has the President sought the advice or consent of the Senate, and to none of them has two-thirds of the Senators present concurred. Nor has any Member of the Senate ever been afforded an opportunity to vote concurrence or rejection of any of the above treaties, a denial not only of constitutional authority to Senators, but to the sovereign States they represent.

It may be argued that the Senate yielded this constitutional responsibility of its own volition when it passed the 1934 Trade Agreements Act and subsequent extension acts. The Senate has no constitutional power, in my opinion, to yield such responsibility.

CONSTITUTION ILLEGALLY "AMENDED" WHEN TRADE ACT APPROVED

Article V of the Constitution sets out the procedures by which the Constitution may be amended. Mere passage of an act by a majority vote is not one of them. Yet, in the 1934 Trade Agreements Act the Congress sought to amend the Constitution by a simple enactment, as was ably pointed out in the minority report signed by 10 members of the House Ways and Means Committee in House Report No. 1000 of the 73d Congress.

Clearly, Mr. President, a constitutionality test of the Trade Agreements Act and GATT, which affect the lives and livelihood of millions of Americans and their fundamental rights under the Constitution, is long overdue.

CONSTITUTIONALITY TEST CASE FOUGHT BY EXECUTIVE BRANCH

The case of Morgantown Glassware Guild, Inc., against George M. Humphrey, Secretary of the Treasury, filed on February 28 of this year, affords the courts of the United States such an opportunity for a clear-cut test.

The Justice Department is attempting to block this test.

The Justice Department has filed a motion to dismiss the pending suit.

In plain language, Mr. President, the Justice Department is attempting to thwart justice by having the case thrown out of court.

JUSTICE DEPARTMENT SEEKING TO THWART JUSTICE

Plaintiff states in its complaint that duty rates being assessed under GATT—the Geneva General Agreements on Tariffs and Trade—and under trade treaties growing out of the 1934 Trade Agreements Act are null and void. Plaintiff further states:

Said reduced rates deprive plaintiff of his statutory protection against destructive foreign competition, and have resulted in irreparable injury to his business * * * and thus deprive plaintiff of a valuable property right without just compensation and without due process of law.

GATT BRANDED "ILLEGAL, UNLAWFUL"

Plaintiff contends that GATT is illegal, unlawful, and of no effect, as it is, in its entirety, violative of the supreme taxing authority of Congress, the treaty-making powers of Congress, and of the foreign commerce regulating authority of Congress.

This was simply a triple play under the 1934 Trade Agreements Act. The Constitution of the United States delegates to the legislative branch the power to regulate foreign commerce in the national economy. The legislative branch transferred the power to the Executive in the 1934 Trade Agreements Act. The Executive has transferred it to the Geneva General Agreement on Tariffs and Trade.

JAPAN MADE NEW GATT MEMBER WHEN H. R. 1 PASSED

At Geneva, only lately, following the passage by the House and Senate of H. R. 1, extending the Trade Agreements Act of 1934 for 3 years, and while the bill was still in conference, action was taken to make Japan a full member of the General Agreement on Tariffs and Trade.

Then, immediately following the adoption of the conference report, the Geneva conference set up what is called a "fourth round" parley. A dispatch from Geneva, dated June 20, and published in today's New York Times, reads, in part, as follows:

FOURTH GATT GO-ROUND SCHEDULED

The planned conference is already being referred to by tariff experts as the "fourth round." That is because on three previous occasions since World War II general multilateral conferences have been held, at Geneva in 1947, at Annecy, France, in 1949, and at Torquay, England, in 1951–52.

In other words, Mr. President, the sucker game, which is played only when the sucker with the money sits down, is now starting in earnest. There are 35 members, counting Japan, we being 1, and there are now 34 boosters in the game.

COMPETENT COURTS SHOULD PASS ON CONSTITUTIONALITY OF TRADE ACT GATT

To return to the suit filed by the Morgantown Glassware Guild, plaintiff further alleges that GATT is an unconstitutional and unlawful attempt by the President to exercise power and authority not delegated to him in the Federal Constitution.

Mr. President, these are grave and vital questions. They are questions and issues which should be determined on their merits in courts of competent jurisdiction.

The Justice Department is trying to thwart such a determination.

SECRETARY DULLES NAMED AS PARTY TO "CONSPIRACY" IN AMENDED COMPLAINT

Plaintiff has met this motion of the Justice Department to dismiss the case with an amended complaint. The amended complaint retains all of the original presentation of facts and injury, and all of the original allegations, supplementing them with new charges that the Trade Agreements Act and GATT are in restraint of trade, and that Secretary of State John Foster Dulles is party to the conspiracy against them.

Mr. President, on February 28 I included in my remarks on the Senate floor the text of the original complaint. I shall now read the additional allegations in the amended complaint:

Said acts of defendant were and are undertaken in concert with, in conscious parallelism with, and in conspiracy with John Foster Dulles, Secretary of State of the United States, and other officials, as a result of mutual agreement and understanding among and between them to destroy and take away plaintiff's business and give and divert it to foreign producers whose countries or domiciles are signatories of GATT, and who do not have to meet the compulsory minimum wages, maximum hours, unemployment insurance, social security, and other mandatory production costs imposed by the Government on plaintiff. Said acts of defendant amount to an unreasonable restraint of trade and competition contrary to law.

The complaint concludes as follows:

PLAINTIFF DEMANDS ADJUDICATION ON THREE COUNTS

Wherefore, plaintiff demands that the court adjudge:

1. That the actions of defendant complained of hereinabove are unlawful and in violation of the Tariff Act of 1930, and

2. That said acts of defendant as hereinabove alleged are beyond his statutory and/or constitutional authority and power.

3. That said acts of defendant are in restraint of trade and competition.

Mr. President, the Justice Department attorneys handling this case do not want it tried on its merits.

They do not want a court determination of the constitutionality of the trade agreements act and the Geneva General Agreement on Tariffs and Trade.

They do not want the constitutional courts of the United States to even consider the grave constitutional questions involved in this most important case, but prefer to let stricken American industries, investors, producers and workingmen suffer and die without recourse to any court of competent jurisdiction.

INJURY TO AMERICAN FREE ENTERPRISE IGNORED BY EXECUTIVE BRANCH

They prefer to leave the American people groping in a black fog of doubt over the constitutionality of an act that is slowly but surely strangling free enterprise in America.

What the Justice Department attorneys in this case do want, and the record shows it, is that any constitutionality test of the trade act and GATT be stopped dead in its tracks, whatever injury there may be to America's industries, investors, and wage earners.

SUBTERFUGE EMPLOYED TO AVOID COURT TEST

It is a shocking spectacle, Mr. President, to witness the Justice Department, which is presumed to guard our liberties and our constitutional rights, ducking and dodging its responsibilities to the American people by a shameful subterfuge designed to avoid any constitutional test of this imperative question on its merits.

Why do the Department attorneys in this case want it killed before it may reach any court of competent jurisdiction? I think the answer is fear—sheer fear—or perhaps the certainty that the courts may upset this free-trade conspiracy hatched by and during the New Deal to control the Nation's economy and to remake the industrial map of America in its socialistic image.

GATT INTERNATIONAL SOCIALISM APPLIED TO TRADE

I say socialistic image because the trade act and GATT are international socialism, applying socialistic controls to all of our foreign trade. The essential feature of socialism, according to Webster's Dictionary, is governmental control of economic activities, a definition that fits both the 1934 Trade Agreements Act and GATT like twin gloves.

But why should the Justice Department fear a court determination that the Trade Act and GATT are unconstitutional? I think the answer to that question is equally apparent.

SOCIALIST CONCEPT OF WORLD TRADE CONTROLS ACCEPTED BY ADMINISTRATION

The present administration, at the insistence of the State Department and ex-bureaucrats of the old New Deal, has taken to its bosom the socialistic concept of Executive control over foreign commerce. It has endorsed and expanded that concept, regardless of what economic disaster it may lead to in America.

The Justice Department, as is obvious from its actions in this case, conceives it to be its mission to protect the administration from its own folly. For that reason it seeks to keep this constitutional test out of the courts of competent jurisdiction, and to avoid any consideration of this pressing issue on its merits.

ATTORNEY GENERAL URGED TO TAKE PERSONAL CHARGE IN CONSTITUTIONALITY TEST CASE

Mr. President, I call on the Attorney General of the United States to take the activities of the Justice Department in this case out of the hands of subordinates, several of whom are holdovers from previous administrations. I urge the Attorney General to take personal charge, to examine into the facts, to reverse the action of his subordinates, and to urge, instead, a determination of the constitutional issues involved, in our constitutional courts, and solely on the basis of the merits.

Mr. President, that is the American way, the constitutional way, the way of justice and fair dealing; and I challenge the Attorney General to accept it.

PRESIDENT SHOULD INSIST ON TRIAL OF CASE ON MERITS

The President of the United States should likewise insist on a proper trial of the case on its merits. The President has taken a solemn oath to "preserve, protect, and defend the Constitution of the United States." If as plaintiff contends the Constitution has been breached by the 1934 Trade Act and GATT, the President should be the first to welcome a final and conclusive court test.

The Justice Department motion would deny it.

Mr. President, I shall briefly review the case which the Justice Department adroitly seeks to sidetrack to a dead-end street.

Plaintiff, the Glassware Guild, Inc., of Morgantown, W. Va., is but one of many thousands of stricken plants, mills, and industries in the United States being driven toward bankruptcy and ruin by the 1934 Trade Agreements Act and GATT, by legislation and administrative actions which it—and many of us in Congress—deem and have deemed unconstitutional.

Plaintiff, fighting for its economic life, has had the guts to file suit in the courts, challenging the constitutionality of the New Deal acts which are killing it, as they are killing other American enterprises, large and small.

SENATOR DEMANDED CLEAR-CUT TEST AT TIME SUIT FILED

Mr. President, at the time this suit was filed I said on the floor of the Senate:

> The time is long past when we should have had such a clear-cut test as the suit being instituted today will afford.
>
> Under the Trade Agreements Act, Congress gave the President and State Department a license to commit daylight robbery on any labor group or industry in the United States.
>
> GATT is wholesale murder in the dark, committed by the State Department without even the pretext of a congressional license.
>
> I contend the Constitution gives Congress no authority to license a President or the State Department to destroy American industries, investors, and labor. This is being done under the Trade Agreements Act by importing cutrate foreign competition to take over American jobs and markets.

I further stated, Mr. President:

> The case being filed today to test the constitutionality of the Trade Agreements Act may well be the Magna Carta of free enterprise in America. It can be the most important case for the American people, for America's economy and America's security since the Blue Eagle and steel seizure cases denied to the executive branch powers beyond the Constitution.

PUBLIC ENTITLED TO FORTHRIGHT DECISION

In that address on the floor of the Senate, Mr. President, I called on the Federal courts to decide the constitutional question squarely and without avoidance or evasion. I said:

> Whatever the decision, the people are entitled to have it; and they have never had it either on the controversial Trade Agreements Act or GATT. If they are constitutional, then let the court tell the people.

The Justice Department, in its desperate effort to junk a constitutional test case in Federal courts of competent jurisdiction, would deny to the American people their right to a decision on this question. The Justice Department further has the effrontery to argue that the courts in which the suit was filed, and, therefore, the judicial courts of the land, have no right to decide it either for or against the plaintiff and the American people—a fantastic contention, Mr. President.

Mr. President, the plaintiff filed its suit in the United States district court under the Declaratory Judgment Act, an act intended to provide just such answers as the one the plaintiff in that case—and many of us who serve in the Congress—seek.

The purpose of the suit is clearly and simply to have a competent court of the United States pass upon the constitutionality of the tariff-cutting program, as it is being carried out under GATT and the extended Trade Agreements Act.

PLAINTIFF VICTIM OF TRADE ACT, GATT; PAYROLLS CHOPPED IN HALF, SALES CUT

Mr. President, the plaintiff is well qualified to bring this suit for redress of injury and the righting of a grievous wrong. The act and GATT, which the plaintiff in this case deems unconstitutional, have cut its payroll in half and have reduced its sales 40 percent in the past 5 years. The act and GATT are, to put it bluntly, bringing ruin to the industry.

In its complaint, the plaintiff charges that illegal actions by the Government are causing it irreparable injury. Of course, the losses suffered by plaintiff, and by all of the thousands of other industries and enterprises throughout America which are stricken by free trade, are irreparable. Lost jobs, lost sales, lost business can never be recovered unless the cause of these losses is removed; nor can the cause of such losses be corrected while the illegal actions and unconstitutional acts continue.

CONSTITUTIONALITY TEST SOLE PURPOSE OF SUIT

The company has asked the court to enter a declaratory judgment declaring that the Trade Agreements Act and GATT are illegal and unconstitutional delegations of the supreme taxing power of Congress, the foreign-commerce power of Congress, and the treatymaking responsibilities of the Senate. In other words, the whole purpose of the case is to test the constitutionality of the two major free-trade devices plotted during the New Deal by socialistic planners.

On February 28 of this year, Mr. President, I received unanimous consent to have the complaint printed in the CONGRESSIONAL RECORD, where it appeared in the body of my remarks. I challenge any fair-minded person who reads the complaint to place on it any construction other than that it calls for a constitutional test. It is such a case, and nothing else.

JUSTICE DEPARTMENT IGNORES CONSTITUTIONALITY ISSUE: ALLEGATIONS AGAINST GATT

But now comes the Justice Department with its motion to dismiss—a sly and cleverly worded subterfuge. Nowhere in the motion does the Justice Department undertake in any way to uphold or defend the constitutionality of the 1934 Trade Agreements Act. Nowhere does the Department of Justice deny plaintiff's contention that the act is a violation of the Constitution of the United States. Nowhere does the Department of Justice answer plaintiff's charge that the trade act is an unconstitutional delegation to the President of the legislative duty of Congress to regulate foreign commerce, or an unconstitutional delegation of the supreme taxing power of Congress, or an unconstitutional delegation of the congressional treatymaking power. Nowhere does the Justice Department meet the issue raised in the plaintiff's complaint, or weigh a single merit of it. Evade and avoid is the policy of the Department of Justice attorneys in this case—to me, a shocking example of misfeasance in a high office of public trust.

Nowhere in the motion filed by these Department of Justice attorneys is there any mention of GATT, the 34-power treaty to divide the markets of America with low-wage, low-standard-of-living foreign competitors—a treaty in which we surrendered in an economic Munich.

The name "GATT" simply does not appear anywhere in this strange motion. There is no reference, directly or indirectly, to GATT, or to any of the allegations of plaintiff concerning the illegality and unconstitutionality of GATT.

SENATOR SPECULATES ON WHY GATT IMMUNE FROM JUSTICE COMMENT

Why, Mr. President? Is it because GATT was such an unholy international conspiracy against American interests that the Justice Department dare not take cognizance of its existence? Is it because GATT is so indefensible, even by an administration enforcing its one-world dictates, that it dare not even contemplate whether it may be unconstitutional? Is it because GATT, which meets in secret, and always on foreign soil, is such a closed-door agency that the Justice Department shrinks from exposing it to the white light of justice in our Federal courts? Or is it because this international agency has attained such super-sovereignty over our Nation's trade and commerce, that the Justice Department feels impotent to discuss its illegitimate authority, or to even let this superauthority be challenged?

GATT NEVER SUBMITTED TO CONGRESS

Mr. President, GATT was not created by any law. Adherence to it by our Government was by proclamation of President Harry S. Truman. As a treaty, it has never been submitted to the Senate; and Congress has specifically stated in past and recent legislation that it neither approves nor disapproves GATT. Yet, from its international lair in Geneva, GATT affects the lives and fortunes of millions of Americans who are deserving of every constitutional protection.

In its motion to dismiss, the Justice Department, like Dickens' artful dodger, ignores GATT, evades and avoids that international monstrosity, and stops its ears to it.

DEPARTMENT NEITHER FAIR NOR HONEST IN IGNORING GATT

In ignoring the allegations against GATT in this suit, as they have, I say the Department of Justice attorneys have neither been fair, just, nor honest. They

contend that the plaintiff, who has been driven to the verge of bankruptcy by the alleged unconstitutional and illegal acts, has no right to complain. As the Justice Department puts it:

The plaintiff is without standing to sue.

The Department adds loftily that the injury upon which the action is based spring merely from—

The competitive advantage obtained by importers of foreign glassware, of the type produced by plaintiff domestically.

What does this mean, Mr. President? It simply means that in the view of the Department of Justice, an American industry being destroyed by foreign imports brought in under concesisons made by the State Department, has no right to complain, even should these concessions be illegal or unconstitutional, as many believe them to be.

DEPARTMENT CONTENDS STRICKEN UNITED STATES INDUSTRIES HAVE NO RIGHT TO COMPLAIN

American industries stricken by the workings of proforeign trade policies have no right to complain according to the opinion of the Department of Justice, as expressed in the motion to dismiss. The attorneys of the Department of Justice contend that these United States industries cannot seek protection in a constitutional court when their constitutional rights are invaded by laws or administrative actions which many students of the Constitution consider to be clearly unconstitutional.

So the door will be closed—in fact, it will be slammed shut—against all American industries and enterprises which have been wrecked by proforeign trade deals if the motion of the Department of Justice prevails.

ATTORNEY GENERAL SHOULD TAKE CASE OUT OF HANDS OF SUBORDINATES

Mr. President, I think the Attorney General should personally interest himself in this case rather than to leave it in the hands of subordinates. He should review the activities of these subordinates in this case, overrule them, and direct them to proceed with trial of this case on its merits, and before a constitutional court of competent jurisdiction.

As the matter now stands, Mr. President, the motion to dismiss filed by the Justice Department subordinates proposes two alternative methods by which this constitutional test case be killed.

One method is to bludgeon it to immediate death by denial of plaintiff's right to sue. The other method is to kill the case by slow poison.

DEPARTMENT DODGES QUESTION OF CONSTITUTIONALITY

The Justice attorneys, relative to the first weapon, aver that plaintiff has failed to state a claim upon which relief may be granted. The second alleged lack of jurisdiction in the constitutional courts. In both applications for a death sentence, the Justice Department ignores completely any reference to the issue of constitutionality.

In other words, Mr. President, the Justice Department says that the United States district court has no jurisdiction to hear a case involving the basic constitutional question of whether the President has authority under the Federal Constitution to enter into a GATT treaty without the consent of the United States Senate, and whether the President can exercise the exclusive constitutional obligation of the Congress to fix tariff rates and duties.

CONTENTION OF JUSTICE DEPARTMENT PREPOSTEROUS

Mr. President, in all my life I have never heard such a preposterous and astounding proposition of American law.

Think of it, Mr. President. The Justice Department of the United States has the effrontery, if you please, to make the bald argument that a Federal court of the United States has no jurisdiction to pass upon a question arising under the Constitution of the United States.

The Justice Department argues that a court created under the Constitution must drop a case involving constitutionality of the Trade Act and GATT, or, in the alternative, turn it over to a purely administrative referee created for administrative purposes by the Congress as a Board of United States General Appraisers and, 36 years later, finally designated as a special court called the Customs Court with the same limited functions as before.

The Customs Court, Mr. President, as one might know, has no proper jurisdiction over constitutional questions. Constitutional questions are fundamental questions for our basic constitutional court—the United States district court—to determine.

REFERRAL OF SUIT TO CUSTOMS COURT WOULD ADD INSULT TO INJURY

The Customs Court is the last court in the world such a case as this should be referred to, and the Justice Department knows it.

The Customs Court is a special court for importers and waterfront brokers seeking reductions in duty rates on the foreign goods that they import.

The Customs Court—

And I am quoting the latest United States Government organization manual which every Member of the Senate has—

reviews appraisals of imported merchandise and all decisions of collectors of customs, including orders on rates of duty, exclusion of merchandise, and liquidation of entries.

What a travesty on justice, Mr. President, is this proposal that plaintiff be forced into a purely administrative court concerned with quibbling claims of importers seeking reclassifications downward or lower rates on imports of foreign goods pouring into the American market to compete with American industry and production.

DEPARTMENT RESORTS TO FANTASY, FICTION IN MOTION TO COURT

The Justice Department, in its frenzy to force an American producer into a court that offers neither relief, sympathy nor justice to any American producer has restorted to fantasy and fiction in its insidious motion.

Says the Department in its motion, this minor court "shall have exclusive jurisdiction to review on protest the decisions of any collector of customs."

The Justice Department knows full well that the suit filed by the Morgantown Glassware Guild in no way contests the decisions of any collector of customs as to the rate of duties.

The suit contests the constitutionality of the act of Congress under which the Collector and Secretary of the Treasury are delegated authority to make such decisions.

ARTICLE I. SECTION 8 OF CONSTITUTION CITED—BY SENATOR MALONE

Plaintiff is not protesting the rate of duty but is protesting the constitutionality of an act of Congress enabling, unconstitutionally, he contends, the executive branch of Government to establish such rate of duties.

Article I, section 8 of the Constitution, specifically directs the Congress, not the executive branch, to perform that governmental function, and there is no mystery about it; that is the way the Constitution reads.

Mr. President, the motion of the Justice Department is as phony as a $3 bill. It is designed to foreclose forever any American producer, employer, or labor union, or investor, from testing, in any competent and constitutional court of the land, the constitutionality of the laws and executive actions that are dooming him to economic death.

ARTICLE III OF CONSTITUTION QUOTED

The motion of the Justice Department ignores the Constitution itself. Article III of the Constitution makes it completely clear that regular Federal courts are the tribunal which must pass upon questions on constitutionality. Article III, section 2 reads:

The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made, or which shall be made, under their authority.

It does not say that such cases may be shunted off by bureaucratic whim to some jackleg administrative body setup as a forum for importers and waterfront brokers seeking lower duties on the goods they bring in from foreign countries. It did not say that because the Constitution of the United States stands for equality of justice for all Americans.

The Justice Department, in an obviously strained effort to add supporting authority for its position, cites David L. Moss Co. against United States, and United States against Cottman, supra, both totally irrelevant to the pending litigation.

The Moss case held that the customs court has power "to relieve against illegality in the assessment of collection of duties."

The issue in Morgantown Glassware Guild, Inc., against the Secretary of the Treasury is not, as I previously stated, on the administration of the customs laws or on the assessment and collection of duties.

The issue is on the constitutionality of an act and on the constitutionality of a treaty, as Altman against United States defines and determines a treaty to be with respect to the jurisdiction of the Supreme Court in such cases.

United States against Cottman held that the customs court provided redress

for supposed wrong occurring in the operation of laws relating to the collection of customs revenues.

Again, the issue in Morgantown Glassware Guild, Inc., against the Secretary of the Treasury is not the collection of customs revenues, but the constitutionality of the act and treaty under which the Secretary acts.

JUSTICE DEPARTMENT MOTION AN INSULT TO AMERICAN PRODUCERS

Mr. President, it is silly for the Justice Department to argue that constitutional remedies may not be sought in the constitutional courts of the United States by citizens under the protection of the Constitution. To so argue is an insult to every American producer for the American market, and an insult to every citizen who believes ours is a government of laws and justice under the United States Constitution.

In my speech of February 28 I included a copy of the complaint in the Morgantown Glassware case because I wanted the basis of the suit to be known to all. Today I ask unanimous consent that the Justice Department's motion to dismiss be printed in the RECORD and at the point in my remarks at the conclusion of this paragraph. I do this because I want everyone to know just how weak and vascillating, how absurd, if you please, the Justice attorneys are in their efforts to prevent a Federal court from passing upon the constitutionality of the Trade Agreements Act and GATT.

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

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—MORGANTOWN GLASSWARE GUILD, INC., PLAINTIFF, *v.* GEORGE M. HUMPHREY, SECRETARY OF THE TREASURY, DEFENDANT—CIVIL ACTION NO. 876-55

MOTION TO DISMISS

Comes now George M. Humphrey, Secretary of the Treasury, by his attorney, the United States Attorney, and moves this honorable Court to dismiss the complaint herein for lack of jurisdiction or, in the alternative, for failure to state a claim upon which relief may be granted.

LEO A. ROVER,
United States Attorney.
OLIVER GASCH,
Assistant United States Attorney.
FRANK H. STRICKLER,
Assistant United States Attorney.
GEORGE E. HAMILTON, III,
Assistant United States Attorney.

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO DISMISS

This is a suit brought by a domestic manufacturer of handblown and pressed glassware for a declaratory judgment that the action of the Secretary of the Treasury in assessing duties on such imported glassware under the terms of the General Agreement on Tariffs and Trade (Geneva Agreement), 1947, is unlawful and beyond his authority.

The complaint alleges that Congress, in section 218 (f) and (g) of the Tariff Act of 1930 (19 U. S. C. A. 1001), provided the proper duty to be assessed on imported glassware of the class or kind manufactured by plaintiff. Despite this, plaintiff avers, defendant is imposing reduced rates of duty under the terms of an international agreement which was entered into by the President of the United States under an unconstitutional grant of authority by Congress (Trade Agreements Act of 1934, as amended, 48 Stat. 943, 57 Stat. 125, 59 Stat. 410, 63 Stat. 698, 65 Stat. 72, 67 Stat. 472, 68 Stat. 360). The constitutionality of the Trade Agreements Act of 1934 is attacked on the ground that it attempts to delegate to the President the legislative duty of Congress to regulate foreign commerce, the supreme taxing power of Congress and the congressional treaty-making powers. Being thus in violation of the Constitution, the complaint continues, the plaintiff is deprived of a valuable property right without just compensation and without due process of law.

ARGUMENT

I. The United States Customs Court is vested with exclusive jurisdiction to entertain this action

It is settled beyond the necessity for citation of authority that where Congress has made available a remedy to correct governmental error the party challenging error must resort to the prescribed agency before he may look to the courts for redress of any nature. It is equally well established that where such relief is made exclusive the court may not interevene except in an extraordinary case where illegal action in the administration of the remedy acts to irreparably injure the plaintiff.

Congress has established the United States Customs Court and has provided that such court "shall have exclusive jurisdiction to review on protest the decisions of any collector of customs, * * * as to the rate and amount of duties chargeable and as to all exactions of whatever character within the jurisdiction of the Secretary of the Treasury" (28 U. S. C. A., sec. 1583). The procedures to be observed in protesting the rate of duty placed upon imported merchandise of the class manufactured by a protestant is set out in 19 United States Code Annotated, section 1516. The terms of that section show clearly that plaintiff comes within the class of those who can avail themselves of the administrative remedy provided and seek review of an adverse ruling in the United States Court of Customs. (Cf. *Feltex Corp.* v. *Dutchess Hat Works* (21 C. C. P. A. (Customs) 463), and *Neumann-Endler, Inc.* v. *United States* (27 C. C. P. A. (Customs) 53) wherein domestic manufacturers invoked the jurisdiction of the Customs Court to contest the rate and amount of duties imposed upon imported merchandise.) Included in plaintiff's remedy is the right of appeal to the Court of Customs and Patent Appeals and review thereof in the Supreme Court on petition for certiorari (28 U. S. C. A., sec. 2601).

In *David L. Moss Co.* v. *United States* (103 F. 2d 395 (C. C. P. A. 1939)), the petitioner sought to invoke the jurisdiction of the Customs Court to declare invalid the action of the President in raising the duty on goods imported by him as being without authority in law. The Customs Court denied relief on the ground that it was without jurisdiction to review the President's action. Judge Parker, sitting by designation, spoke for the Court of Customs and Patent Appeals and said, at page 397:

"The court is a court of law, and it is granted full power to relieve against illegality in the assessment or collection of duties. 19 U. S. C. A. §§ 1515, 1518. If relief may not be had before it against illegal action under the flexible tariff provisions, relief may not be had anywhere; for its jurisdiction in such matters is exclusive. It is the tribunal established by Congress in the provision of a complete system of corrective justice for the administration of the customs laws, and questions involving the validity of official action in the imposition and collection of duties are properly cognizable before it to the exclusion of other courts" (citing cases).

This reasoning has been adhered to by our court of appeals in *Boston Wool Trade Ass'n.* v. *Snyder* (82 U. S. App. D. C. 144, 161 F. 2d 648 (1947)) and *Calf Leather Tanners Ass'n.* v. *Morgenthau* (65 App. D. C. 93, 80 F. 2d 536 (1935)). For rulings in other circuits upholding the exclusive jurisdiction of the Customs Court in cases of this nature, see *United States* v. *Cottman Co., et al.* (190 F. 2d 805 (4th Cir. 1951), certiorari denied, 342 U. S. 903); *Patchogue-Plymouth Mills Corporation* v. *Durning* (101 F. 2d 41 (2d Cir. 1939)); *Cottman Co., et al.* v. *Dailey* (94 F. 2d 85 (4th Cir. 1938)); and *Riccanini* v. *United States* (69 F. 2d 480 (9th Cir. 1934)) where the constitutionality of the statute was sought to be tested. In he latter regard, see also *Cottman Co. et al.* v. *Dailey* (supra, at p. 89).

The most recent expression of the law is contained in *United States* v. *Cottman* (supra, at p. 808) where the Court said:

"Congress has provided a complete system of corrective justice with respect to matters arising under the customs laws, and clearly did not intend that resort should be had to other methods of redressing supposed wrong occurring in the operation of laws relating to the collection of customs revenues" (citing cases).

It being evident that the issues raised herein are only properly justifiable before another tribunal, namely, the Court of Customs, it is respectfully submitted that the complaint herein be dismissed for lack of jurisdiction. Compare *Allen* v. *Grand Central Aircraft Co.* (347 U. S. 745, 755).

II. The plaintiff is without standing to sue

It is clear from the allegations of the complaint, as briefly set out above, that the injury upon which this action for declaratory judgment is based springs from the competitive advantage obtained by importers of foreign glassware of the type produced by plaintiff domestically, by virtue of the alleged unlawful action of defendant in assessing reduced rate of duty on such importations. Plaintiff asserts no illegality in the action of his competitors nor any conspiracy, fraud, malice, or coercion on the part of the Secretary of the Treasury.

In circumstances identical to the alleged injury from competition complained of herein the court of appeals for this circuit has said as recently as April 28, 1955, in *Kansas City Power & Light Co., et al.*, v. *McKay, et al.* (No. 12,607, — F. 2d —), that:

"It is indisputable that the essence of plaintiff's complaint is the competition which they will suffer if the Government's contracts are carried out. They can claim no other interest or injury. The defendants have not undertaken to regulate them in any way. They have not been ordered to abandon any of their activities or to forego the expansion programs planned by them. They have not been subjected to any obligation or duty. Their sole interest and objective is to eliminate the competition which they fear. Controlling decisions of the Supreme Court, dealing with other electric power contracts of the Federal Government, establish that an interest of this kind is not sufficient to enable them to sue to enjoin execution of the power contracts and program of the Government" (p. 5, slip opinion).

In that case the plaintiffs contended that certain loans made to federated cooperatives in competition with plaintiffs were in violation of the Rural Electrification Act of 1936 and unconstitutional. The majority of the Court, in finding the plaintiffs to be without standing to sue, relied upon the following language in *Alabama Power Co.* v. *Ickes* (302 U. S. 464, 479-480 (1938)):

"The only pertinent inquiry, then, is what enforceable legal right of petitioner do the alleged wrongful agreements invade or threaten? If conspiracy or fraud or malice or coercion were involved, a different case would be presented, but in their absence, plainly enough, the mere consummation of the loans and grants will not constitute an actionable wrong. Nor will the subsequent application by the municipalities of the moneys derived therefrom give rise to an

actionable wrong, since such application, being lawful, will invade no legal right of petitioner. The claim that petitioner will be injured, perhaps ruined, by the competition of the municipalities brought about by the use of the moneys, therefore, presents a clear case of damnum absque injuria. Stated in other words, these municipalities have the right under State law to engage in the business in competition with petitioner, since it has been given no exclusive franchise. If its business be curtailed or destroyed by the operations of the municipalities, it will be by lawful competition from which no legal wrong results." (*Kansas City Power & Light Co.* v. *McKay*, supra, p. 6 of slip opinion.)

Judge Prettyman, who dissented in *Kansas City Power & Light*, supra, relied upon an allegation of conspiracy in the complaint which he found to give plaintiffs the necessary standing to sue under the Alabama doctrine. Had the instant complaint been before the Court of Appeals in that case, there being no averment of conspiracy, the decision would of necessity have been unanimous.

In an attempt to avoid the impact of these decisions, plaintiff alleges a violation of its "statutory protection against destructive foreign competition," relying upon the higher duty imposed by the Tariff Act of 1930 and the protection it afforded. Justice Cardozo disposed of such a contention simply and concisely in *Norwegian Nitrogen Co.* v. *United States* (288 U. S. 294, 318) by ruling that "no one has a legal right to the maintenance of an existing rate or duty."

It appearing that the court is without jurisdiction to hear the cause and that no legal interest of plaintiff is at issue herein, the invocation of the Declaratory Judgment Act (28 U. S. C. A. 2201) will not serve to afford the court opportunity to hear the complaint. (*Skelly Oil Co.* v. *Phillips Petroleum Co.* (339 U. S. 667 (1950)); *Aetna Life Insurance Co.* v. *Haworth* (300 U. S. 227 (1936)).) "It is well settled that the Declaratory Judgment Act is not in itself a source of Federal jurisdiction and did not enlarge the pre-existing jurisdiction of the Federal courts." (*Miles Laboratories* v. *Federal Trade Commission* (50 F. Supp. 434, 437 (D. C. D. C. 1943), affirmed 140 F. 2d 683 (D. C. Cir. 1944), certiorari denied 322 U. S. 752 (1944)).)

For the foregoing reasons and upon the basis of the authorities cited, it is respectfully submitted that the complaint herein should be dismissed.

LEO A. ROVER,
United States Attorney.
OLIVER GASCH,
Assistant United States Attorney.
FRANK H. STRICKLER,
Assistant United States Attorney.
GEORGE E. HAMILTON III,
Assistant United States Attorney.

COMPARISON INVITED BETWEEN COMPLAINT AND JUSTICE MOTION

Mr. MALONE. Mr. President, I urge upon those who have read the Justice Department's motion above, to read also the complaint filed by the Morgantown Glassware Guild, Inc., and which was printed in the body of my remarks in the CONGRESSIONAL RECORD of February 28.

I invite comparison between these two documents the complaint of an American producer seeking a constitutional remedy in a constitutional court, and the Justice Department's motion seeking a denial of such a remedy.

I invite the Attorney General to join in the comparison, and the judges of our constitutional Federal courts, all of whom have jurisdiction over such constitutional issues.

I particularly enjoin the Attorney General, Mr. President, to study this motion of his own department, a motion he should be regretful and ashamed of. Let him reverse this motion and charge his subordinates in the Department to face the issue on its merits so that the courts may resolve this vital question once and for all.

PRESIDENT URGED TO STUDY OPPOSING LEGAL DOCUMENTS

I invite the President of the United States to study these two conflicting and opposing documents and to resolve in his own mind whether free enterprise is entitled to a day in court to test a questionable act and treaty, or whether such a day in court is to be denied.

If we have reached a point in our history where the executive and legislative branches of our Government are rolled into one, and when the Chief Executive can be all things—lawmaker, administrator, judge, and jury—let us know it from the courts, and courts of proper, competent jurisdiction.

If we have not reached that point, and the constitutional principle of equal and separate powers survives, let us have that knowledge also from courts of competent jurisdiction.

QUESTION OF CONSTITUTIONALITY OF TRADE ACT DODGED FOR TWO DECADES

Mr. President, for 20 years the executive branch of the Government has refused to face up to the question of the constitutionality of the Trade Agreements Act. Since 1947, when it entered into GATT, it has studiously evaded and avoided by every strategy and ruse that the mind of bureaucrats can devise, any constitutional test of the tariff-cutting powers it has exercised.

If the program is legal, if it is constitutional, if the Founding Fathers expected that the President should set the tariffs and enter into treaties without the consent of the Senate, then let the Attorney General have the courage to make that argument in court.

JUSTICE DEPARTMENT SHOULD END SHILLY-SHALLYING

Let us have done with this shilly-shallying, this fancy foot work that the Justice Department demonstrates each time the question of constitutionality comes up. Why should the Justice Department resort to subterfuge and spin cobwebs about jurisdiction? Why resort to such utter and nonsensical tomfoolery as arguing that a company which has been driven to the wall by the free-trade conspiracy has no standing to complain.

I say, Mr. President, that if this company has no standing to challenge the legality of the President's actions and the constitutionality of the laws and treaties under which he acts, then who in Heaven's name has?

Has tyranny established a beachhead in the Justice Department? Do these bureaucratic subordinates in the Nation's legal department really believe a point has been reached beyond any judicial review?

Mr. President, the maneuvers of the Justice Department in this case should have significant import for the Senate and the Congress. The Senate and the House have approved the Trade Agreements Extension Act, H. R. 1, continuing Congress' delegation of constitutional authority over tariffs and foreign trade for 3 more years.

NEW GATT TREATY HAS UNITED STATES INDUSTRIES AT MERCY OF FOREIGN NATIONS UNLESS COURTS ACT

GATT has just concluded a new trade treaty granting American tariff concessions and markets to Japan, Canada, Denmark, Finland, Italy, Norway, and Sweden, concessions which spell more trouble and disaster for American industries, investors, wage earners, and producers.

Both H. R. 1 and GATT put the working people of America, the small, independent businesses of America, the resource industries and the producers of America to the mercy of slave labor and low-wage and low-living standard foreign competition and to the mercies of 33 scheming foreign nations combined under GATT to extract the maximum take it can from our wealth, our economy, and our markets.

MORE DESTRUCTIVE TARIFF CUTS DUE IF STATE DEPARTMENT HAS FREE HAND

During the next 3 years the underlings in the State Department, few of whom ever performed a day's physical labor in their lives, will enter into more unconstitutional trade agreements. They will lower more tariffs so that even greater floods of glass, pottery, fur, metals, cutlery, bicycles, watches, chemicals, electric equipment, machine tools, textiles, minerals, and hundreds of other commodities can come into the United States closing the doors of plants, mines, and factories, and forcing their employees into destitution and onto the dole.

American stockholders in such companies will be defrauded of their investments, the workers will be defrauded of their jobs, and the Government will be harried by loss of tax revenues from income, business, and trade itself.

The public debt will increase and relief checks will flow out in ever increasing volume to the unfortunate victims of our unconstitutional policy of free trade.

For the unconstitutional free trade policy will be fixed in perpetuity if the Justice Department's motion prevails.

INDUSTRIES DENIED RECOURSE IF JUSTICE'S MOTION PREVAILS

No stricken industry, producer, labor union, or employer will be privileged to challenge in the Federal courts the policy that has driven him to ruin.

There will be no recourse to the Judicial Branch of our Government.

There will be no recourse anywhere to anyone except to the one man, whoever he may be, who is the Chief Executive of the United States.

All power over the Nation's foreign trade and the Nation's economy will rest solely in his hands. For if the Justice Department has its way there will be no appeal to the courts available to the producers of America producing for the American market and the families of America.

Mr. President, never in my lifetime did I ever expect to witness a department of the Government urging autocratic rule, yet that is precisely what the Justice Department's motion to dismiss does to all purposes and effect.

PRESIDENT, ATTORNEY GENERAL SHOULD REVERSE AUTOCRATIC TREND

Mr. President, I call upon the Attorney General, the President, and the courts to reverse this menacing trend.

I call upon the United States district court to uphold American tradition and accept jurisdiction in this case.

Let the case be heard on its merits, and the constitutional question, which is the whole basis of the suit, be decided in the way the Constitution provides, in the constitutional courts.

Let us return, Mr. President, to the just way, the American way, the constitutional way, with equal justice available to all Americans.

TRADE ACT DEEMED UNCONSTITUTIONAL BY MANY MEMBERS OF CONGRESS

Mr. President, for 21 years able and distinguished Members of the Senate and House of Representatives have contended that the Trade Agreements Act is unconstitutional.

Ten of the 23 members of the House Ways and Means Committee of the 73d Congress branded the legislation both unconstitutional and un-American when the bill was originally reported in 1934 by the New Deal majority on that committee.

Members of the legislative branch have declared the act unconstitutional each time it has come up for extension.

CONSTITUTIONALITY CHALLENGED DURING DEBATE ON H. R. 1

Members of the Senate and House at this session took the floor to express their view that the legislation is unconstitutional.

The State Department argues that the act is constitutional, but the executive branch has never dared let their contention be determined by the courts.

The Justice Department attorneys in their motion to dismiss, as I pointed out before, evade and avoid the issue of constitutionality of the trade act completely. They want the case shifted to a special court, not a constitutional court, but a court of limited jurisdiction, where, by the very nature of the court, the constitutionality or nonconstitutionality of the 1934 Trade Agreements Act cannot be judicially determined.

GOVERNMENT MANUAL QUOTED ON ROLE OF COURTS

Earlier in my remarks I referred to the United States Government Organization Manual, and to its description of the Customs Court, to which the Justice Department wants this case shunted, if it is to be tried at all.

I quote again from the Government manual, page 53:

> Special courts. The Supreme Court, the United States Courts of Appeals and the District Courts, created and organized under article III of the Constitution are known as "constitutional courts." Their judicial power is limited to the decision of "cases" and "controversies."
>
> Congress has found it necessary from time to time, in order to determine matters not within the scope of the judicial power described in article III, to create other tribunals known as legislative courts.

And among the legislative courts determining matters not within the scope of the judicial power described in article III, we of course find the customs court.

JUSTICE DEPARTMENT OPPOSES JUDICIAL DECISION BY CONSTITUTIONAL COURT

It is obvious that the Justice Department attorneys handling this case do not want the 1934 Trade Agreements Act to face any test of constitutionality and for that reason want any trials of the case at all to be in a court not within the scope of the judicial power described in article III of the Constitution.

The reason why they do not want a test of the constitutionality of the act is that the act is unconstitutional, and we have that on the authority of many eminent and distinguished Members of the legislative branch, including the 10 Members who weighed the act when it was first fathered by the State Department.

MEMBERS OF WAYS AND MEANS COMMITTEE WHO TERMED TRADE ACT UNCONSTITUTIONAL IN 1934 LISTED

Mr. President, I shall read the names of these 10 honorable gentlemen, 10 of the most able men who served in the House of Representatives in our generation. I shall read them in the order of their listing in House Report 1000 of the 73d Congress. They were: Allen T. Treadway; Isaac Bacharach; Frank Crowther; James A. Frear; Harold Knutson; Daniel A. Reed, who today is the ranking minority member of the Ways and Means Committee, and one of the soundest Members of Congress; Roy O. Woodruff; Thomas A. Jenkins, second ranking minority member of the committee; William E. Evans; Thomas C. Cochran.

All of them concurred in the report that the 1934 Trade Agreements Act is unconstitutional and also in the view that it is un-American.

MINORITY REPORT OF 73D CONGRESS QUOTED

Mr. President, I shall quote excerpts from the minority report on the Trade Agreements Act of the House Ways and Means Committee, 73d Congress, signed by the above 10 members of that committee, and I may at times intersperse my own comment with reference to the excerpts.

Point No. 1 of that report dealt with constitutionality:

> It (the original trade agreements bill which has not changed in concept in 21 years) delegates to the President discretionary legislative power in tariffmaking—not simply an administrative power to apply a definite formula laid down in advance by Congress, such as is given under the present flexible tariff provisions—and thereby provides for an unconstitutional delegation of the supreme taxing power of Congress, contrary to what a prominent Democrat has called "the plainest and most fundamental provisions of the Constitution."

TRADE ACT HAD NO PRECEDENT IN HISTORY

Point No. 2 also dealt with the matter of constitutionality:

> 2. It has no counterpart in past legislation, Republican or Democratic, since in each previous reciprocity measure Congress has either fixed in advance the concessions or retaliations the President might use as a basis of negotiations, or it has reserved the right to both the House and Senate to approve or reject any treaty or agreement entered into by him.

Point No. 3 continues this presentation:

> 3. Any previous legislation giving the President authority to put a prescribed legislative policy of Congress into effect upon the finding by him that a certain state of facts existed is no precedent for giving him the power under similar conditions to put into effect rates of duty which he himself prescribes.

STATE DEPARTMENT CONTRADICTS COMMITTEE MINORITY

Mr. President, what the report of 1934 stated is true in every particular today. Yet we find the State Department submitting a memorandum to the Senate Finance Committee stating:

> The Trade Agreements Act goes no further than numerous former enactments which have delegated discretionary power to the President and which have been upheld by our courts whenever questioned.

This is, of course, a flat contradiction of the statement of the 10 Members of Congress who signed the original minority report.

The report states that the Trade Agreements Act has no counterpart in previous legislation, and the State Department says it goes no further than previous legislation.

Both cannot be telling the truth.

WHO TOLD THE TRUTH?

The Members of the 73d Congress who signed the minority report, substantiate their statement, as I shall demonstrate further along in my remarks.

The State Department does not substantiate its statement.

Nor does it recommend or even condone any court test to determine which is telling the truth—Members of Congress or the State Department—and which is lying. Only a court test will do that, and the executive department is attempting to avoid and prevent such a test.

Mr. President, if I were to make a bald statement that an act was constitutional and not unconstitutional as many contend, I would be willing to have my position tested in the courts.

I would, that is, unless I knew I was wrong. Then I would want to evade a court test at all costs.

That is what the executive branch is trying to do—evade and avoid. I think it knows that it is wrong.

PLAINTIFF STAKES ECONOMIC LIFE ON COURT TEST

The plaintiff in this case believes the Trade Agreements Act to be unconstitutional. He is willing to stake his economic life on his belief. He has put himself to considerable expense and effort already to assert his belief. That is the brave and courageous thing to do if one has a belief or a conviction. He is willing to have a court tell him whether he is right in his conviction or whether he is wrong, and is willing to abide by the result.

But the executive branch is willing to stake nothing. It is not willing to back its own belief, if it has one, that the act is constitutional. I doubt that it believes its own statement, so magnanimously sent to the Senate Finance Committee. If it did believe it, in my opinion, it would be willing to go into court to back it up.

The State Department tells us that "an examination of the question whether the Trade Agreement Act involves an unconstitutional delegation of power to the President has led to the conclusion that no such delegation is involved in the act." That is the State Department's statement.

STATE DEPARTMENT PRESUMES TO SIT AS COURT

In other words it has set itself up as its own high court to hand down pronouncements on constitutionality of acts passed by the Congress, a function which the Constitution reserves to the courts.

The State Department sets itself up as the supreme judicial authority to advise the Senate Finance Committee on the meaning of the Constitution. It has been doing that, as a matter of fact, ever since the 1934 Trade Agreements Act was passed, and Congress has accepted its pronouncements as ukases from a court.

The State Department says, and I repeat:

An examination of the question whether the Trade Agreement Act involves an unconstitutional delegation of power to the President had led to the conclusion that no such delegation is involved in the act.

Whose examination? Why, an examination by the State Department, of course. Whose conclusion? Why, the conclusion of the State Department.

ARE EVEN THE COURTS NOW SUBORDINATE TO EXECUTIVE BRANCH?

Mr. President, has this Republic sunk to a status where constitutional questions may be determined by some appointive administrative branch of the Government serving its own interests, representing no State, district, or precinct of the country?

If it has, then not only Congress but also the courts and the Supreme Court itself have been subordinated to the executive.

If it has, then the laws we pass in Congress are to be interpreted not by the courts and the judicial branch as the Constitution provides, but by underlings in an executive department, elected by nobody, and responsible to nobody at the polls.

Congress recently passed H. R. 1, an extension of the trade agreements act, and the President has signed it.

I opposed it, as I have previously opposed this act, which I consider unconstitutional.

STATE DEPARTMENT EXPLAINS TRADE ACT TO CONGRESS—AFTER ACT APPROVED AND SIGNED

In my floor debates on the bill I voiced the opinion that few of my distinguished colleagues had studied it with any thoroughness or knew what it was all about.

The State Department appears to have the same opinion. In its memorandum, which I previously referred to, it proceeds to explain to the committee, to which the memorandum was sent, what the act is all about, according to the State Department's interpretation.

It is kind of the State Department to presume to tell us what is in the act, according to its interpretation, that Congress has just passed, as though members of the Senate Finance Committee and the Congress were a group of schoolboys down from the hills, without much education. But that is what the State Department does. Referring to the act, the Department said:

It authorized the President, if he makes certain findings of fact, to "enter into foreign trade agreements," and to proclaim, subject to certain specified limitations, such modifications or continuances with regards to duties and other types of restrictions as are "required or appropriate to carry out any foreign trade agreement" entered into under the act.

ACT CLEARER THAN STATE DEPARTMENT'S EXPLANATION

Mr. President, that is quite a mouthful. It is State Department language attempting to convey to Members of Congress, and especially the Senate, what it considers is in the act we have just passed. Of course, any Member of the Senate can get a copy of the act and read it himself, and I am sure that any Member of the Senate who does this will have a much clearer understanding of the act than he will ever get from reading the memorandum from the State Department.

I continue to quote from the State Department memorandum:

As a basis for such action, the President must find that existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States, and that the purpose of the act, expanding foreign markets for products of the United States by regulating the admission of foreign goods into the United States in accordance with the characteristics and moods of various branches of American production, will be furthered by such an agreement.

That is a masterpiece—"characteristics and moods of various branches of American production."

REAL PURPOSE OF ACT DISGUISED BY STATE DEPARTMENT

Of course, Mr. President, that is not the purpose of the act at all, as I have pointed out frequently on the floor of the Senate. It is not the effect, either. As I pointed out in my floor speech of June 15, foreign markets for products of the United States have contracted—not expanded—since the 1934 Trade Agreements Act was passed.

The only expansion under the act has been the expansion of American markets for foreign goods, an expansion of American markets which is rapidly putting many American industries out of business.

MOODS OF STATE DEPARTMENT GOVERN FOREIGN TRADE

When the State Department talks about regulating the admission of foreign goods into the United States in accordance with the characteristics and moods of various branches of American production, it is indulging in outright deception.

The State Department regulates the admission of foreign goods into the United States in accordance with its own moods and whimsies, and with no thought to the needs or characteristics of any of the various branches of American production. It is regulating them only from the standpoint of foreign policy and foreign preferences.

The Constitution declares, in article I, section 8, that it is the responsibility of Congress to lay and collect imposts and duties, meaning tariffs, and to regulate the foreign commerce.

STATE DEPARTMENT CONTENTION AN ADMISSION PART OF CONSTITUTION REPEALED

When the State Department says, and it does, as I have just quoted, that under the Trade Act the President regulates the admission of foreign goods into the United States, it admits, in substance, that article I, section 8, has been set aside and to all effects repealed by Congress, which has no power under the Constitution to, by itself, repeal the Constitution.

There is much more explanation in the State Department's memorandum which I will omit because it is self-serving and redundant, and because many of us in Congress are as familiar with our own act as are functionaries in the State Department, if not more so.

To get back to the discussion of the constitutionality of the Trade Act by the Ways and Means Committee minority in the 73d Congress, point 4 stated:

4. If the expansion of our foreign trade seems desirable, it should be accomplished by existing constitutional means.

Point 5 of the minority views stated:

Although the bill (the trade bill) attempts to lend itself a color of constitutionality by a recitation that it is an emergency measure, yet by its own terms it has unlimited life, indicating that it is, and is intended to be, permanent legislation.

"EMERGENCY" TRADE ACT NOW VIEWED AS PERMANENT BY FREE TRADERS

Mr. President, no truer statement could be made than that in point 5. The 1934 Trade Agreements Act has become, to all intents and purposes, permanent legislation, and will continue as permanent legislation until the American people, the workingmen, industries, and investors awaken to what it is doing to them and elect a Congress that will meet its constitutional responsibilities and strike this destructive act from the statute books.

Mr. President, I predict that within 5 years, perhaps within 2 years, the workingmen of this Nation will instruct their wives to look for the American trade-mark before they buy. That is what I think will be the effect of the Trade Agreements Act if Congress does not come to its senses in the meantime.

It is understood, of course, that Congress can take up this matter at any time, regardless of the 3-year extension.

PROTECTION PRINCIPLE ABANDONED

Point No. 6 of the minority views states:

It (the Trade Agreements Act) contemplates the abandonment of the principle of protection for domestic industry, agriculture, and labor by allowing existing duties to be modified without reference to the difference in cost of production of domestic and foreign articles.

Point No. 7 reads:

It strikes at the very heart of the President's own recovery program, and is wholly inconsistent with it.

Mr. President, we all know that the depression continued for more than 5 years after the Trade Agreements Act was

passed, and until President Roosevelt maneuvered this Nation into a war economy, which has continued ever since.

OUR $32 BILLION WAR ECONOMY

We are living on a war economy now—about $32 billion of it annually. If we lose it, we shall be out like a light within 60 days.

LIFE AND DEATH POWERS OVER ECONOMY HANDED PRESIDENT IN TRADE ACT

Point 8 of the minority views of the Committee on Ways and Means reads:

8. It places in the hands of the President and those to whom he may delegate his authority the absolute power of life and death over every domestic industry dependent upon tariff protection, and permits the sacrifice of such industries in what undoubtedly will be a futile attempt to expand the export trade of other countries.

Mr. President, what the minority of the Committee on Ways and Means said in its 1934 report is all too true. I have made the same statement on the floor of the Senate many, many times. The Trade Agreements Act has placed in the hands of those to whom the President delegated his authority the power of life and death over every domestic industry dependent upon tariff protection.

The State Department can remake, and has remade, the industrial map of the United States in its own socialistic image.

TRADE ACT BARGAINING TASK TOO GREAT FOR ANY SINGLE EXECUTIVE

Some of these industries are virtually extinct, others are dying by degrees, and they have been sacrificed in a futile attempt to expand the export trade of other countries. The next point brought out in the minority report is equally true. I read:

9. While no one would question the good faith and high purpose of the President (that was in 1934) in any action he might take under the powers conferred, such as the determination that a particular industry was not entitled to tariff protection, the fact is that he will not be able personally to give his attention to negotiations incident to the conclusion of the contemplated trade agreements, but will be compelled to rely upon others whose opinions as to what is for the best interest of the country and the industries affected would not be entitled to the same measure of respect as his own.

Mr. President, that observation is as correct today as it was in 1934. No President, including the present occupant of the White House, has ever been able personally to give his attention to negotiations incident to the conclusion of a contemplated trade agreement. No President has ever attended such a negotiation.

CONCENTRATION OF ALL POWER IN EXECUTIVE LEADS TO DESTRUCTION

Mr. President, many times in discussion in committee and on this floor a Senator will say, "Why, you don't trust the President of the United States." Mr. President, I point out to you that the oldtimers who had been through the mill, and who wrote the Constitution of the United States, did not trust themselves. They wrote into the Constitution a principle to be carried out by law, not by Executive order. The history of every nation on earth is that the road to destruction started with the concentration of power in the Executive.

Every President has been compelled to rely upon others for opinions as to what is in the best interest of the country and the industries affected.

That statement emphasizes the argument that the Secretary of State could sacrifice any job or investment in the United States for what he considered an overall basic benefit to America. Does he consider 1 man or 1 group of men? That sacrifice can be carried out, not on a principle, not on the Constitution of the United States, but on the conclusion of 1 man, or 1 group of men. Because he may consider it for the good of the Nation, he can sell an industry down the river, and we would not know it until it was too late.

TRADE ACT NEGOTIATIONS CARRIED OUT BY UNDERLINGS

In fact, a President must rely on underlings below the rank of Secretary. The highest ranking Government official at any of the recent trade negotiations has been an Assistant Secretary of State.

The Secretary of State does not attend these sessions. The Under Secretary of States does not attend these sessions. They are too busy, and have too many other duties and concerns.

There are 8 or 9 Assistant Secretaries of State, and it is 1 of these assistants who head the delegations to GATT.

In the early days of the trade-agreements program, Assistant Secretary of State Francis Sayre was in charge of the trade-agreements program. He was the State Department's principal proponent of the act, in testimony before the 73d Congress.

ALGER HISS HAD HIGH ROLE IN EARLY TRADE AGREEMENT PROGRAM

Who was Mr. Francis Sayre? Mr. President, you will have trouble remembering who he was. He was never elected to any office, but he was designated by the President of the United States to represent the Congress of the United States—if you please, the representatives of the people—to sell down the river any industry he cared to trade.

Assistant Secretary of State Sayre, in charge of the trade agreements program, had an assistant. The Assistant to the Assistant Secretary from 1936 to 1939 was Alger Hiss.

MINORITY REPORT IN 73D CONGRESS LISTED 15 OTHER OBJECTIONS TO TRADE SELLOUT

Mr. President, the minority report I have referred to contained 15 other points, all of which were prophetic of the situation which exists today with respect to our foreign trade. I ask unanimous consent that these points be printed in the RECORD at this place in my remarks.

There being no objection, the remaining points were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM MINORITY REPORT TO HOUSE REPORT NO. 1000 OF THE 73D CONGRESS

10. The bill gives no indication as to what domestic industries may be put upon the auction block in the negotiation of foreign trade agreements, nor where any of the accredited representatives of the administration appearing before the committee willing to give such an indication except in the most general and meaningless terms.

11. It provides no opportunity for domestic industries to be informed or heard with reference to any proposed Presidential tariff changes, even though their very existence is at stake.

12. In view of the apprehension which will constantly exist in the minds of all domestic producers over the possibility that their respective industries may, without notice or hearings, be sacrificed overnight for some alleged or passing advantage to an export product, the bill is not calculated to aid in the restoration and rehabilitation of domestic industry at large, but does contain serious possibilities of disastrous consequences.

13. It presumes to give advance congressional approval to any trade agreements into which the President may enter, however injurious may be their effect upon any domestic industry or industries, thus making it impossible for Congress to rescind his authority except by passing new legislation over his veto, which would require a two-thirds vote of each House and would at the same time place the Nation in the position of violating a completed and binding international agreement.

14. Instead of promoting our export trade where possible by such methods as the imposition of countervailing or retaliatory duties on noncompetitive foreign articles now enjoying free entry into the domestic market, such as silk, coffee, tea, rubber, etc., the bill contemplates the granting of tariff concessions on dutiable foreign articles coming into competition with domestic products. The minority feel that instead of destroying branches of domestic agriculture and industry, the two-thirds of our imports now coming into this country duty free could well be used as a lever to secure favorable consideration for our exports in world markets.

15. The increased importation of competitive foreign goods will displace equal quantities of our own products, thus adding to the unemployment in the industries so affected and to overproduction.

16. Any hoped for increase in domestic exports as a result of permitting increased foreign imports will be largely illusory, since foreign countries will naturally buy in the cheapest market no matter how much of their goods we import, and unless we can meet world production costs and are prepared to sell at world prices we cannot compete in world markets. For this reason the export trade we might gain will not offset the domestic trade we are bound to lose.

17. Foreign countries in most instances have the advantage in reciprocal bargaining, because their rates are generally known to be padded for trading purposes.

18. The bill fails to take account of the changed economic conditions throughout the world as evidenced by the nationalistic policies of all nations and the tendency of the agricultural countries to develop home manufactures and the manufacturing countries to produce, so far as possible, their own foodstuffs, the result of which has been a drying up of the old world markets.

19. It holds out the forlorn hope of increased foreign markets for our surplus products in the face of the well-known fact that they can be exchanged only for agricultural and industrial products with which we are already abundantly supplied.

20. The bill overemphasizes the importance of our export trade, the value of which in 1929 was but one-tenth that of total domestic production of movable goods and one-seventeenth the amount of the national income. This clearly illustrates the fact that domestic prosperity is more dependent upon the home market than the foreign market, since it consumes 90 percent of what we produce and is responsible for approximately 95 percent of the national income.

21. It ignores the fact that this Nation is the world's richest market, with one-half

the business of the world being done within its borders. Foreign countries, however, are not insensible to this fact and will be insistent upon participating in this great market with no appreciable return benefit to our own people of home industries.

22. It erroneously presupposed that foreign trade consists of dollar-for-dollar exchange between two nations, when as a matter of common knowledge it follows much the same course as domestic business, each nation selling its surpluses wherever it can find a demand for them, and buying in the cheapest market such articles as it does not produce, all without reference to the balance of trade with any country.

23. It is based upon the false premise that the decline in international trade is the cause, rather than the effect, of the depression. Our own experience shows us that the foreign trade of this country, both in imports and exports, was constantly on the increase up to the time of the 1929 crash.

24. To abandon our present policy of equal tariff treatment for nations in favor of bilateral concessions to individual countries is a backward step which can only serve to breed further tariff wars and thus result in retaliation and discrimination against our goods in many foreign markets.

UNCONSTITUTIONAL ASPECTS OF TRADE ACT STRESSED IN REPORT

Mr. MALONE. Mr. President, some of the latter points above are in reference to the anticipated economic effects of the 1934 Trade Agreements Act, effects that have been borne out during the 21 years' life of the act under State Department rule.

But by far the major portion of the minority views to House Report 1000 of the 73d Congress dealt with the legal or constitutional aspects of the program, which the 10 signers of the report considered clearly unconstitutional.

I ask unanimous consent that the part of this report, title "Legal Aspects," be printed in the RECORD at this point in my remarks.

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

EXCERPT OF HOUSE REPORT 1000, OF THE 73D CONGRESS, MINORITY VIEWS RELATIVE TO CONSTITUTIONALITY OF THE 1934 TRADE AGREEMENTS ACT

1. The legal aspects: The Constitution of the United States provides in section 1 of article I that all legislative powers therein granted shall be vested in the Congress. Section 8 of the same article provides, among other things, that Congress shall have the power to "lay and collect taxes, duties, imposts, and excises" and to "regulate commerce with foreign nations." Article II lodges the executive power of the Government in the President, and the judicial power in the Supreme Court.

The Supreme Court has many times held that under this division of powers, it is a breach of the Constitution for Congress to delegate its legislative powers to the executive, or to invest itself with either executive or judicial power. This bill gives the President broad discretionary power in fixing tariff duties, and the minority submit that it is unconstitutional.

While the bill attempts to lend itself a color of constitutionality by a recitation that it is an emergency measure, yet by its own terms it has unlimited life, indicating that it is intended to be permanent legislation. Thus the contention that the bill gives the President only emergency powers is untenable.

Those sponsoring the bill attempt to argue that it is not a delegation of legislative power, but rather one of administrative power, against which there is of course no constitutional inhibition. They point to the fact that by the terms of the bill the President may not increase or decrease an existing duty by more than 50 percent, but this limitation only goes to prove the contention of the minority that it is the President who fixes tariff duties under the bill and not Congress. They also attempt to show that the bill lays down a rule of conduct to guide the President in fixing duties, but the minority submit that he is guided only by his own discretion.

At first blush, it might seem that the bill goes no further than the present flexible tariff provisions, which authorize the President to increase or decrease existing duties by not to exceed 50 percent in order to carry out the mandate of Congress that tariff rates shall be maintained at such a level as to equalize the difference in cost of production of domestic and foreign articles. However, the minority wish to point out that there is a wide difference between laying down a formula for ratemaking and directing the President to modify rates to conform thereto, and in doing what is proposed by the pending bill. Here no formula is provided. On the contrary, the President furnishes his own yardstick and makes his own rates, subject, of course, to the general limitation provided.

STATE DEPARTMENT CLAIM DISCOUNTED

The Assistant Secretary of State, Mr. Sayre, in his argument before the committee, contended that the bill did provide a yardstick. On this point, he said:

"In the present bill the language of the yardstick provides that 'the President, whenever he finds that any existing duties or other import restrictions are unduly burdening and restricting the foreign trade of the United States,' or that the purpose of the act 'will be promoted by the use of the powers' conferred by the act, is authorized to do specified things."

The minority respectfully submit that the language referred to by the Assistant Secretary of State is not a yardstick, of rule, or formula for ratemaking, but a condition precedent to the exercise of the President's power to enter into trade agreements and to proclaim such modifications of existing duties "as are required or appropriate" to carry out any foreign trade agreement which he has entered into. The rule of conduct, if any is present, must be found in the delegation of authority, not in the state of facts which must exist as a condition precedent to bringing that authority into operation. What rule of conduct is there laid down?

In delegating the President the power to enter into trade agreements and to modify existing duties, the bill lays down no rule such as is provided under the flexible tariff provisions that the rates fixed shall equalize the difference in foreign and domestic production costs, or that they shall be reduced by a particular amount. The only rule laid down at all is the limitation that no change in duty shall modify existing rates by more than 50 percent, but this provision is only a limitation to his discretion. The bill does provide that the duties shall be such as are required or appropriate to carry out the foreign-trade agreements, but in negotiating those agreements the President has a free hand, both as to the articles with respect to which concessions are to be made and the amount of the reduction in duties, and in carrying out the purposes of those agreements he is merely carrying out his own purposes.

DISTINCTIONS DRAWN BETWEEN TRADE ACT AND TARIFF ACTS

Inasmuch as the proponents of the bill do not rest their argument in favor of its constitutionality solely upon its alleged analogy to the present flexible tariff provisions, it will be necessary to discuss certain other contentions made by them. For example, the Assistant Secretary of State cited many instances where Congress in the past, as far back as 1794, had authorized the President under certain conditions to impose duties and to place restrictions upon foreign countries.

One of the first acts of this nature was that of June 4, 1794, under which President Washington was authorized to lay an embargo on ships and vessels in ports of the United States whenever in his opinion the public safety required. The distinction between that case and the present bill is that there the President had no legislative discretion. When he found certain facts to exist, he was required to place into effect the previously declared policy of Congress that an embargo be laid.

Under the bill, however, the state of facts which the President must find before making any change in duties is only a condition precedent to the exercise of his own discretion. This is a distinction which the Assistant Secretary of State either ignores or fails to understand.

The rule applicable to such cases as the act of 1794 has been well stated by Judge Ranney, of the Ohio Supreme Court, and his statement or the law has many times been quoted with approval by the United States Supreme Court. In the case of C. W. and Z. R. R. Co. v. Commissioners, Judge Ranney said:

"The true distinction, therefor, is between the delegation of power to make a law, which necessarily involves a discretion as to what it shall be, and conferring an authority or discretion as to its execution, to be exercised under and in pursuance of law. The first cannot be done: to the latter no valid objection can be made."

NO LEGISLATIVE POWER YIELDED IN MCKINLEY TARIFF ACT

The reciprocity provisions of the McKinley Tariff Act of 1890 were cited by the proponents as a precedent for the present bill. Under that act, sugar, molasses, tea, coffee and hides were placed upon the free list, with a provision that if any country producing and exporting any such articles to the United States imposed unequal or unreasonable duties on the products of the United States, the President might suspend the free entry of such articles and impose thereon certain rates of duty fixed by Congress in the act. In upholding this delegation of authority in a test case, the Supreme Court pointed out that there the legislative power of Congress was exercised when it declared that the free entry of the articles was to be suspended, and certain specified duties imposed, upon a certain contingency (Field V. Clark, 143 U. S. 649). The present bill, however, specifies no duties to be imposed upon the happening of any contingency, but leaves the fixing of these duties to the President.

The reciprocity provisions of the Dingley Tariff Act of 1897 were also cited as a precedent. There the President was given the authority (I) to lower the duties on certain named products to the amounts stated in the act in return for reciprocal concessions by foreign countries; (II) to impose certain fixed penalty duties upon certain other named articles when the countries from which they were exported discriminated against domestic products; and (III) to conclude reciprocity treaties with foreign countries by granting reductions in duty of not more than 20 percent in return for equivalent concessions from such countries, such treaties to be approved by both the House and Senate before they should become effective.

It seems clear that the first and second delegations of authority under the Dingley Act were more or less identical with that conferred by the McKinley Act, the President merely having the power to put certain rates previously fixed by Congress into effect upon

finding the existence of a specified state of facts. The third delegation of authority, however, is most nearly like that contained in the present bill, but there are two very clear distinctions. In the first place, a definite rule was there laid down for the guidance of the President in making concessions in tariff rates, namely, that they should be equivalent to concessions made by foreign countries. The second and most important distinction is that regardless of what rates of duty the President fixed under the act of 1897, there were required to be submitted to both the House and Senate for approval or rejection, thus preserving to Congress its full legislative powers. Under the present bill no such reservation is made.

The Tariff Act of 1909 was also cited as a precedent for presidential tariffmaking. Under that act Congress set up two sets of duties, a maximum schedule and a minimum schedule. The maximum schedule was made of general application, but power was given to the President to put the minimum schedule into effect with respect to all countries which he found did not discriminate against the products of this country. Here, again, the President had no power to fix duties such as he is given under the pending bill.

CONGRESS HAD VETO POWER OVER TRADE TREATIES IN EARLY PART OF CENTURY

Under the Tariff Act of 1913, the President was authorized to negotiate reciprocity treaties with foreign countries, but unlike the present bill it provided that any such treaty must be submitted to Congress for ratification or rejection. Also, the Collier bill (H. R. 6662) which was vetoed by President Hoover during the 72d Congress, provided that the reciprocal trade agreements which the President was thereby authorized and directed to negotiate should not become operative unless Congress by law approved them.

Section 337 of the present (1930) tariff law have been cited as delegations of tariffmaking powers to the President. Section 337 authorizes the President to exclude foreign articles from entry upon the existence of a certain state of facts, namely, unfair methods of competition and unfair acts in the importation of such articles. Section 338 authorizes the President to impose such new or additional duties as will offset certain foreign discriminations against our commerce. In both cases, Congress had declared in advance its legislative policy which the President is authorized to carry out under certain conditions. In the first instance, that policy is the exclusion of the foreign goods from importation. In the second, it is declared to be the imposition of such duties as are necessary to offset the burden or disadvantage to domestic commerce of the benefit to the commerce of a third country. The first is automatically applied when the conditions precedent are found to exist. The second must first be ascertained by applying the legislative rule laid down by Congress. These provisions, therefore, are no precedent for the pending bill.

1934 TRADE ACT FIRST TO GIVE PRESIDENT FREE HAND

So far as the precedents are concerned, the minority confidently assert that in no past legislation, whether Republican or Democratic, has Congress ever given the President a free hand in tariffmaking; in no past legislation has it authorized him under general powers to conclude reciprocal foreign trade treaties without also requiring that before becoming operative any such treaties should first be ratified by Congress; and in no past legislation has it given him specific powers to make reciprocal trade concessions without first providing the instruments he could use in tariff bargaining.

In connection with this discussion of the legal aspects of the President's tariff proposal, involving as it does the surrender of the tariffmaking power of Congress to the Executive, it seems proper to recall the position taken by the Democrats with reference to the existing flexible tariff provisions even after they had been upheld by the Supreme Court. While practically every leading Democrat expressed his opposition to these provisions, it will suffice to quote from the remarks of one who is rather closely connected with the present proposal, namely, the Secretary of State, Mr. Hull.

The present Secretary of State was a member of the Ways and Means Committee for many years, and in his minority report on the tariff bill of 1930 he stated that the flexible tariff provisions were "subversive of the plain functions of Congress."

Upon another occasion he declared that they constituted an "unjustifiable arrogance of power and authority to the President," and in a speech made on May 9, 1932, when he was a member of another legislative body, he asserted that these provisions practically vested in the President the "supreme taxing power of the Nation, contrary to the plainest and most fundamental provisions of the Constitution." He also referred to the power granted to the President thereunder as a "vast and uncontrolled power, larger than had been surrendered by one great coordinate department of the Government to another since the British House of Commons wrenched the taxing power from an autocratic King."

DEMOCRATS BEFORE NEW DEAL ASSAILED DELEGATION OF TARIFF POWERS TO PRESIDENT

Not only have individual members of the Democratic Party bitterly assailed the delegation of tariffmaking authority to the President, but the party itself has gone on record in its last platform as being opposed to executive interference with the tariff, and the present President of the United States has taken the same position in public utterances.

In view of this past record of the Democrats with reference to presidential tariffmaking, it appears to the minority that for them to be consistent they should be unequivocally opposed to the present bill, which goes far beyond the delegations of authority which in the past they have so bitterly opposed.

While the minority have no objection to endeavoring to expand the foreign trade of this country, they feel it should be accomplished by constitutional means. The President could either be given authority to negotiate reciprocal tariff agreements to be subsequently submitted to Congress for ratification, or Congress could lay down in advance certain concessions or retaliations which could be used by the executive in tariff bargaining with foreign countries. These have always been the methods pursued in the past.

Mr. MALONE. Mr. President, one of the arguments made in favor of presidential tariff bargaining is that in the past our attempts at reciprocity have largely been a failure, due to the difficulty of securing congressional ratification of the agreements entered into. However, this only goes to show the danger of allowing the Executive a free hand in foreign trade negotiations.

CONSTITUTION CHARGES CONGRESS WITH RESPONSIBILITY OF FIXING DUTIES

I would not picture, Mr. President, Senators or Representatives of the United States who were sitting in Congress and representing the people, trading one industry for another, or trading the jobs in one area of the country for a fancied foreign policy advantage. I could not possibly picture that situation, and the reason, no doubt—and the debate in the Congress bears it out—is that when the Constitution of the United States was being framed, the legislative branch was charged with the responsibility of fixing duties, which we call tariffs, regulating foreign commerce, and regulating the domestic commerce of the United States of America.

CONGRESS REPRESENTS EVERY PRECINCT

The reason that was done is that every precinct in the United States is represented in Congress, on the Senate floor and on the House floor.

My distinguished colleagues represent somebody, and if they were to start trading an industry or an area or a community for a fancied foreign policy advantage, they would hear from the Senator and Representative concerned. There would be a vote on the question. If the proposal was deemed for the good of the United States of America, perhaps the proposal would be carried, but the proposal would have to be carried before the representatives of the people of the United States of America, and not before someone like Mr. Francis Sayre, represented by Alger Hiss. And that is the record, Mr. President.

HARRY DEXTER WHITE ROLE RECALLED

I shall not go into who represented whom at that moment, because a little later we had a Mr. White in the Treasury Department directing Mr. Morgenthau in his organization. Mr. White is the one who made recommendations to Mr. Morgenthau, as shown in a memorandum which was published in a report of the Senate of the United States, No. 1627. That memorandum recommended a $10 million loan to Russia so that Russia might produce and furnish us with critical materials that Mr. White said we were running out of.

One of them is petroleum. Without going into detail, let me say that today we have more petroleum than we know what to do with. At the end of the period when he said we would be out of petroleum, we had perhaps twice as much known petroleum as we had had at the time when he sent the memorandum to Mr. Morgenthau. Mr. Morgenthau sent the memorandum in toto to the President, and the President anannounced to the people of the United States the policy of saving our own materials, and importing those materials from other countries.

Senators have referred to lists of critical materials being produced in prior years, although for 22 years we have had in effect a policy which depresses United States production.

TRADE ACT A BARRIER TO AMERICAN INVESTMENTS, DEVELOPMENT

Mr. President, no sane investor would dream of investing one dollar of his money in any of these industries which need the protection of a duty or tariff in order to equalize the wage-standard of living and taxes and cost of doing business in the United States with those of foreign countries, in the case of such products. How could such an investor do so when a State Department official, representing the President of the United States, but located 3,000 miles away from

the United States, could make an agreement which at any time could "break" the producers of those products, and the Congress would be the last to know of it. In fact, the announcement would be made as a fact before the Congress would hear of it.

SUBSIDIES, FOREIGN AID NECESSARY TO SUSTAIN WORLD MARKET FOR OUR PRODUCTS

So, Mr. President, by action taken on the floor of the Senate and on the floor of the House, Congress approved this arrangement, which has made it impossible for American investors to invest even a thin dime in such United States industries. This arrangement, together with our high standard of living and the deflated or depressed price of the United States dollar, has forced American producers out of the world market, unless, in the case of wheat, corn, and cotton—particularly in the case of wheat and corn—the Congress provides appropriations to make up the difference between the world price and the fixed price in the United States; or unless Congress gives away $5 billion, $6 billion, or $7 billion in cash, in order to enable foreign nations to buy the American production.

Mr. President, I should like to see one of my colleagues try that on a banker sometime, when the businesses in a given community begin to go bad. I should be interested to see one of our colleagues try that, and have him see how far he would get. The result might be a good lesson in economics. I doubt, however, that it would have any effect on Congress, in view of the present state of mind of Congress, which at the present time is proceeding on the basis of a war economy, involving the appropriation of $33 billion or $34 billion of the money of the taxpayers of the United States. But that lesson just might have an effect upon Congress. In fact, it may not be very long before Congress will be more receptive to such suggestions and lessons.

Mr. President, to return to the minority views expressed on this act in the 73d Congress:

> Another argument made in favor of giving the President the extra-legal authority to change tariffs in his discretion is that the executive heads of other nations generally have this power, and that it is necessary for the President to have the authority, in order to protect our interests in international trade.

HEADS OF OTHER NATIONS EMPLOY MANY DEVICES TO BAR UNITED STATES PRODUCTS

Mr. President, the executive heads of other nations do have authority—or, at least, that is true in 90 percent of the cases—to fix the price of their money, in terms of the price of the American dollar, and to change it at their discretion. They also have authority to require exchange permits. In other words, in those countries it is necessary to have a permit from some government official, in order to obtain the money of that country at the fixed price, if one wishes to purchase a certain article. If the officials of that country do not want the article imported, the exchange permit is not issued. Import permits and export permits are required.

RECIPROCITY THEORY "HOGWASH"

So, Mr. President, the entire theory of reciprocity is just so much hogwash. If the Members of the Senate will stop and read a little, they will understand that.

Again quoting the minority views:

> The answer to the argument that it is necessary for the President of the United States to have such authority, in order to protect American interests in international trade, it is that if the administration wants to set up a cabinet from Government, with power in the Executive to legislate by Presidential decree, then he should first submit the proposition to the people, through a proposed constitutional amendment.

EXECUTIVE SHOULD RECOMMEND CONSTITUTIONAL AMENDMENT IF HE SEEKS LEGISLATIVE POWER

Mr. President, I am willing at any time to vote to have the President submit that proposal to the American people; but I also stand ready to vote against any proposal to have the President exercise such power until he is given it by the people of the United States.

Mr. President, that is exactly what the administration should do. If the administration seeks power to legislate by Presidential decree, it should request the Congress to submit to the people a proposed constitutional amendment. But no administration in the past 21 years has done so.

Instead, each administration has proceeded as though there were no doubt as to the constitutionality of the 1934 Trade Agreements Act, and has made every effort in its power to prevent a determination of constitutionality in the constitutional courts. The administration is doing that today.

In the pending case on the question of constitutionality of the 1934 Trade Agreements Act, the administration is attempting to avoid a court test. That case involves a test of the constitutionality of the 1934 Trade Agreements Act and the constitutionality of the Geneva General Agreement on Tariffs and Trade, which has been set up 3,000 miles away from Washington, D. C., the Capital of the United States. Under that arrangement, the President of the United States, by means of the authority granted him by a simple legislative act, namely, the 1934 Trade Agreements Act, has proceeded to take action which has been disastrous to American industries.

Mr. President, let me say that no one doubts that that act transferred to the President that authority, insofar as Congress is concerned. We simply doubt the constitutionality of the act.

CONGRESS GAVE PRESIDENT POWER IN TRADE ACT TO SET UP GATT

The Congress has told the President that he can set up such an organization—an organization at Geneva, Mr. President, 3,000 miles from the United States, and an organization with 34 members, although the membership now constitutes 35, since Japan has been included.

That organization will divide with the other nations of the world the markets of the United States. In effect, Mr. President, that is what the Congress has told the President he can do. No one doubts that the Congress has told him that.

When the Secretary of State testified before the Senate Finance Committee, he said the President could do that, and that there is no question about it. But when the Secretary of State said—inadvertently, I think, but his testimony was recorded, and can be seen by anyone—that they intended to bring GATT before the Congress, the chairman of the committee said, "Mr. Secretary, if you hope to get this bill out of the committee, you had better bring it"—or words to that effect. But on sober second thought—and, Mr. President, I wish the distinguished senior Senator from Virginia [Mr. BYRD] were in the Chamber at this time, to substantiate what I am saying; but I think the record is clear—he was in favor of bringing it out, without having GATT presented to the Congress.

1934 SUBTERFUGE REPEATED IN 1955

So what is before us now, Mr. President? It is one of the very clever pieces of proposed legislation, another attempt to continue the subterfuge begun in 1934. They have cooked up an organization which they call the Organization for Trade Cooperation, which is nothing more or less than a reorganized GATT, with an amended paragraph setting up the Geneva General Agreement on Tariffs and Trade, but so arranged and so written that if the Congress approves the Organization for Trade Cooperation, it will approve the Geneva General Agreement on Tariffs and Trade, whereas if the Congress turns down the Organization for Trade Cooperation, the Geneva General Agreement on Tariffs and Trade will not be molested in the slightest. The administration does not have to bring the General Agreement on Tariffs and Trade to the Congress. It is not bringing it, and it never will bring it. Naturally it would meet the same fate as the International Trade Organization. Did that affect GATT? If we had approved the International Trade Organization we would have approved GATT, but we did not approve it and did not touch GATT. The same question is before us today, and everyone goes blithely along.

STATE DEPARTMENT SETS UP "KANGAROO COURT" OVER TRADE ACT

Mr. President, in the pending case, on the question of the constitutionality of the 1934 Trade Agreements Act, the administration is attempting, first, to have the case dismissed, and, second, if not dismissed, shunted into an inferior and special court that could not pass on the constitutionality of the trade act if it wanted to.

Instead of submitting one of the most important issues confronting American industries, investors, and wage earners today to a constitutional court, the administration is putting out such propaganda pap to the Congress as the State Department memorandum I previously referred to, which states blandly that in an examination of the question by the State Department, sitting as a kangaroo court, the State Department court has concluded that the act does not involve an unconstitutional delegation of power to the President, and that the Trade Agreements Act goes no further than numerous previous enactments, a prem-

ise that has been debunked completely by the report I have had unanimous consent to insert in the RECORD.

Mr. President, I have contended throughout my 9 years in the service of the United States Senate that the 1934 Trade Agreements Act is unconstitutional.

Certainly if it is not unconstitutional, it is unwise for the Congress of the United States, including the great body of Senators, to transfer to the executive branch of the Government the constitutional responsibility of Congress to the people of the United States without going through the formality of amending the Constitution.

NO ADMINISTRATION HAS HAD COURAGE TO DEFEND CONSTITUTIONALITY OF TRADE ACT IN COURTS

I have contended that GATT is unconstitutional.

I still contend that the Trade Agreements Act and GATT are unconstitutional; and my belief is fortified by the fact that the executive branch has never had the courage to propose or condone a test of their constitutionality in the courts.

Mr. President, the people of the United States, the wage earners in stricken industries, the investors in these industries, and the industries themselves are entitled to an answer to the question of the constitutionality of the act that is destroying them, and they are entitled to that answer from the constitutional courts.

FLOOR SPEECH OF FEBRUARY 28, 1955, RECALLED

I stated in a floor speech in the Senate on February 28, 1955:

PEOPLE ENTITLED TO KNOW

Mr. President, whatever the Court's decision in the pending case, the people are entitled to have it, and soon. They have never had it either on the controversial Trade Agreements Act or on the General Agreement on Tariffs and Trade; that organization meets in Geneva. The idea of the organization is to divide the markets of the United States with the markets of the world. That is the goal toward which it works.

If the President's power under these two destructive devices is constitutional, then let the Court, and the Court alone, tell the people.

STATE DEPARTMENT REPRESENTS INTERESTS OF NO STATE, COUNTY, OR PRECINCT

If it is contended that GATT and the Trade Agreements Act are constitutional, then the people will have to be told that the President, whoever he may be, wields the commerce power, not the elected representatives of the people.

There was obviously a reason for the Constitution of the United States prescribing that the Congress should fix duties or tariffs and regulate foreign commerce and trade, because every precinct in the United States is represented in the Senate and the House of Representatives. What precincts are represented in the State Department, as it is now constituted, or as it has been constituted for 22 years? None, Mr. President; the people have no say in the present procedure.

If the Supreme Court should hold GATT and the Trade Agreements Act constitutional then the Court must tell the people that the President wields the taxing power, the tariff power, and the treatymaking power without any check or balance by the Congress.

It will have to say that the President wields supreme power over jobs, investments, industries, and business, and over the Nation's economy, national defense, and national security; and that he wields the power to destroy these jobs, investments, and economy for the benefit of foreign interests through trade treaties turning over American markets to low-wage, low-tax foreign competitors.

FOREFATHERS WROTE CONSTITUTION FOR AMERICANS, NOT FOREIGNERS

The Supreme Court will have to say that these powers may be exercised by the President with the advice and consent of the State Department and its free trade lobbyists; not with the advice and consent of Congress, as required by the Constitution.

I do not think the Supreme Court is going to say that.

The patriots and statesmen who wrote the Constitution wrote it for Americans, not foreigners.

They wrote it to preserve the independence of Americans from despotism, both foreign and domestic.

The Founding Fathers of our Government conceived and declared a separation of powers into legislative, executive, and judicial branches of our Government, and assigned to each its constitutional duties and responsibilities.

DELEGATION OF LEGISLATIVE POWERS TO PRESIDENT PROHIBITED

Under the Constitution they permitted no branch of Government to delegate its powers, as Congress has attempted to do under the Trade Agreements Act.

The New Deal Congress of 1934 sought to amend and repeal the Constitution of the United States when it passed the Trade Agreements Act.

It sought to transfer its duties and responsibilities under the Constitution to the President, who in turn shifted them to the State Department.

The State Department has used these powers, wrongfully delegated in my opinion, to remake the industrial map of America, destroy certain industries, and transfer the jobs of men and women working in these industries to foreign labor on foreign soil.

COURTS HOLD FINAL DECISION IN PENDING TEST CASE

Mr. President, that speech was made at the time the suit was filed in the United States district court, and when it was believed that the administration would be willing, if not eager, to sanction the case to proceed in the normal judicial way through the constitutional courts to the United States Supreme Court which could make the final and ultimate determination.

What the administration has done, instead, is to attempt to thwart any trial of the case on its merits, any test of the constitutional issue, any normal judicial procedure in a constitutional test case, a test case on which the economy and the security of the Nation may well depend.

They have turned the immediate question now from whether or not the 1934 Trade Agreements Act and GATT are constitutional, to whether or not the constitutionality issue may even be considered in our constitutional courts.

The administration, speaking through attorneys in the Justice Department, says not. The plaintiff says it can.

The courts have not yet spoken. It is my hope and belief, Mr. President, that the courts, the guardian of our legal rights and liberties and a separate and equal branch of our Government, will act in accordance with article III of the Constitution of the United States, and weigh the constitutional issues involved solely on their merits. In the interest of right and justice, it should unequivocally deny the Justice Department's motion to dismiss.

"THE YEAR OF DECISION"

Mr. President, I said further in my remarks on February 28, 1955:

This is the year of decision. The suit will break through the sound barrier and down by the State Department in cooperation with foreign nations with low-cost production, low wages, low taxes, and other trade advantages.

CONSPIRACY TO DESTROY AMERICAN WORKINGMEN AND SMALL INVESTORS

The 1934 Trade Agreements Act could be called a conspiracy to destroy the workingmen and the small investors of the Nation; and to destroy our ability to defend ourselves by making the United States dependent upon foreign nations, across the major oceans, for the critical materials without which we cannot fight a war or live in peace.

The time is long past when we should have had such a clear-cut court test as the suit being instituted today will afford.

EXCERPTS FROM MALONE ADDRESS OF APRIL 1, 1955

Mr. President, on April 1, 1955, I also discussed the constitutionality of the 1934 Trade Agreements Act on the floor of the United States Senate, and I said:

Mr. MALONE. Mr. President, on the subject of foreign trade, the Congress is so far away from the dog that bit it through the passage of the 1934 Trade Agreements Act that it does not recognize its own constitutional responsibility.

CONGRESS TRAINED IN SHIFTING RESPONSIBILITY

After 21 years, the habit of shifting congressional constitutional responsibility to the President whenever he so demands has become almost automatic.

A DOMINATED CONGRESS—1934

In 1934 a browbeaten Congress tied the regulation of the domestic economy to the foreign policy negotiations for the first time since the Constitution pointedly separated them in 1789.

SIT STILL AND REGAIN CONSTITUTIONAL RESPONSIBILITY

It seems almost impossible for Members of Congress to realize that if they would only sit still and not pass any extension of the 1934 Trade Agreements Act, the American workingman and investors would be back in business.

1934 TRADE AGREEMENTS ACT SET INDUSTRY AGAINST INDUSTRY

The Congress, through passage of the ill-fated Trade Agreements Act, set industry against industry, and workingmen's groups against other workingmen's groups, in a mad scramble to survive and save themselves from extinction through special dispensations or amendments excepting their own domestic product, while other products, industries, and workers were to be sacrificed on the altar of a one-economic-world foreign policy.

DICTATOR-CONTROLLED DOMESTIC ECONOMY AND FOREIGN POLICY

By 1776 George Washington, Thomas Jefferson, Benjamin Franklin, and others had been pushed around so long by kings and dictators, who by executive order could regulate both the domestic economy and the foreign policy, that they determined, through the Constitution of the new Republic, that it should never again happen to Americans.

Article I, section 8 of that immortal document says, in simple and direct language, that "the Congress shall have power to lay

and collect taxes, duties, imposts, and excises"—which we know as tariffs and import fees—"to regulate commerce with foreign nations, and among the several States.

Article II, section 2, provides, in the same straightforward language, that the President "shall have power to make treaties."

And he "shall appoint ambassadors, other public ministers and consuls."

Treaties are made subject to ratification by vote of two-thirds of the Senators present and voting.

TIED DOMESTIC ECONOMY TO FOREIGN POLICY

Under the 1934 Trade Agreements Act, the constitutional responsibility of Congress to regulate the domestic economy through the laying of duties or tariffs and of regulating foreign commerce—trade—was transferred bodily to the executive branch of the Government. Under that act as amended, the President could lower the duties a total of 75 percent on any product, without regard to the difference in cost of production due to our wage-living standards and other costs here, as compared to low-wage foreign costs.

He is now asking for an additional 3 years' authority to lower the duties 15 percent more.

CONSTITUTION AMENDED BY SIMPLE ACT OF CONGRESS

The Constitution was thus amended through the simple act of Congress, and the President, thenceforth, was in a position to trade the domestic economy for foreign policy, which he has proceeded to do, thereby undertaking to remake the industrial map of this Nation, as the Chief Executive has done since 1934.

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

Mr. MALONE. I am glad to yield to the distinguished Senator from Idaho.

Mr. WELKER. I am sorry that I did not hear all of the distinguished Senator's speech. On behalf of the people of Idaho, I congratulate him on the profound research that has gone into the preparation of his speech and on the great ability with which he is informing the American people on the great problem facing them today. It has been my great experience to have been associated with the Senator from Nevada ever since I have been a Member of this great body. I say to the distinguished Senator from Nevada that he has done a great job. I say to him, "Well done." Some Senators find it more convenient to be elsewhere. I, for one, am sorry that I could not have heard all of his masterful address, and I once again reiterate that I congratulate him on the truly great Americanism of his America First speech.

Mr. MALONE. I thank the Senator from Idaho.

CONSTITUTION SPECIFIED POWERS OF ALL THREE BRANCHES OF GOVERNMENT

I also said on the Senate floor in my speech of April 1, 1955:

WRITERS OF THE CONSTITUTION DID NOT TRUST ANYONE

There was a definite basis, in addition to the separation of powers, for lodging the regulation of the domestic economy in the legislative branch. Every precinct in the Nation is represented on the Senate and House floor, and they would accept no principle that would favor the development of one area of the country over another for any reason.

The writers of the Constitution did not trust any man or group of men, including themselves. They not only wrote the Constitution defining the powers of the three branches of Government, but they wrote a Bill of Rights specifically spelling out what it meant in important particulars.

Nowhere do we find in the Constitution or Bill of Rights a way to amend the Constitution of the United States without submitting it to the people. It belongs to them.

EVEN IF CONSTITUTIONAL IT WOULD BE UNWISE

Mr. President, even if it were constitutional, which many believe it is not, to transfer to the President the regulation of domestic economy and the regulation of foreign commerce, it would be unwise.

SUIT NOW PENDING IN UNITED STATES DISTRICT COURT

There is a suit now pending against the Secretary of the Treasury by Morgantown Glassware Guild, Inc., in the United States district court, alleging that it is unconstitutional. Also that participation in the General Agreements Tariffs and Trade is unconstitutional. I hope the Senate will refuse to extend the 1934 Trade Agreements Act and that the legislative branch of our three-branch Government will resume its constitutional responsibility to the people of the United States of America.

Mr. President, since these remarks were made on the Senate floor the Congress has extended the 1934 Trade Agreements Act which is the basic cause of these wrongs which the Morgantown Glassware Guild, Inc., complains of and which are injuring thousands of other industries throughout the United States.

COURTS SHOULD CORRECT MISTAKES OF PAST

My hope continues, however, that the courts will right these wrongs and that, as I stated on April 1, 1955, the legislative branch of our three-branch Government will resume its constitutional responsibility to the people of the United States of America.

JENNER-MALONE DEBATE CITED

Mr. President, on May 4 of this year during the course of the debate on H. R. 1, there was a very interesting interchange between the distinguished Senator from Indiana [Mr. JENNER] and myself. He said:

We took an oath as Senators. Can the Senator explain to me how we are living up to that oath when, by this piece of legislation, we are delegating to the executive branch of Government the authority given to us by the Constitution? Is not that an unconstitutional act? Is not that a violation of our oath as Senators and Representatives of the people of the United States?

In reply I stated:

I will say to the distinguished Senator from Indiana that this is the ninth year I have served in the Senate. I came here the same year as the distinguished Senator from Indiana arrived in the Senate. We were both freshmen together. Almost immediately we were plunged into this administration fight to continue the distribution of our markets among the foreign low-wage-standard-of-living nations.

The whole program is designed to distribute the wealth of this Nation among the countries of the world to average the living standards—which means materially lowering our own.

This is done first by distributing our markets throughout the world through the 1934 Trade Agreements Act, which has come up for extension every 3 years until 1951 when we cut the extension to 2 years, and then in 1953 to 1 year.

Second, it is taking from our taxpayers billions of dollars without any quid pro quo, without any return. The foreign nations will string along as long as we write the checks. When we run out of money they will back away. The whole thing has degenerated into a blackmail scheme. We are now at their mercy. They say "we will retaliate if you try to protect your own workingmen and investors."

Mr. WELKER. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield.

Mr. WELKER. Will the Senator inform me how it is humanly possible for them to retaliate? Is not that simply a bluff?

FOREIGN NATIONS RAISE TRADE, EXCHANGE BARRIERS AGAINST AMERICAN PRODUCTS

Mr. MALONE. I would say to the distinguished Senator that they have already retaliated. Practically every one of those countries, the record will show, manipulate their money, the prices of their money, in terms of the dollar. We have to have permits in order to get the exchange. We have to have permits for imports. We have to go on bended knee, and if there is one iota of production in the country involved we cannot get the exchange permit or the import permit. In order to get an automobile to Great Britain it costs half the price of the automobile to pay the duty, because they make automobiles. Even then they limit imports of American automobiles to a quota of only 650 cars annually.

A Chevrolet laid down in Britain, if it could be entered there at all, would cost the purchaser approximately $6,000, according to testimony presented at recent hearings.

I have said before, and I now repeat, that I am a great admirer of the British, on two counts, at least. First, they are brave. Second, they are for England. They sit down in a conference with those things well known by everyone, and if they do not win they do not sign. We think that when we go into a conference we have to sign something, regardless of what it is. Only recently when the Senate had before it the Austrian Treaty, it was stated that we must ratify the treaty, because it was the best we could obtain.

ITALIAN TREATY PROVISIONS AIDED COMMUNISTS

I go back to the Italian Treaty, in 1947. I stood on the floor for an hour, developing the treaty and showing what it would do to Italy and what it would do to us if we had to make up the deficit, because there would be 200,000 Italians working for years to process materials for Russia, Yugoslavia, and other nations, to the tune of several hundred million dollars. But the Senate went right ahead, because General Marshall said, "We must sign this treaty, because it is the best that Russia will let us have."

We are still saying the same thing.

Mr. WELKER. Has not the great Senator from Nevada, a man with whom I have ridden the range and whom I have known personally for many years, overlooked the fact that we can buy friendship abroad?

Mr. MALONE. If we can, it is not evident.

Mr. WELKER. Of course it is not. Name me how many friends we have bought abroad.

ALLIES SELLING GOODS PRODUCED IN PLANTS WE FINANCED TO THE COMMUNISTS

Mr. MALONE. What we are doing now is exactly what they have done since the close of World War II. All the nations of Europe which we financed built their industrial plants and are selling goods to Russia to build up for war against us or any other nation. They have recognized Communist China, practically every one of them, England being among the first.

Mr. WELKER. Tito is a great ally; is he not?

Mr. MALONE. Oh, yes. He is sitting there working Russia against the United States. As a matter of fact, he is not the only one.

Mr. WELKER. Does the Senator recall how many millions of dollars we appropriated a few weeks ago to Mr. Tito, who likes to be known as a Communist, but as a different kind of a Communist?

Mr. MALONE. I do not blame Mr. Tito so much. I blame ourselves for being so easy. Tito is right there under the gun. What could he do if war were declared? He would have to go with Russia, just as the other countries near Russia would have to do, and just as the ones who are near us would have to go with us. He could not be neutral.

UNITED STATES FINANCES POTENTIAL FOES

We finance our own opposition, just as we did in sending scrap iron and petroleum to Japan before World War II. In 1938 I had an office in San Francisco. I was consulting engineer on the Central Valley project before that time, and on other projects in California. I could see from my office window at 111 Sutter Street the scrap iron and petroleum going out in ships to Japan. The American Legion, Veterans of Foreign Wars, and others screamed to high heaven. But what did they get? Nothing.

When the war came, that same scrap iron was fired back at our boys, costing us many casualties.

So we built up our opposition, just as we always do; and when the time comes, we will find ourselves fighting alone, as we did in that monstrosity which was called a police action, in Korea, where a million soldiers went from the United States and probably 30,000, altogether, from all our allies.

Mr. President, I wish now to quote from another address:

THE WRITERS OF THE CONSTITUTION HAD BEEN THROUGH THE MILL

Now I come to the Senator's question. Those old patriarchs of Americanism, Washington, Jefferson, Benjamin Franklin, and others, had been through all that any human being could possibly go through and live. They had been pushed around by experts. They had been pushed around by the King of England and by the lords of England who owned land on this continent—kings and lords who had no restriction at all on their power, and who had at their fingertips the regulation of the domestic economy and the foreign trade and the fixing of the foreign policy. All power was vested in one executive.

Our Founding Fathers were so fed up with it, and so, covered by scars, they resolved that it would never again happen to this Nation.

DOMESTIC ECONOMY AND FOREIGN TRADE POINTEDLY SEPARATED FROM FOREIGN POLICY

They pointedly separated the regulation of the domestic economy and foreign trade from the fixing of the foreign policy; so that no one ever again could trade sectors of the country's domestic economy for some fancied foreign policy that some one man might conclude would be good for the Nation.

Therefore, article I, section 8, of the Constitution states specifically that the Congress of the United States, the legislative branch of the Government, shall adjust the duties, imposts, and excises, which we call tariffs or import fees. The Founding Fathers provided that the Congress shall regulate the national economy and that it shall regulate foreign trade. They then stipulated in article II, section 2, of the Constitution that the President must negotiate and fix foreign policy.

Abraham Lincoln said that those duties or tariffs, in addition to raising revenues, should be regulated on a basis of the development of the whole country. Those are not the exact words, but I have read the exact words into the RECORD earlier today. We have followed that policy, as a Republican Party, for more than a century of time. This is the first time that we have had a Republican President who advocates the abandonment of that policy—and advocates the remaking of the industrial map of the United States in the image of the one economic world.

I do not blame the President; I wish to say at this point he believes he is right, he has integrity. However, he has been wrongly advised. He is being advised by the economic one-worlders. The international lawyers and the American companies and corporations who are big enough and of such a nature that they can go behind the low-wage curtain and establish industries using the low-cost labor and send the stuff into the American markets.

THREE BRANCHES OF GOVERNMENT

We have three branches of Government set up by the Constitution.

The President, representing the executive branch, is not supposed to push the legislative branch around, and we are not supposed to push the Executive around. He is our President and we are his Congress—each should respect the other and discharge our duties in accordance with the Constitution.

Mr. JENNER. However, it is our constitutional duty not to delegate this power and authority to the Executive. Is that correct?

Mr. MALONE. That is correct. Congress amended the Constitution in 1934 by a simple act of Congress. Our Republican President is asking us to continue the violation.

Mr. JENNER. When we do that we violate our oath as Senators. Is that correct?

Mr. MALONE. That is absolutely correct. The executive branch of our Government as represented by Mr. Dulles showed utter contempt for the legislative branch in his testimony before the Senate Finance Committee.

Mr. JENNER. That is what I wanted to know.

Mr. MALONE. I want to say further that under article II, section 2, of the Constitution, the President is given the authority to regulate foreign policy, but under article I, section 8, Congress is charged with the responsibility of regulating the domestic economy and foreign trade.

In 1934 Congress deliberately and, by a simple act of Congress, amended the Constitution of the United States, and put the power in the hands of the Executive to trade any sector of the American economy or markets to foreign countries for a fancied political advantage. That is what that act does. He may remake the industrial map of the Nation in the image of one economic world, regardless of any unemployment and loss of investments it may cause.

Mr. JENNER. I thank the Senator.

EXCERPTS OF SENATOR MALONE'S ADDRESS OF MAY 2, 1955

Mr. President, I also discussed the constitutionality of the 1934 Trade Agreements Act in my floor speech of May 2, 1955, and in a minority view to H. R. 1 opposing extension of the 1934 Trade Agreements Act.

In the former I said:

Mr. President, the Constitution of the United States, recognizing the temptation to barter the domestic economy for foreign policy considerations, pointedly separated the responsibility for the regulation of the domestic economy and foreign trade from the fixing of foreign policy.

The first is delegated to the legislative branch under article I, section 8; and the second is definitely the responsibility of the executive branch, under article II, section 2.

DOMESTIC ECONOMY TIED TO FOREIGN POLICY

The 1934 Trade Agreements Act tied the two together under the President through the simple expedient of transferring the regulation of the domestic economy and foreign trade from the Congress to the President. It effectively amended the Constitution without submitting the amendment to the people, and constituted one more link in the 22-year chain of the transfer of the legislative power of Congress to the executive branch.

The act places in jeopardy every product or industry in this Nation needing protection to maintain our wage standard of living as compared to the lower wage standard of living of foreign nations.

Prior to the 1934 Trade Agreements Act the century-old principle of adjusting the duties or tariffs on the basis of fair and reasonable competition was to develop the whole country and industries alike. Now, under the principle of including international political considerations, the President may trade any sector of the American economy for an international political purpose if in his judgment the overall interests of this Nation are benefited.

NATIONAL ECONOMY—BASIC SECURITY

Mr. President, an amendment to H. R. 1 was accepted, in the Senate Finance Committee, providing that if the Office of Defense Mobilization, which Mr. Flemming heads, reports to the President that imports are endangering the security of the Nation, the President may investigate, and if he finds as a fact that the security is endangered, then he may arrange quotas or safeguards.

Mr. President, any imports from the nations of the Western Hemisphere will not seriously impair the security of our Nation, but such imports may seriously impair the national economy upon which the basic security of this Nation is founded.

FLEXIBLE DUTY—IMPORTS

Mr. President, a flexible duty or tariff, adjusted on the basis of fair and reasonable competition, does not prevent imports; it simply brings the imports in when they are needed on the basis of our own wage standard of living.

STATE OF NEVADA CHALLENGES CONSTITUTIONALITY OF TRADE ACT

Mr. President, the State of Nevada, through its legislature, has expressed itself vigorously on the subject of the constitutionality of the 1934 Trade Agreements Act. Other States have adopted similar resolutions on the subject, but I shall quote at this time only from the resolution of the great State which I have the honor to represent, in part.

The resolution, adopted this year at the recent session of the legislature, states in part:

Whereas article I, section 8, of the Constitution of the United States requires that Congress should lay duties, imposts, and excises and regulate foreign commerce, but the Congress of the United States has abrogated its constitutional duties by virtue of the Trade Agreements Act of 1934 by transferring the duty of fixing tariffs to the executive department of the Government which has, in turn, carried out policies inconsistent with the welfare of American agriculture, industry, and commerce.

Mr. President, the resolution in its entirety is so pertinent to the entire issue that I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

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

TEXT OF NEVADA RESOLUTION

Assembly joint resolution memorializing the Congress of the United States to allow the 1934 Trade Agreements Act to expire on June 12, 1955, so that the regulation of foreign trade and the laying of tariffs and import fees will immediately vest in Congress as the Constitution requires and thereby stop the lowering of the American standard of living by the importation of foreign-made goods

Whereas the legislature of the State of Nevada is aware of the fact that the selective so-called free trade policy, adopted by the State Department of the United States under the provisions of the Trade Agreements Act of 1934, is lowering the American living standard through the lowering of wages and is causing unemployment and a subsequent decline of the demand for minerals, agricultural products and other commodities produced in the State of Nevada; and

Whereas the indiscriminate lowering of import fees and tariffs without regard to the differential between the costs of production, due largely to the difference in living standards of this Nation and foreign competitive nations, has a demoralizing effect on the mining and agricultural markets of this country and thereby causes unemployment and loss of labor; and

Whereas the State of Nevada is in a particularly vulnerable position in attempting to compete with foreign sweatshop labor because the products produced in Nevada, such as livestock, wool, tungsten, lead, zinc, copper, mangnesite, chemicals, manganese, mercury, silicon, and many others, are readily importable at a lower cost from sources outside of this country under the so-called Reciprocal Trade Act, all to the great detriment and economic hardship of this State; and

Whereas many mining companies in the State of Nevada are practically shut down and almost all of the zinc miners are out of work and the cattle industry is being endangered because our ranchers cannot compete with the importation of hides, beef, or live cattle from Argentina or Mexico; and

Whereas the haphazard lowering of the floor under wages and investments represented by the tariffs and import fees destroys American workingmen and shifts their jobs to foreign soil; and, as a result, many of our mines, mills, and factories have been closed and our farm production saved only by subsidies; and

Whereas those industries which depend upon the power of Hoover Dam and Davis Dam are in danger because similar products are being imported at a price less than production costs in this State; and

Whereas the Nevada wool industry has found it impossible to compete with the importation of wool from Australia, New Zealand and elsewhere; and, for the first time, the wool industry of Nevada is only being saved from destruction by the use of subsidies; and

Whereas it is essential to the protection of the American standard of living that world trade should only be on the basis of fair and reasonable competition and based on the principle that foreign products produced by underpaid labor should not be admitted to this country on terms which endanger the living standard of our workers, farmers, and miners; and

Whereas article I, section 8, of the Constitution of the United States requires that Congress should lay duties, imposts, and excises and regulate foreign commerce, but the Congress of the United States has abrogated its constitutional duties by virtue of the Trade Agreements Act of 1934 by transferring the duty of fixing tariffs to the executive department of the Government which has, in turn, carried out policies inconsistent with the welfare of American agriculture, industry, and commerce; and

Whereas the free trade policies fostered by the State Department under the 1934 Trade Agreements Act have resulted in our dependence upon foreign nations across one or both major oceans for many of the materials and minerals which we would need to fight a war and to prepare our own defense and thus stifled the initiative to explore, develop and produce such needed materials in our own country; and after having become dependent on foreign sources for critical materials the foreign countries have been able to cause us great embarrassment by manipulation of export permits and fees so that we must bow to their demands and submit to international blackmail; and

Whereas the United States has in the last several decades only been able to prosper because of war or the threat of war and under this cover of war the industrially inexperienced State Department has been wrecking the national economy by the simple expedient of tampering with tariff or import fees so as to open the door to foreign commodities, which in turn prevents the flow of venture capital into the business stream of the Nation even in time of emergency since investors know that when the emergency is over their investment will be destroyed through foreign sweatshop labor competition; and

Whereas it is mandatory to the future economical growth and development of this country, and Nevada in particular, that the 1934 Trade Agreements Act be allowed to expire on June 12, 1955, so that Congress can immediately recover its constitutional responsibility to regulate foreign trade through the adjustment of tariffs and import fees, and with such an expiration of the act the so-called trade agreements already made and in effect will in no way be affected but will continue in effect for their full terms: Now, therefore, be it

Resolved by the assembly and senate of the State of Nevada (jointly), That the legislature of the State of Nevada most respectfully memorializes the Congress of the United States to stop the dreadful deterrent to American economic well-being and the lowering of our standard of living and that it return to its traditional and constitutional method of fixing tariffs based on the principle of protecting American industry, agriculture, and commerce by allowing the 1934 Trade Agreements Act to expire by its own force and limitation on June 12, 1955; and be it further

Resolved, That until the expiration of the agreement, the Department of State should exercise its powers in fixing tariffs only in accordance with the traditional principles of American policy as set forth in this resolution until such time as the responsibility for regulating foreign commerce be vested where it belongs, in the Congress of the United States; and be it further

Resolved, That the Congress of the United States after June 12, 1955, should set up a flexible import fee which would be based upon fair and reasonable competition administered by a reorganized and experienced tariff commission functioning much in the same manner as the long-established Interstate Commerce Commission so that the market for foreign goods in this country would be based on a fair and reasonable competition with our own agricultural, industrial and mining production; and be it further

Resolved, That copies of this resolution, duly certified by the secretary of state of the State of Nevada, be promptly transmitted by him to the President and Vice President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Secretary of State and the Secretary of Commerce, and to the United States Senators and Congressman from Nevada.

LEGISLATIVE POWERS OF CONGRESS WHITTLED FOR PAST 22 YEARS

Mr. MALONE. Mr. President, for 22 years the executive branch of our Government has attempted to scuttle the legislative powers of Congress and to deny the protection of the Constitution to investors, wage earners, and producers of America.

An early target was the constitutional power of Congress to lay and collect duties, meaning tariffs, and the power to regulate our commerce with foreign nations—powers specifically given to the Congress in article I, section 8.

These powers were surrendered to the Executive by Congress itself, at administrative request. They have been surrendered and resurrendered every 1 to 3 years, and were resurrendered again this year through H. R. 1.

The constitutional power of the United States Senate to participate in treaty-making was done away with also in the Trade Agreements Act with respect to trade treaties, although the Congress had forfeited its treatymaking powers in many matters previously.

RUSSIA RECOGNIZED BY EXECUTIVE AGREEMENT

For example, the late President Roosevelt recognized Soviet Russia in 1933 without seeking the advice and consent of the Senate or without submitting this fateful treaty to ratification by two-thirds of the Senate Members present.

Instead, President Roosevelt employed the simple but palpably dishonest device of calling a treaty an executive agreement. This was done to bypass the Senate of the United States and the 48 States it represents under our republican form of government.

The same deceptions have been used in all of the trade agreements since 1934, including those arranged at Annecy, Torquay, and Geneva, where American jobs and markets were surrendered to 33 foreign nations, including Communist Czechoslovakia.

TREATY POWERS ERASED—"AGREEMENT" SUBSTITUTED

Successive administrations, dedicated to remaking the Constitution in their own image and destroying such parts of it as may conflict with executive ambitions, have weaseled out of their obligations under article II, section 2, of the Constitution by pasting the word "agreement" over "treaty in all treaties with

foreign governments connected in any way with trade.

Trade treaties with 33 foreign nations under which more than 55,000 concessions have been made in the past 8 years are not called treaties at all but a general agreement on tariffs and trade, more commonly known as GATT.

GATT is, of course, a treaty by any and every definition except the one invented by the State Department to give it autocratic power over the economy of the Nation, and the administration knows it. Yet GATT has never been before Congress or the Senate for approval or rejection.

Nor were the 29 bilateral trade treaties negotiated by the State Department prior to GATT and under the 1934 Trade Agreements Act ever submitted to the Senate.

CONSTITUTION BYPASSED BY NEW DEAL

Mr. President, in bypassing the Congress, the executive branch bypassed the Constitution. It is still seeking to bypass the Constitution by referring constitutional questions to a simple customs court.

The New Deal attempted to bypass the Constitution in the blue-eagle act of 1933, and an unpacked Supreme Court threw the act out. The New Deal attempted to bypass the Constitution in nine other acts or provisions of acts in its early years, and the Supreme Court of that day threw them out as unconstitutional.

The New Deal bypassed the Constitution in the 1934 Trade Agreements Act, but managed to avoid a test case in the courts.

Now, after 21 years, such a test is before the courts. The present administration is attempting to do what the New Deal and the Fair Deal succeeded in doing—prevent a constitutional test of the 1934 Trade Agreements Act from reaching a final determination in the courts.

CONSTITUTIONAL COURTS LAST RECOURSE OF PEOPLE

Mr. President, the constitutional courts are the last recourse of the people when another branch of Government, such as Congress, has abrogated its constitutional authority, and a third branch, the executive department, has seized it.

The constitutionality of the 1934 Trade Agreements Act affects the livelihood, jobs, investments, and security of millions of Americans. For 22 years it has been undecided, it has been debated, disputed, and discussed but never decided.

Now is the time for a decision before our trade policies and program and our national economy continue for more and more years in a legal vacuum.

COURTS SHOULD WELCOME OPPORTUNITY TO UPHOLD CONSTITUTION

The constitutional courts of the land, our third branch of Government, equal and coordinate with the other branches, should welcome an opportunity to decide, once and for all, this constitutional question. That is one of the reasons why our Founding Fathers created them.

They did not place the judicial power of the United States in the President.

They did not place it in the State Department or even in the Justice Department.

They did not place it in the Congress.

They placed it where it belongs, in the constitutional courts, separate from both the legislative and the executive, where it could safeguard the legal rights of our citizens without interference from either those who make the laws or those who execute them.

And that is where this vital case should be tried, where this constitutional test of acts of Congress and of acts of the executive department should be determined.

EXECUTIVE SESSION

Mr. GOLDWATER. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

The PRESIDING OFFICER. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

ARMY OF THE UNITED STATES

The Chief Clerk read the nomination of Lt. Gen. Isaac Davis White to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

REGULAR AIR FORCE

The Chief Clerk read the nomination of Francis Leonard Castillo for appointment in the Regular Air Force.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATIONS WHICH WERE FAVORABLY REPORTED AND PLACED ON THE VICE PRESIDENT'S DESK WITHOUT PRINTING

The Chief Clerk proceeded to read the nominations of Beal G. Dolven, Jr., and 1,921 other officers for appointment in the Navy.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. GOLDWATER. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Under the order previously entered, when the Senate concludes its business today, it will stand in adjournment until 12 o'clock tomorrow. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM FOR TOMORROW

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to state that as early as possible tomorrow Senators will have on their desks Senate Resolution 116 and a report thereon from the Foreign Relations Committee. The resolution is the one submitted by the junior Senator from Wisconsin [Mr. McCARTHY]. I have talked to the distinguished minority leader, and if the report is available, as we expect it to be, unless the Printing Office breaks down tonight, it is planned to consider the resolution, discuss it, and I shall ask for the yeas and nays on the disposition of the resolution. It is not planned to discuss the resolution this evening, or to take any further action this evening, but I should like to have the RECORD show, so that all Senators may be on notice, that it is planned to discuss it tomorrow.

Mr. President, the Senate will also consider on tomorrow Calendar No. 522, Senate bill 972, amending the Home Owners Loan Act of 1933; Calendar No. 363, Senate bill 922, amending the Domestic Minerals Program Extension Act of 1953, to which I call the attention of the Senator from Arizona [Mr. GOLDWATER]; Calendar No. 588, Senate bill 1585, providing for the return to the town of Hartford, Vt., of certain land which had been donated to the United States.

If the Senator from Delaware is agreeable, it is planned to proceed to the consideration of Calendar No. 363, Senate bill 922. The report will be available tomorrow. I assured the Senator from Delaware we would give him another day in order to enable him to get a reply to his inquiry. But I wish the Members of the Senate to be on notice, in case I choose to ask to have the Senate proceed to consider that bill tomorrow.

Mr. GOLDWATER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. GOLDWATER. It will be necessary for me to be absent late tomorrow afternoon, possibly from 4 o'clock on. So I suggest that consideration of the bill be held over until the following day. I have not heard from the Senator from

Delaware that the report on the bill has been filed.

Mr. JOHNSON of Texas. I assure the Senator from Arizona that I shall not attempt to take advantage of him or to have legislative measures in which he is interested taken up in his absence.

Let me inquire when the Senator from Arizona will return?

Mr. GOLDWATER. Tomorrow night.

Mr. JOHNSON of Texas. I assure the Senator from Arizona that we shall wait on him.

However, I wish to state that these bills are ready for consideration by the Senate. I desire to make this statement, so that all Senators will have notice that these measures are ready to be taken up by the Senate.

I include in this announcement Calendar No. 361, Senate bill 51, to amend the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes"; and Calendar No. 243, Senate bill 256, to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association.

From time to time, additional announcements will be made, Mr. President, because I wish to give all Senators as much notice as possible.

The PRESIDING OFFICER. What is the pleasure of the Senate?

DISCUSSION AT THE GENEVA CONFERENCE OF THE STATUS OF NATIONS UNDER COMMUNIST CONTROL

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 116, favoring discussion at the coming Geneva Conference of the status of nations under Communist control. I wish to have that resolution made the unfinished business.

The PRESIDING OFFICER. The resolution will be read by title.

The CHIEF CLERK. A resolution (S. Res. 116) favoring discussion at the coming Geneva Conference of the status of nations under Communist control.

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

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 116) favoring discussion at the coming Geneva Conference of the status of nations under Communist control, which, on June 20, 1955, had been submitted by Mr. McCARTHY; and, on June 21, 1955, had been reported adversely from the Committee on Foreign Relations.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I now move that the Senate adjourn.

The motion was agreed to; and (at 7 o'clock and 11 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, June 22, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 21 (legislative day of June 20), 1955:

UNITED STATES CIRCUIT JUDGE

Warren E. Burger, of Minnesota, to be United States circuit judge, District of Columbia circuit, vice Harold M. Stephens, deceased.

UNITED STATES DISTRICT JUDGES

Hon. Thurmond Clarke, of California, to be United States district judge for the southern district of California, to fill a new position.

Ronald N. Davies, of North Dakota, to be United States district judge for the district of North Dakota, vice Charles J. Vogel, elevated.

George S. Register, of North Dakota, to be United States district judge for the district of North Dakota, to fill a new position.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21 (legislative day of June 20), 1955:

ARMY OF THE UNITED STATES

GENERAL

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank of general:

Lt. Gen. Isaac Davis White, O15080, Army of the United States (major general, U. S. Army).

REGULAR AIR FORCE

The following-named graduate, United States Naval Academy, class of 1955, for appointment in the Regular Air Force, in the grade of second lieutenant, with date of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

Francis Leonard Castillo

IN THE NAVY

The nominations of Beal G. Dolven, Jr., and 1,921 other officers for appointment in the Navy, which were confirmed today, were received by the Senate on June 10, 1955, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Beal G. Dolven, which appears on page 8009, and ending with the name of John R. Johnson, which is shown on page 8014.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 21, 1955

The House met at 12 o'clock noon.

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

Almighty God, may our morning prayer be one of praise and adoration, for Thy greatness is unsearchable and Thy faithfulness reaches unto the clouds.

We extoll Thee for Thou art gracious and full of compassion, slow to anger and of great mercy, righteous in all Thy ways and holy in all Thy works.

Thy kingdom is an everlasting kingdom and Thy dominion endureth throughout all generations.

Grant that daily we may be mindful of Thy divine providence and of Thy love which will not fail and never let us go.

Help us to believe that Thou wilt fulfill the desires of all who fear Thy name and not withhold from us any needed blessing if we do justly, love mercy, and walk humbly with the Lord.

Hear us in the name of the Christ, our Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1062. An act for the relief of Luigi Cianci;

H. R. 1081. An act for the relief of Anna Tokatlian Gulezian;

H. R. 1086. An act for the relief of Mayer Rothbaum;

H. R. 1108. An act for the relief of Rose Mazur;

H. R. 1165. An act for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt;

H. R. 1664. An act for the relief of Charles Chan; and

H. R. 4650. An act to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 947. An act for the relief of Carl E. Edwards;

H. R. 1085. An act for the relief of Moses Aaron Butterman; and

H. R. 4853. An act to authorize the sale of certain lands in Alaska to the Pacific Northern Timber Co.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 80. An act for the relief of Nicholas Neapolitakis;

S. 176. An act for the relief of Gerda Irmgard Kurella;

S. 186. An act for the relief of Spirodon Karousatos;

S. 561. An act for the relief of Feliciano C. Mendoza;

S. 562. An act for the relief of Charles F. Garriz;

S. 606. An act for the relief of Gisela Hofmeier;

S. 664. An act for the relief of Mecys Jauniskis;

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic);

S. 1571. An act to authorize voluntary extensions of enlistments in the Army, Navy, and Air Force for periods of less than 1 year;

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes;

S. 1725. An act to repeal two provisions of law requiring that certain military personnel shall be paid monthly;

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger;

S. 1884. An act for the relief of Gertraut Hildegarde Marie Hubinger and Franz Hubinger;

S. 1993. An act authorizing the installation of additional elevators in the Senate wing of the Capitol;

S. 2135. An act to provide for the suspension of certain benefits in the case of members of the Reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, or for other purposes; and

S. 2266. An act to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6042. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. HAYDEN, Mr. RUSSELL, Mr. HILL, Mr. BYRD, Mr. SALTONSTALL, Mr. BRIDGES, and Mr. FLANDERS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6499. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. DIRKSEN, Mr. SALTONSTALL, and Mr. KNOWLAND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) entitled "An act for the relief of Capt. Moses M. Rudy."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 67) entitled "An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes"; agrees to a conference with the House on the disagreeing votes of the two Houses thereon; and appoints Mr. JOHNSTON of South Carolina, Mr. NEELY, Mr. PASTORE, Mr. CARLSON, and Mr. JENNER to be the conferees on the part of the Senate.

TENTH ANNIVERSARY OF UNITED NATIONS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. RICHARDS. Mr. Speaker, at the opening session commemorating the 10th anniversary of the birth of the United Nations, President Eisenhower made a great speech pledging the United States to continue to "leave no stone unturned" in the search for peace. I am sure that all members of both parties in the Congress applaud the President's statement and join with him in that determination.

Many of us have become weary with the frustrations of United Nations procedures. Some have even lost faith in its workability. But to my mind, if a just and lasting peace is to come to bless mankind, it must be through this great world organization or one like it—you may call it United Nations, League of Nations, community of nations, brotherhood of nations, or whatever you choose. Through such an organization—someday, somehow—men of good will will sit around a great international conference table and settle their differences. There is no other way to preserve in this atomic age civilization as we know it.

In the meantime, I believe that this Congress is determined to see that this country is defensively strong in order that our freedom may be preserved and to assure that the way of the aggressor is made hard.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the conferees on the disagreeing votes of the two Houses on the bill H. R. 5240, the independent offices appropriation bill, have until midnight tonight to file their report.

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

There was no objection.

4-H CLUB CAMP

Mr. AVERY. 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 Kansas?

There was no objection.

Mr. AVERY. Mr. Speaker, this week is the 25th anniversary of the National 4-H Club Camp. Nearly 200 delegates from every State in the Union are in the Capital City attending this 25th National 4-H Club Convention. Although I am sure most members are familiar with the principal phases of club work among our rural youth, there are two phases of 4-H Club activity that I want to mention here this morning.

I am personally convinced that because of the educational and constructive work among our rural youth we do not have a juvenile delinquency problem in these areas. This work could not be successful nor perpetuated without the dedication of the services of over 300,000 club leaders on the local level. These leaders serve without compensation and in many cases recognition, and their sincere interest in the youth of our Nation is the inspiration that has dedicated their service to this work. There are over 2 million active members of 4-H Clubs today.

Another phase of activity in these clubs that is not recognized in a measure commensurate with the contribution it is making is the international farm youth exchange program. This program has been an impetus toward spreading the idea of 4-H Club work to foreign lands. This is particularly commendable because it is financed entirely by private contributions and is sponsored by the National 4-H Club Foundation and State extension services. My own State of Kansas has been especially active in this phase of club work as we have sent more international farm youth exchange students to foreign countries than any other State. I am proud to say there are 10 of these students leaving by boat today for Europe. I would venture to say they will promote as much or more goodwill among our friends in Europe than any other emissary from this country. We are naturally proud of these 10 students leaving for Europe, but we are also proud of 31,172 other 4-H Club members who remain at home to carry on their club work.

The main reason for the success of club work has been that it brings new, scientific ideas on farming and home economics to the young men and women of our Nation. From this beginning the program has now developed into character building as well as developing responsibility, pride of ownership, thrift, and consideration of other youths, especially those in their respective age group.

Leadership training in club work has been valuable to many of its members and our leaders of today in most agricultural organizations first learned the role of leadership in their respective 4-H Clubs.

Here in the Capital City we not only welcome the annual National 4-H Club Convention but also view with considerable interest the building that the national foundation has obtained for the national headquarters. This building was originally purchased in 1951 and was formerly the Chevy Chase Junior College. The building not only has facilities for national office headquarters but also has dormitory facilities to provide lodging for the delegates to the annual convention. The money to purchase this building was obtained by assessing each member 10 cents. The building was wanted by the Army soon after it was purchased in 1951 and has been leased to them since that time. It is hoped that the Army will not have use for the building after 2 more years and that it can be occupied by the national foundation as was originally planned.

Mr. Speaker, I am proud of the 4-H Club members from my State as I know other members are proud of the 4-H Club members from their States. I hope the visiting delegates to Washington

have enjoyed their stay with us and extend to them an invitation to visit us again at their first opportunity.

COMMITTEE ON RULES

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file privileged reports.

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

There was no objection.

DEFENSE APPROPRIATIONS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. FLOOD. Mr. Speaker, I take this time to bring to the attention of the House the fact that the other body saw fit to restore to the appropriations for the Defense Department the cut the House made in the Marine Corps. I trust the action taken by the other body when the matter returns to the House for action again will meet with the approval of the House, because, while whatever cuts were made I personally opposed vehemently, of all of those cuts I could never see where remotely or under any circumstances there was justification for any cut in this great corps, the elite corps of our combat services, the Marine Corps. I trust and hope, Mr. Speaker, that the House will concur in the action of the other body.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield.

Mrs. ROGERS of Massachusetts. It seems strange that they always try to cut the Marine Corps. They did it even through unification and did their best to eliminate it. I heartily agree with the gentleman and I hope it will stay in the bill.

Mr. FLOOD. I thank the gentlewoman.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first individual bill on the Private Calendar.

JOSEPH RIGHETTI AND MARJORIE RIGHETTI

The Clerk called the bill (H. R. 1470) for the relief of Joseph Righetti and Marjorie Righetti.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Joseph Righetti and Marjorie Righetti, of Santa Rosa, Calif., are hereby relieved of all liability to refund to the United States the sum of $557.40. Such sum represents the amount of certain payments erroneously made by the Veterans' Administration to Joseph Righetti and Marjorie Righetti under the Servicemen's Indemnity Act of 1951, by reason of the death of their son, James Chatelain. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this act.

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

JOSEPH ALFONSO

The Clerk called the bill (H. R. 2244) for the relief of the estate of Joseph Alfonso.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be and he is hereby authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the estate of Joseph Alfonso, care of Brown, Smith & Ferguson, 1305 Franklin Street, Oakland, Calif., the sum of $25,000, in full settlement of all claims against the United States Government for the death of Joseph Alfonso, sustained as the result of an accident involving a United States Post Office vehicle on February 22, 1943, at the intersection of Tegner Road and Bradbury Road, Hillmar, Calif.

With the following committee amendments:

On page 1, line 7, strike out "$25,000" and insert in lieu thereof "$15,000."

At the end of bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

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

CHARLES S. YOUNGCOURT

The Clerk called the bill (H. R. 2349) for the relief of Charles S. Youngcourt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles S. Youngcourt, of 311 First Street, Weatherly, Pa., the sum of $300, in full settlement of all claims against the United States for mustering-out pay due him as a result of his service in the Navy of the United States during World War II: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, lines 8 and 9, strike out the words "World War II" and insert in lieu thereof "the Korean conflict."

The committee amendment was agreed to.

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

GILES P. FREDELL AND WIFE

The Clerk called the bill (H. R. 2717) for the relief of Giles P. Fredell and wife.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the interest which accrued on a promissory note for $11,400 executed June 2, 1952, by Giles P. Fredell, of Cottonwood, Tehama County, Calif., and his wife, in favor of the United States of America, up to and including September 28, 1953, in the amount of $464.78 is hereby waived for the reason that the funds advanced for repairing and rehabilitating an existing irrigation facility could not be used by the borrower without the approval of the representatives of the Secretary of Agriculture, and that approval was withheld because it was subsequently demonstrated that the well would not produce a supply of water sufficient for the borrowers' needs, and the cost of any other satisfactory facility was economically unfeasible. The Secretary of Agriculture is authorized and directed to cause the proper entries to be made in the accounting records in the Department of Agriculture to effect such waiver.

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

JAMES M. WILSON

The Clerk called the bill (H. R. 4640) for the relief of James M. Wilson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James M. Wilson, of Coytesville, N. J., the sum of $4,249.85 in full settlement of all claims against the United States for the loss of household goods in a fire in the warehouse of J. E. Murray, at Geneva, N. Y., on August 28, 1952. Said household goods were stored by United States Air Force officials at Sampson, N. Y.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out the figures and insert "1,354.95."

The committee amendment was agreed to.

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

DUNCAN McQUAGGE

The Clerk called the bill (H. R. 4707) for the relief of Duncan McQuagge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (5 U. S. C. 765–770), are hereby waived in favor of Duncan McQuagge, for compensation for disability allegedly caused by his employment as a member of the Civilian Conservation Corps, in February 1937, and his claim is authorized and directed to be considered and acted upon under the remaining provisions of such act, as amended, if he files such claim with the Department of Labor (Bureau of Employees' Compensation) not later than 6 months after the date of enactment of this act: *Provided*, That no benefits except medical expenses shall accrue prior to the enactment of this act.

With the following committee amendments:

Page 2, line 1, after the word "amended,", insert "and as made applicable to enrollees in the Civilian Conservation Corps."

Page 2, line 4, after the word "act", strike out the colon and insert a period, and strike out the remainder of the bill.

The committee amendments were agreed to.

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

LT. P. B. SAMPSON

The Clerk called the bill (H. R. 6184) for the relief of Lt. P. B. Sampson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to 1st Lt. P. B. Sampson (AO–2234561), Box 172, Army Post Office 334, care of Postmaster, San Francisco, Calif., the sum of $1,139.57, in full settlement of all claims against the United States for the damages sustained by him on account of damage to and destruction of his household goods and personal effects as the result of a crash of a B–29 bomber in Guam, Marianas Islands, on December 17, 1953, for which he has not heretofore been compensated: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 3, after the word "Act", insert "in excess of 10 per centum thereof."

The committee amendment was agreed to.

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

RICA, LUCY, AND SALOMON BREGER

The Clerk called the bill (S. 29) for the relief of Rica, Lucy, and Salomon Breger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rica, Lucy, and Salomon Breger shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

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.

VASILIOS DEMETRIOU KRETSOS, ET AL.

The Clerk called the bill (S. 120) for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

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.

ANTONIN VOLEJNICEK

The Clerk called the bill (S. 130) for the relief of Antonin Volejnicek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Antonin Volejnicek shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

BOHUMIL SURAN

The Clerk called the bill (S. 131) for the relief of Bohumil Suran.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Bohumil Suran shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

GIUSEPPE MINARDI

The Clerk called the bill (S. 195) for the relief of Giuseppe Minardi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Giuseppe Minardi, who lost United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Giuseppe Minardi shall have the same citizenship status as that which existed immediately prior to its loss.

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.

SZJENA PEISON AND DAVID PEISON

The Clerk called the bill (S. 243) for the relief of Szjena Peison and David Peison.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Szjena Peison and David Peison shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

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.

ALEXY W. KATYLL AND IOANNA KATYLL

The Clerk called the bill (S. 375) for the relief of Alexy Katyll and Ioanna Katyll.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act,

Alexy W. Katyll and Ioanna Katyll shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

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.

JAN HAJDUKIEWICZ

The Clerk called the bill (S. 412) for the relief of Jan Hajdukiewicz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jan Hajdukiewicz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

ANICETO SPARAGNA

The Clerk called the bill (S. 432) for the relief of Aniceto Sparagna.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Aniceto Sparagna shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

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.

AINA BRIZGA

The Clerk called the bill (S. 471) for the relief of Aina Brizga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Aina Brizga shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

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.

MARTIN P. PAVLOV

The Clerk called the bill (S. 574) for the relief of Martin P. Pavlov.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Martin P. Pavlov shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

HILDEGARDE HILLER

The Clerk called the bill (S. 587) for the relief of Hildegarde Hiller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hildegarde Hiller shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

ALICK BHARK

The Clerk called the bill (S. 604) for the relief of Alick Bhark.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alick Bhark shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

ROGER OUELLETTE

The Clerk called the bill (S. 640) for the relief of Roger Ouellette.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Roger Ouellette may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

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.

SANDY MICHAEL JOHN PHILP

The Clerk called the bill (S. 644) for the relief of Sandy Michael John Philp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sandy Michael John Philp shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

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.

ANTONIOS VASILLOS ZARKADIS

The Clerk called the bill (S. 650) for the relief of Antonios Vasillos Zarkadis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Antonios Vasillos Zarkadis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

ROBERT A. BORROMEO

The Clerk called the bill (S. 676) for the relief of Robert A. Borromeo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Robert A. Borromeo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

SARAH KABACZNIK

The Clerk called the bill (S. 735) for the relief of Sarah Kabacznik.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act,

Sarah Kabacznik shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

JOSE PEREZ GOMEZ

The Clerk called the bill (S. 892) for the relief of Jose Perez Gomez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Jose Perez Gomez. From and after the date of enactment of this act, the said Jose Perez Gomez shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

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.

SLAVOLJUB DJUROVIC AND GORAN DJUROVIC

The Clerk called the bill (S. 1197) for the relief of Slavoljub Djurovic and Goran Djurovic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Slavoljub Djurovic and Goran Djurovic shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

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.

BERNARDINO CANARES SACLO

The Clerk called the resolution (S. Con. Res. 33) withdrawing suspension of deportation of Bernardino Canares Saclo.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246 (a) of the Immigration and Nationality Act (8 U. S. C. A. 1256 (a)), withdraws the suspension of deportation in the case of Bernardino Canares Saclo (A-9799304) which was previously granted by the Attorney General and approved by the Congress under date of July 29, 1953, by Senate Concurrent Resolution 34, 83d Congress, second session.

The resolution 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.

KARLIS ABELE

The Clerk called the bill (H. R. 1301) for the relief of Karlis Abele.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Karlis Abele shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the period to a colon and insert the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

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

ADELHEID WALLA SPRING

The Clerk called the bill (H. R. 1302) for the relief of Adelheid Walla Spring.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Adelheid Walla Spring may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

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

RALPH MICHAEL OWENS

The Clerk called the bill (H. R. 1927) for the relief of Ralph Michael Owens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ralph Michael Owens shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

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

EDWARD PATRICK CLOONAN

The Clerk called the bill (H. R. 2059) for the relief of Edward Patrick Cloonan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Edward Patrick Cloonan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, line 7, after the word "fee", change the period to a colon and add the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

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

MRS. AGNETHE GUNDHIL SUNDBY

The Clerk read the bill (H. R. 2313) for the relief of Mrs. Agnethe Gundhil Sundby.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Agnethe Gundhil Sundby shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

ANTONIO (OREJEL) CARDENAS

The Clerk called the bill (H. R. 2315) for the relief of Antonio (Orejel) Cardenas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Antonio (Orejel) Cardenas may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

Page 1, line 3, strike out "provision" and insert "provisions."

Page 1, line 8, strike out "this exemption" and insert "these exemptions."

Page 1, line 9, strike out "a ground" and insert "grounds."

Page 1, line 10, strike out "have" and insert "had."

The committee amendments were agreed to.

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

GEORGE RISTO DIVITKOS

The Clerk called the bill (H. R. 2749) for the relief of George Risto Divitkos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George Risto Divitkos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

BENJAMIN JOHNSON

The Clerk called the bill (H. R. 2755) for the relief of Benjamin Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Benjamin Johnson, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Robert H. Johnson, citizens of the United States.

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

EMELDA ANN SCHALLMO

The Clerk called the bill (H. R. 2947) for the relief of Emelda Ann Schallmo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Emelda Ann Schallmo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:.

Page 1, line 7, strike out "Upon the" and lines 8 to 11, inclusive.

The committee amendment was agreed to.

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

LUISE PEMPFER (NOW MRS. WILLIAM L. ADAMS)

The Clerk called the bill (H. R. 3507) for the relief of Luise Pempfer (now Mrs. William L. Adams).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (2) (9) of the Immigration and Nationality Act, Luise Pempfer (now Mrs. William L. Adams) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 10, strike out "have" and insert "had."

The committee amendment was agreed to.

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

OLGA I. PAPADOPOULOU

The Clerk called the bill (H. R. 3624) for the relief of Olga I. Papadopoulou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Olga I. Papadopoulou, shall be held and considered to be the natural-born alien child of Mr. Adamos Pashoukos, citizen of the United States.

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

MRS. MARIANNINA MONACO

The Clerk called the bill (H. R. 4284) for the relief of Mrs. Mariannina Monaco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Mariannina Monaco shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

DONALD HECTOR TAYLOR

The Clerk called the bill (S. 26) for the relief of Donald Hector Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Donald Hector Taylor shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, line 7, after "fee", insert a colon and the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

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.

LUPE M. GONZALEZ

The Clerk called the bill (S. 36) for the relief of Lupe M. Gonzalez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lupe M. Gonzalez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, strike out lines 3 to 7 and insert: "That the Attorney General is authorized and directed to discontinue any deportation proceeding and to cancel any outstanding order and warrant of deportation, any warrant of arrest and bond which may have been issued in the case of Lupe M. Gonzalez, and the said Lupe M. Gonzalez shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants of arrest have issued."

The committee amendment was agreed to.

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.

ANNA C. GIESE

The Clerk called the bill (S. 244) for the relief of Anna C. Giese.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anna C. Giese shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, line 7, after the word "fee", change the colon, to a comma and insert the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose."

The committee amendment was agreed to.

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.

SHEEPHERDERS

The Clerk called the bill (S. 633) for the relief of certain alien sheepherders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Santiago Hormaechea, Jose Lecanda, Rufino Merino Jimenez, Panagiatis Demitreos Zeras, Fernando Macuaga Madariaga, Manuel Lopez Trabazo, Luis Uriarte Otaolea, and Antonio Yrigoyen Arrachea shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the requried numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Page 1, line 5, strike out "Panagiatis Demitreos Zeras."

The committee amendment was agreed to.

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.

MARION S. QUIRK

The Clerk called the bill (S. 758) for the relief of Marion S. Quirk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Marion S. Quirk shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, line 7, after the word "fee", change the period to a comma and insert the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose."

The committee amendment was agreed to.

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.

SALIH HOUGI ET AL.

The Clerk called the bill (H. R. 1179) for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of this act, upon payment of the required visa fees. Upon the granting of permanent residence to the aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct five numbers from the appropriate quota for the first year that such quota is available.

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

SISTER GIOVINA ET AL.

The Clerk called the bill (H. R. 1304) for the relief of Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Giovina (Rosina Vitale) and Sister Olga (Calogera Zeffiro) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, line 4, after the word "Act," insert the names "Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa),".

On page 2, line 2, after the words "to deduct" strike out "two" and substitute in lieu thereof "four."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa), Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro)."

A motion to reconsider was laid on the table.

OY WAN LEUNG

The Clerk called the bill (H. R. 2240) for the relief of Oy Wan Leung, also known as Margarita Oy Wan Chan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Oy Wan Leung, also known as Margarita Oy Wan Chan, shall be held and considered to be the natural born alien child of Louis Chan and Marta Chan, citizens of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That, for the purposes of the Immigration and Nationality Act, Oy Wan Leung, also known as Margarita Oy Wan Chan, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

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

AMALIA BERTOLINO QUERIO

The Clerk called the bill (H. R. 2241) for the relief of Amalia Bertolino Querio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Amalia Bertolino Querio, shall be held and considered to be the natural-born alien child of Raymond D. Querio and Comenica Querio, citizens of the United States.

With the following committee amendment:

Beginning on line 7, after the words "United States.", add the following: "Upon the issuance of a visa to the alien as provided for in this act, the Secretary of State shall instruct the proper officer to deduct one number from the allocation of visas provided for issuance under section 5 (a) of the Refugee Relief Act of 1953, as amended."

The committee amendment was agreed to.

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

KIM JOONG YOON

The Clerk called the bill (H. R. 2242) for the relief of Kim Joong Yoon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kim Joong Yoon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

ALESSANDRA BARILE ALTOBELLI

The Clerk called the bill (H. R. 2259) for the relief of Alessandra Barile Altobelli.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Alessandra Barile Altobelli, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Ettore Altobelli, citizens of the United States.

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

MARIA DE REHBINDER

The Clerk called the bill (H. R. 2306) for the relief of Maria de Rehbinder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria de Rehbinder shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to the alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

JULIUS, ILONA, AND HENRY FLEHNER

The Clerk called the bill (H. R. 2307) for the relief of Julius, Ilona, and Henry Flehner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Julius, Ilona, and Henry Flehner shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees. Upon the granting of permanent residence to the aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

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

GERALDINE GEAN HUNT AND LINDA MARIE HUNT

The Clerk called the bill (H. R. 2753) for the relief of Geraldine Gean Hunt and Linda Marie Hunt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Geraldine Gean Hunt and Linda Marie Hunt shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Beginning on page 1, line 8, after the words "visa fees", change the colon to a period and strike out the proviso through and including the word "Act" on line 11.

The committee amendment was agreed to.

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

GEORGE VOURDERIS

The Clerk called the bill (H. R. 3625) for the relief of George Vourderis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George Vourderis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year such quota is available.

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

ILSE WERNER

The Clerk called the bill (H. R. 3626) for the relief of Ilse Werner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Ilse Werner may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act, and if her marriage to her United States citizen fiance, Sgt. Vytautas Osteika, United States Army, takes place within 3 months following the enactment of this act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Ilse Werner, the fiance of Vytautas Osteika, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Ilse Werner is coming to the United States with a bona fide intention of being married to the said Vytautas Osteika and that she is found otherwise admissible under the immigration laws, except that the provisions of section 212 (a) (9) and (12) of the said act shall not be applicable to the said Ilse Werner: *Provided further*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Ilse Werner, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of section 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Ilse Werner, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Ilse Werner as of the date of the payment by her of the required visa fee."

The committee amendment was agreed to.

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

MRS. NIKA KIRIHARA

The Clerk called the bill (H. R. 3629) for the relief of Mrs. Nika Kirihara.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Nika Kirihara shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

MRS. UTO GINOZA

The Clerk called the bill (H. R. 3630) for the relief of Mrs. Uto Ginoza.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Uto Ginoza shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "For the purposes of the Immigration and Nationality Act, Mrs. Uto Ginoza shall be held to be classifiable as a nonquota immigrant as defined in section 101 (a) (27) (B) of that act."

The committee amendment was agreed to.

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

MRS. ELIZABETH A. TRAUFIELD

The Clerk called the bill (H. R. 3864) for the relief of Mrs. Elizabeth A. Traufield.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Mrs. Elizabeth A. Traufield shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permament residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Beginning on page 1, line 7, after the words "visa fee.", strike out the remainder of the bill.

The committee amendment was agreed to.

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

CHRISTA HARKRADER

The Clerk called the bill (H. R. 4455) for the relief of Christa Harkrader.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Christa Harkrader shall be held and considered to have been lawfuly admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

On page 1, line 7, after words "visa fee", change the period to a comma and add the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

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

ELISEU JOAQUIM BOA

The Clerk called the bill (S. 1654) for the relief of Eliseu Joaquim Boa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Eliseu Joaquim Boa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available. The Attorney General is authorized and directed to cancel the deportation proceeding heretofore instituted against Eliseu Joaquim Boa as well as the order and warrant of deportation issued therein; and the said Eliseu Joaquim Boa shall not hereafter be subject to exclusion or deportation from the United States by reason of the same facts upon which the outstanding order and warrant of deportation were issued.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Eliseu Joaquim Boa may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

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.

LUDWIKA HEDY HANCOCK

The Clerk called the bill (H. R. 932) for the relief of Ludwika Hedy Hancock (nee Nikolajewicz).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9), (12) of the Immigration and Nationality Act, Ludwika Hedy Hancock (nee Nikolajewicz) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 3, strike out the word "provision" and substitute the word "provisions."

On page 1, line 3, after "212 (a) (9)", insert a comma.

On page 1, line 4, after "(12)", insert "and (19)."

On page 1, line 8, strike out the words "this exemption" and substitute the words "these exemptions."

On page 1, line 8, strike out the words "a ground" and substitute the word "grounds."

On page 1, line 10, strike out the word "have" and substitute the word "had."

The committee amendments were agreed to.

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

KIMIKO SUETA THOMPSON

The Clerk called the bill (H. R. 1180) for the relief of Kimiko Sueta Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kimiko Sueta Thompson shall be held and considered to have been lawfully admitted to the United States for permanent residence as o" the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

On page 1, line 7, after the word "fee", change the period to a comma and add the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

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

PAUL COMPAGNINO

The Clerk called the bill (H. R. 1435) for the relief of Paul Compagnino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Paul Compagnino shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, lines 6 and 7, strike out the following language: ", upon payment of the required visa fee."

The committee amendment was agreed to.

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

ERVIN BENEDIKT

The Clerk called the bill (H. R. 1436) for the relief of Ervin Benedikt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ervin Benedikt shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

MENACHEM HERSZ KALISZ

The Clerk called the bill (H. R. 1439) for the relief of Menachem Hersz Kalisz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Menachem Hersz Kalisz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the period to a colon and add the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

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

ANNE CHENG

The Clerk called the bill (H. R. 1698) for the relief of Anne Cheng.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anne Cheng shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

CHARLOTTE SCHWALM

The Clerk called the bill (H. R. 1911) for the relief of Charlotte Schwalm.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Charlotte Schwalm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee," change the period to a colon and insert the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

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

KIMIE HAYASHI CRANDALL

The Clerk called the bill (H. R. 1987) for the relief of Kimie Hayashi Crandall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kimie Hayashi Crandall shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the period to a comma and add the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The amendment was agreed to.

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

DR. CARLOS RECIO AND FRANCISCA MARCO PALOMERO DE RECIO

The Clerk called the bill (H. R. 2070) for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

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

THOMAS KUNHYUK KIM

The Clerk called the bill (H. R. 2708) for the relief of Thomas Kunhyuk Kim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Thomas Kunhyuk Kim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

ANDREW WING-HUEN TSANG

The Clerk called the bill (H. R. 2783) for the relief of Andrew Wing-Huen Tsang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Andrew Wing-Huen Tsang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

FRANZISKA LINDAUER BALL

The Clerk called the bill (H. R. 2944) for the relief of Franziska Lindauer Ball.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Imigration and Nationality Act, Franziska Lindauer Ball shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the colon to a comma and insert the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose."

The committee amendment was agreed to.

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

DOROTHY CLAIRE MAURICE

The Clerk called the bill (H. R. 3189) for the relief of Dorothy Claire Maurice.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dorothy Claire Maurice shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one

number from the appropriate quota for the first year that such quota is available.

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

ORVILLE ENNIS

The Clerk called the bill (H. R. 3871) for the relief of Orville Ennis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That, for the purposes of the immigration and Nationality Act, the minor child, Orville Ennis, shall be held to be eligible for a preferential status under the provisions of section 203 (a) (3) of that act.

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

HARRIET L. BARCHET

The Clerk called the bill (H. R. 5021) for the relief of Harriet L. Barchet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Harriet L. Barchet shall be classified as a nonquota alien under the provisions of section 101 (a) (27) (B) of that act.

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

LT. (JG.) SVEND J. SKOU

The Clerk called the bill (H. R. 1151) for the relief of Lt. (jg.) Svend J. Skou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of Lt. (jg.) Svend J. Skou," approved March 14, 1944, is amended to read as follows: "That effective as of December 1, 1935, the retired pay of Lt. (jg.) Svend J. Skou, United States Navy, retired, shall be three-fourths of the highest pay of his grade."

SEC. 2. The additional retired pay for the period from December 1, 1935, to March 13, 1944, both dates inclusive, to which the said Lt. (jg.) Svend J. Skou is entitled by such act of March 14, 1944, as amended by the first section of this act, shall be paid to him in a lump sum, out of appropriations currently available for payment of retired pay of naval officers, within 60 days after the date of enactment of this act.

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

THE LATE SEYMOUR RICHARD BELINKY

The Clerk called the joint resolution (H. J. Res. 251) to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That the President is authorized to issue posthumously to the late Seymour Richard Belinky, late a flight officer, United States Army, a commission as second lieutenant, United States Army, as of December 27, 1944.

SEC. 2. The Secretary of the Army is authorized and directed to amend the records of the Department of the Army so as to carry the said Seymour Richard Belinky as a second lieutenant, United States Army, to rank from December 27, 1944.

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

REAR ADM. GEORGE JOHN DUFEK

The Clerk called the bill (S. 2078) for the relief of Rear Adm. George John Dufek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provisions of law, the Secretary of the Navy is authorized to employ Rear Adm. George John Dufek, United States Navy, retired, in a command status in connection with Antarctic expeditions.

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.

Mr. JARMAN. Mr. Speaker, I move that the further call of the Private Calendar be dispensed with. The reports on Calendar Nos. 486 and 487 did not reach the committee of objectors in time for review.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate.

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

There was no objection.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON RECLAMATION PROJECTS

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 103) providing for construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 862)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment insert the following:

"That irrigation distribution systems authorized to be constructed under the Federal reclamation laws may, in lieu of construction by the Secretary of the Interior (referred to in this Act as the 'Secretary'), be constructed by irrigation districts or other public agencies according to plans and specifications approved by the Secretary as provided in this Act.

"SEC. 2. To assist financially in the construction of the aforesaid local irrigation distribution systems by irrigation districts and other public agencies the Secretary is authorized, on application therefor by such irrigation districts or other public agencies, to make funds available on a loan basis from moneys appropriated for the construction of such distribution systems to any irrigation district or other public agency in an amount equal to the estimated construction cost of such system, contingent upon a finding by the Secretary that the loan can be returned to the United States in accordance with the general repayment provisions of sections 2 (d) and 9 (d) of the Reclamation Project Act of August 4, 1939, and upon a showing that such district or agency already holds or can acquire all lands and interests in land (except public and other lands or interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) necessary for the construction, operation, and maintenance of the project. The Secretary shall, upon approval of the loan, enter into a repayment contract which includes such provisions as the Secretary shall deem necessary and proper to provide assurance of prompt repayment of the loan. The term 'irrigation district or other public agency' shall for the purposes of this Act mean any conservancy district, irrigation district, water users' organization, or other organization, which is organized under State law and which has capacity to enter into contracts with the United States pursuant to the Federal reclamation laws.

"SEC. 3. The Secretary shall require as a condition to any such loan, that the water users' organization contribute in money or materials, labor, lands, or interests in land, computed at their reasonable value, a portion, not in excess of ten per centum, of the construction cost of such project (including all costs of acquiring lands, and interests in land), and that the plans for the distribution system are in accord with sound engineering practices and will achieve the purposes for which the system was authorized. Organizations contracting for repayment of the loans shall operate and maintain such works in conformity with reasonable contractual requirements determined to be appropriate for the protection of the United States, and when full repayment has been made to the United States, the Secretary shall relinquish all claims under said contracts. Title to distribution works constructed pursuant to this Act shall at all times be in the contracting water users'

organizations. In addition to any other authority the Secretary may have to grant rights-of-way, easements, flowage rights, or other interests in lands for project purposes, the Secretary or the head of any other executive department may sell and convey to any irrigation district or other public agency at fair value lands and rights-of-way owned by the United States (other than lands being administered for national park, national monument, or wildlife purposes) which are reasonably necessary to the construction, operation, and maintenance of an irrigation distribution system under the provisions of this Act. No benefits or privileges under reclamation laws including repayment provisions shall be denied an irrigation distribution system because such system has been constructed pursuant to this Act. The provisions of this Act shall apply only to irrigation purposes, including incidental domestic and stock water, and loans hereunder shall be interest free. Nothing in this Act shall be construed to repeal or limit the procedural and substantive requirements of section 8 of the Act of June 17, 1902.

"SEC. 4. Except as herein otherwise provided, the provisions of the Federal reclamation laws, and Acts amendatory thereto, are continued in full force and effect."

And the Senate agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOSEPH C. O'MAHONEY,
EUGENE D. MILLIKIN,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The language agreed upon in the conference does not alter or change the basic provisions of the bill as passed by the House. The language agreed upon sets out in more detail than the language of the House-passed bill the requirements of applicant organizations and the conditions under which the Secretary can make loans.

The conference committee considered whether, in the event that lands and rights-of-way costs amounted to more than 10 percent, the provision requiring a showing that the applicant organization "already holds or can acquire all lands and interests in land" would be in conflict with the provision "that the water users' organization contribute in money or materials, labor, lands, or interests in land, computed at their reasonable value, a portion, not in excess of ten per centum, of the construction cost of such project (including all costs of acquiring lands, and interests in land)." The conference committee agreed that the former provision is in the nature of a physical requirement whereby it is necessary to show that all lands and interests in land can physically be acquired whereas the latter provision is a financial requirement, and that, therefore, there can be no conflict between the two provisions.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

RESEARCH IN DEVELOPMENT AND UTILIZATION OF SALINE WATERS

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 861)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2126) to amend the Act of July 3, 1952, relating to research in the development and utilization of saline waters, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment insert the following:

"That the Act of July 3, 1952 (66 Stat. 328; 42 U. S. C., secs. 1951 ff.), is hereby amended as follows:

"(1) By modifying subsection (a) of section 2 of said Act so as to read: 'by means of research grants and contracts as set forth in subsection (d) of this section and by use of the facilities of existing Federal scientific laboratories within the monetary limits set forth in section 8 of this Act, to conduct research and technical development work, to make careful engineering studies to ascertain the lowest investment and operating costs, and to determine the best plant designs and conditions of operation.'

"(2) By modifying section 3 of said Act to add the following: 'Similarly, the fullest cooperation by and with the Atomic Energy Commission and the Civil Defense Administration in research shall be carried out in the interest of achieving the objectives of the program.'

"(3) By modifying section 8 of said Act so as to read: 'There are authorized to be appropriated such sums, but not more than $10,000,000 in all, as may be required (a) to carry out the provisions of this Act during the fiscal years 1953 to 1963, inclusive, (b) to finance for not more than two years beyond the end of said period such grants, contracts, cooperative agreements, and studies as may theretofore have been undertaken pursuant to this Act, and (c) during the same additional period plus one more year, to correlate, coordinate, and round out the results of studies and research undertaken pursuant to this Act. Departmental expenses for direction of the program authorized by this Act and for the correlation and coordination of information as provided in subsection (d) of its section 2 shall not exceed $2,000,000 and not more than $2,500,000 shall be expended for research and development in Federal laboratories. Both of said sums shall be scheduled for expenditure in equal annual amounts insofar as is practicable: *Provided,* That not to exceed 10 per centum of the funds available in any one year for research and development may be expended in cooperation with public or private agencies in foreign countries in the development of processes useful to the program in the United States: *And provided further,* That contracts or agreements made in pursuance of this proviso shall provide that the results or information developed in connection therewith shall be available without cost to the program in the United States herein authorized.' "

And the Senate agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOSEPH C. O'MAHONEY,
EUGENE D. MILLIKIN,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The language agreed upon in the conference does not alter or change the basic purposes or provisions of the bill as passed by the House. The changes are in the amounts authorized to be appropriated and used for various purposes. The managers for the House agreed with the Senate position that national and international conditions require that the program be expedited and, therefore, the amount ($10,000,000) proposed by the Senate for the research program over the 13-year period was retained in the bill.

The Nation's rapidly increasing population and expanding industry, with the corresponding rapidly increasing needs for water, the critical water situations that have developed in many areas in recent years, and national and international conditions in this atomic age all reflect the imperative need for speeding the objectives of this program. It may become necessary within the terms of this program for many areas to depend on salt or saline water conversion for a water supply. Ways and means must be found without undue delay for economically converting salt or saline water to fresh water. The program cannot be allowed to drift along without producing concrete results, and it is expected that with the expanded implementation of the saline water program authorized by this legislation results will be obtained.

The language agreed upon in the conference specifically requires close cooperation and coordination of the saline water research program with and by the Atomic Energy Commission and the Civil Defense Administration in the interest of achieving the objectives of the program. National and world conditions emphasize the desirability of tying the saline water program in directly with the Atomic Energy and the Civil Defense activities. Also, energy is a primary factor in the demineralization of saline water and atomic power may in the future be the answer to low-cost production of fresh water from salt or saline water.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

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

Mr. ENGLE. I yield to the gentleman from West Virginia.

Mr. BAILEY. To what extent would this provide a remedy for our falling water level in the eastern and northeastern sections of the country? Does it deal just purely with saline water?

Mr. ENGLE. It deals strictly with saline water, but to the extent that this program is successful it will relieve the underground draft on present underground water supplies. In short, if this saline research program achieves the results that we think it is capable of achieving, then it will be unnecessary to reach deep into the ground as we are doing in many, many places to get underground water, and it will supply water for industrial uses, particularly along the coastal areas of the United States. It can be very beneficial by providing an alternate source of water for that which is now in decreasing supply from the underground.

Mr. BAILEY. I am not naive enough to believe that the drainage you are taking now of the underground sources on the Pacific coast would in any way affect the water level in the East, but I thought there might be some way by which we could get at this problem, which we know is a serious one for the future, and try to correct it.

Mr. ENGLE. This is a nationwide project. We hope sometime that they can run a pipeline right out into the ocean and secure water.

Mr. BAILEY. I thank the gentleman.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

TRINITY RIVER DIVISION, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4663, with Mr. MADDEN in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Under the rule, the gentleman from California [Mr. ENGLE] will be recognized for 1 hour and the gentleman from Nebraska [Mr. MILLER] for 1 hour.

The gentleman from California is recognized.

Mr. ENGLE. Mr. Chairman, I yield myself such time as I may require.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to insert my remarks in the RECORD and include in connection therewith a prize-winning essay in the nationwide Soil Conservation contest.

The CHAIRMAN. The Chair will advise the gentleman from West Virginia that such requests should be made in the House rather than in the Committee of the Whole.

Mr. BAILEY. I thank the chairman for the information and will take advantage of his suggestion.

Mr. ENGLE. Mr. Chairman, the purpose of this legislation is to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division of the Central Valley project, Calif., under the reclamation laws.

This bill was reported by the committee without a dissenting vote. The rule was granted week before last.

In discussing this project I want first to deal with the background of the legislation and secondly with the factual basis for the project and third describe briefly the general project itself.

This project was initially authorized on January 2, 1953, by a finding of feasibility under section 9 (a) of the 1939 Reclamation Act, by Secretary Chapman. The reclamation law provides that irrigation and reclamation projects that fall within certain very specific findings of feasibility with reference to their economics, engineering, and payout, can be certified for construction by the Secretary of the Interior. Thereupon it is only necessary for the Appropriations Committee to proceed with appropriations for the project. That has been done in a great number of instances in the past.

In this case the Secretary of the Interior, Secretary Chapman, on January 2, 1953, so certified this project; and, as far as I am aware, it is the only project of its size in the United States which is capable of authorization in that fashion under the 1939 act.

On February 17, 1955, Secretary McKay approved the Trinity River project in a supplemental report, and recommended its immediate construction. The project, therefore, has the approval of both Secretary McKay and his predecessor, Secretary Chapman.

On April 13, 1955, the Commissioner of Reclamation, Mr. Dexheimer, appeared before our committee and testified in support of this legislation and recommended immediate construction of the project.

On April 9, 1953, the State engineer of California in his official comments on the Trinity River project approved the project for immediate authorization and construction.

On May 28, 1955, he filed a similar recommendation with reference to the supplemental report prepared and filed by the present Secretary of the Interior.

Gov. Goodwin Knight, the Governor of California, on April 14, 1955, wired our committee at the time of the hearings reaffirming the State's position and asking for immediate construction of the Trinity River project.

Both houses of our State legislature passed resolutions within the past 2 weeks urging the immediate construction of the Trinity River project.

The House Committee on Appropriations in the public works bill before this House last week recommended and earmarked $1 million to start construction on the Trinity River project when this bill is passed.

Senators KNOWLAND and KUCHEL both have legislation pending at the other end of the Capitol for authorization of the Trinity River project.

Since 1942 more than $572,000 has been spent on planning and engineering and the budget this year recommended an additional $400,000 for that purpose.

Mr. Chairman, the very wide and unanimous support that this project has received not only here but throughout the State of California is not an accident by any means. I want to deal now briefly with the factual basis upon which this project comes before you today.

In 1951 the House Committee on Interior and Insular Affairs sent a special subcommittee to California for the purpose of making an investigation to determine the status of the water supplies in the Central Valley project of California which had in the preceding year for the first time been put into operation as a multiple-purpose waterpower and flood-control project. That subcommittee held hearings in Sacramento, the State capital of California, on October 29, 30, and 31 of 1951. The members of that subcommittee were the gentleman who addresses you now, as chairman, the gentleman from Colorado [Mr. ASPINALL], the gentleman from California Mr. Yorty, the gentleman from Montana, Mr. D'Ewart, the gentleman from California, Mr. Poulson, and the gentleman from Ohio [Mr. Bow].

That special subcommittee met with the joint water problems committee of the State legislature during those days in Sacramento. The specific and announced purpose of the hearings there was to determine whether or not the developed water in the Sacramento River and in the Central Valley project had been oversubscribed. On that one issue and on all of the other issues with one exception the subcommittee made unanimous findings of fact and recommendations. The finding made by the committee appears on page 4 of the committee report filed at that time and is as follows:

> For all practical purposes the developed water supplies of the Sacramento River are overcommitted and oversubscribed. Increased uses of water from the Sacramento River from the beginning of project construction in 1935 to the present are about three times the expected increase of 300,000 acre-feet which was estimated by the State of California and the Bureau of Reclamation officials in the original plans for the operation of the Central Valley project.

It will be recalled that the Central Valley project in California is a project designed to take water surpluses from the north end of the Central Valley and distribute those surpluses in the San Joaquin or the southern part of the Central Valley of California. When the Central Valley project was set up it was anticipated that over a period of time the uses of water in the Sacramento Valley itself would increase about 300,000 acre-feet, but after the project was started in 1935 and during the World War that

followed, the population and economy of California increased so rapidly that the uses of water in the Sacramento Valley increased 3 times what they were expected to increase when the project was originally designed.

It was as a consequence of that fact that our committee became disturbed over whether or not there was sufficient developed water in the Central Valley project actually to assure its operation; therefore, this subcommittee went out to find out about it and made the finding that for all practical purposes—that was in 1951—the developed water supplies on the Sacramento River are overcommitted and oversubscribed. They pointed out that the uses had increased three times what they were since the project was initially constructed in 1935. The committee report continues:

The testimony indicated diversions from the Sacramento River would have caused the river to be dry for about 40 miles in July 1951—

The year we were there—

if storage water had not been available from Shasta Reservoir for Sacramento Valley use and a large part of this water is destined for the San Joaquin Valley under this proposed Central Valley project operation. In short, the waters of the Sacramento Valley had decreased so substantially that had it not been for the 4.5 million acre-feet of water stored in Shasta Dam there would have been 40 miles of dry river between Shasta Dam and the city of Sacramento in 1951.

The committee report goes on to say:

Applications for use of American River water to be developed by Folsom Dam—

Which, I may add parenthetically, is to be completed this year—

an additional storage unit of the project now under construction, exceed by several times the probable supply that can be made available through this source.

Finally:

Construction of additional storage facilities to conserve water for use in the Central Valley should be commenced as soon as possible. The committee recommended that additional storage facilities be constructed as soon as possible to augment the deficient supply of water in northern California and to firm up the water supply for the Central Valley project if such facilities are required within the limits of economic feasibility.

Then the committee proceeded to discuss the matter in a little more detail on page 14 of that same report, and for the purpose of the record I am referring to the report of the Special Committee on Irrigation and Reclamation on Central Valley project, California, dated February 6, 1952:

Only one answer can be obtained from the foregoing testimony presented by the Bureau representatives. That one logical answer is—

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from New York.

Mr. MILLER of New York. As the gentleman may or may not know, I am, of course, one of those who is opposed to the subsidization by the Government of electric power. On the other hand, I am for anything in the way of irrigation, reclamation, flood control, and water supply which can be good for the people of California and my distinguished colleague's district. Do I understand that this bill does not provide for the immediate construction by the Government of any power facilities? Is that correct?

Mr. ENGLE. It authorizes the power facilities, but it directs that a study be made and a report be delivered to this Congress not later than 18 months with respect to the construction of those power facilities by other than a Federal agency.

Mr. MILLER of New York. In other words, if this bill is passed, it does not authorize the immediate construction by the Government of power facilities, pending the study?

Mr. ENGLE. It authorizes them to the extent that the whole project is in the bill, but it directs the Secretary of the Interior to return to the Congress with that study within 18 months with respect to the construction of power facilities by other than a Federal agency.

Mr. MILLER of New York. So, if the Department of the Interior recommended within 18 months to this Congress—as on page 5 of your report—the Pacific Gas & Electric Co., and their recommendations would be to the effect that they should construct the power facilities and pay to the Government a certain fee for falling waters, then the Congress at that time would have the authority to pass on that aspect of this problem?

Mr. ENGLE. That is correct.

Mr. MILLER of New York. In that event, would the gentleman from California now addressing the House be in favor of such a proposal by the Department of the Interior, if they should recommend that the facility be built by private industry and pay to the Government a certain fee for falling waters?

Mr. ENGLE. I am not willing to prejudge the particular proposal to come before the committee at that time. I would say in general I am not in favor of turning over the power facilities at major public projects for private construction. The gentleman must understand, however, that the language of this bill is broad enough so that the State of California itself—and I understand some interest has been expressed on that—could step in and build those power facilities, because it provides for the construction by other than a Federal agency.

It could be some other public agency, such as a local public agency, the State, or any other non-Federal agency, including the Pacific Gas & Electric Co.

Before yielding to the gentleman I was dealing with the question of the need for water. That is the basic issue behind this particular bill and why it is here today. I was reading from the committee report which I have just identified, on page 14, in which the committee said—and this is the special committee which made an investigation of this matter on the ground in California in 1951, and filed a unanimous report on this point:

The one logical answer is if diversions continue at the rate they were made in 1951, and there is no reason to believe they will be reduced, then the developed waters of the Sacramento River are overcommitted and oversubscribed.

What that statement means is simply that the Central Valley project constructed by the Federal Government would not operate as it is supposed to operate if those water supplies are overcommitted and oversubscribed because it would be impossible for the Bureau of Reclamation to meet its commitments in the San Joaquin Valley under the terms under which it has built the Central Valley project. And the report goes on to say:

The obvious result is that much less water is available for transfer to the San Joaquin Valley than was originally contemplated. This fact, considered together with the record of the increased uses in the delta area, makes construction of additional storage facilities as soon as possible a must if development of the Central Valley is to continue unretarded and unrestricted by lack of adequate water.

Instead of the situation getting any better in California, the situation, in fact, has gotten worse. Water shortages are even more apparent there now than they were before, to such an extent that the major problem before the California State legislature in this last session was the water problem in California. The State legislature, together with the support of our Governor, has authorized the State to look into the construction of a project that will cost very close to $2 billion to develop the water of the Feather River project, take that water down through the San Joaquin Valley in California, and finally over or around the Tehachapi Mountains into the southern part of our State.

This project was undertaken because it represents a stopgap between now and the time that something else can be done to meet these necessary water uses. This project, compared to the Feather River project to be constructed by the State, is only a very small project and it will fill the deficit between the water now available in the Central Valley of California and the claims upon that water. It will firm up the Central Valley project operations in our State. Whatever else is to be done will have to be done in connection with the Feather River project itself, which is a project of a size comparable to the Shasta Reservoir which stores 4½ million acre-feet.

In some areas of the San Joaquin Valley, as I believe my colleague [Mr. SISK] may tell you a little later here this afternoon, they are drilling as deep as 2,000 feet for water and the wells cost between $70,000 and $75,000.

So that is the factual basis behind this particular bill being here today and it explains I believe why when I recited the endorsements and support for this legislation and its unanimous consideration by our committee, it is here on the floor in its present status.

Now with reference to a brief physical description of the project itself, may I direct the attention of the members of the committee to the map which is before them? I shall describe very briefly the physical aspects of this project.

The map outlines in dark lines the existing features of the Central Valley project in California. That portion

which is shown in red indicates the Trinity River division which is in addition to the Central Valley project. The Trinity River, as you will note, is east of the Shasta Dam, almost due east of the Shasta Dam. The main storage facility of this project will be built on the Trinity River.

There is a series of foothills or mountains between the Trinity River and the Sacramento River, on which the Shasta Dam is located. The storage dam will store something like 2.5 million acre-feet of water, and then proceed to drop the water through the tunnels and powerhouses into the Sacramento River. There are four powerhouses on this project. That is one reason it is such a rich project. Finally the water that comes from the Trinity goes through the existing Keswick powerhouse, making a total of five powerhouses on the project.

The amount of water diverted easterly is 704,000 acre-feet out of the Trinity River, which flows westerly to the Klamath River. The total additional uses which will be made available to the people in the Central Valley of California will be 1,190,000 acre-feet, although only 704,000 acre-feet are diverted. The reason that is true is because they can use the water from reflows several times. Approximately 665,000 acre-feet of that water will be used in conjunction with the Sacramento Valley canals presently under construction, which you see indicated by dotted lines on the map. The balance of 525,000 acre-feet will go down into the San Joaquin area, the Delta-Mendota Canal which appears on the west side of the San Joaquin Valley on the map.

This project, as I have said, is one of the finest projects economically ever brought before this Congress. It has a benefit-to-cost ratio of 3.31 to 1, meaning that the Federal Government will get back $3.31 in value for every dollar it puts in. Because of the power development on this project—and this is true whether or not the power is developed by the Federal Government or someone else—the power features of this project will pay out in 26 years, and the balance of the project, the irrigation features, will pay out in 40 years with a 10-year development.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to my friend, the gentleman from Pennsylvania.

Mr. SAYLOR. By the gentleman's statement that the cost-benefit ratio is 3½ to 1, he does not mean to leave the impression with the House that Uncle Sam will get back $3.25 for every dollar he invests in this project?

Mr. ENGLE. The cost-to-benefit ratio reflects the benefits to the costs. If the gentleman is referring to the actual cash pay out, it does not do that. It is not a cash balance, if that is what the gentleman means, because figured in the cost-to-benefit ratio are the so-called indirect benefits which the Federal Government realizes through the improvements resulting from putting water on irrigated lands and in homes and on farms.

In conclusion, Mr. Chairman, this project has been endorsed and supported by every major public official who has had any connection with it in the State government, from the Governor through the State legislature. It has the authorship in this Congress of both United States Senators from California, Mr. KNOWLAND and Mr. KUCHEL, as well as myself and my colleagues, Mr. Moss and Mr. SISK. It has been endorsed by every Federal official that has had any connection with it, including Secretary Chapman, Secretary McKay, and the Commissioner of Reclamation, Mr. Dexheimer, and it has been repeatedly approved for funds by the Bureau of the Budget. It is here today because there is a shortage of water, a desperate shortage of water, in California. As a matter of fact, if this project is not built, the Central Valley project as originally contemplated cannot function because the water deliveries cannot be made to the San Joaquin Valley as contemplated under the Central Valley project program, or the Sacramento Valley will be left to dry up, which is more likely.

In addition, this is probably the best project of its size that has ever come before the Congress of the United States. It is certainly the best project I have had the privilege of presenting here on the floor either for California or as chairman of my committee, or preceding that as chairman of the Subcommittee on Irrigation and Reclamation.

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

Mr. ENGLE. I am delighted to yield to my friend from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, as a representative of one of the 48 States wherein water development is a very serious development, and where increased public attention is being given to the problem, I would like to express my appreciation and that of my State to the gentleman from California for the leadership which he has given to the Nation in the field of water development and water conservation and use. I think this bill is an excellent example of the kind of constructive legislation which the gentleman and the committee have brought to the Congress on this subject. It is a good bill and should be passed by the Congress.

Mr. ENGLE. I appreciate the gentleman's remarks.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I am delighted to yield to my friend from Iowa, a former member of our committee.

Mr. GROSS. Do I understand this bill has the support of the administration?

Mr. ENGLE. It does indeed. They appeared and testified in favor of it.

Mr. GROSS. This bill, I understand, would increase agricultural production, would it not?

Mr. ENGLE. This bill will provide supplemental water to prevent agricultural lands and home lands in California from losing present water supplies.

Mr. GROSS. In the event it will increase agricultural production, it will probably bring into production land now arid and it will make sure, perhaps, that land already under cultivation will receive a sufficient supply of water. Is that a correct statement?

Mr. ENGLE. Let me state the case correctly. It will do two things. It will maintain in agricultural production lands now in agricultural production. In addition to that, any new lands it brings in will be lands which will be producing different crops than those now in surplus, and which the gentleman is concerned about. In other words, dry-land crops, grains, and that sort of thing.

Mr. GROSS. How can we be certain that this is not going to bring into production competing crops, crops already in surplus?

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

Mr. ENGLE. I yield.

Mr. MILLER of Nebraska. I think page 40 of the report contains the answer to that. With reference to the Delta Mendota project, the agricultural products produced in this area, that is irrigated area, are as follows: Almonds 2 percent, onions 15 percent, beans 7 percent, cotton 25 percent, sugar beets 2 percent, tomatoes 9 percent, alfalfa 21 percent, barley 21 percent, irrigated pasture 8 percent. So there is not a large amount of these crops presently in surplus.

Mr. GROSS. May I ask the gentleman this question, if he will yield further. These crops which the gentleman just enumerated, if they should become unprofitable, what is to prevent this land from being used to produce small-grain crops and crops that will be competing with surpluses already on hand.

Mr. ENGLE. Because you do not grow grain crops on that kind of irrigated land. Our problem in California is to find water to put on land so that people can live there. We are simply running out of places where people can put a house down and get on a piece of land. California, when it gets water, is a tree and vine crop State, and by and large we are not in the field of producing, at least in this area, crops that come into these surplus problems. The fact of the matter is that putting water on these lands takes them out of that kind of production, because it takes them out of grain and wheat and things of that sort and puts them into tree and vine crops and into the ladino clover and crops of that sort, which produce beef and livestock on which we are an import State.

Mr. GROSS. If the gentleman will permit me to make a further statement. I simply want to make my position clear. I will be opposed to this administration or any other administration that opposes a reasonable farm program, as this administration does, for the midwestern farmers and then comes in here and supports any legislation that will bring in new lands into production in competing crops. I am going to be opposed to any and every bill regardless of whether it is promoted by this administration or not.

Mr. ENGLE. Then the gentleman is going to quarrel rather frequently, I take it, with the folks downtown.

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

Mr. ENGLE. I yield.

Mr. JOHNSON of California. As I understand it, the Trinity River is being diverted so that we can use the water down in the dry, arid region of the interior valley—that is correct, is it not?

Mr. ENGLE. The Trinity River is being diverted to make up the deficit which now exists in the Central Valley project due to the overcommitment of those supplies in the San Joaquin Valley and elsewhere.

Mr. JOHNSON of California. That Trinity River water, which would have gone to the Pacific Ocean, is not required in the area through which it flows and finally goes into the ocean.

Mr. ENGLE. No, about 13 million acre-feet of water goes out into the Pacific Ocean from Klamath and Trinity, which is one of its tributaries. The gentleman from California [Mr. SCUDDER] represents that area and will have something, I think, to say about that. But with reference to this project, it does not hurt him. It diverts about 17 percent of the total flow of the Trinity River, and these are flood waters.

Mr. JOHNSON of California. I realize how the water tables are falling in certain parts of the Central Valley, especially in my own country, San Joaquin County. I think the gentleman is doing a great service to our people by helping us to find a way to get water so that we can raise the crops he just described a moment ago as well as many other crops which are much more fabulous.

I want to point out to the gentleman from Iowa [Mr. GROSS] that the money they get from California customers makes up more than anything they might lose by reason of any competitive situation.

Furthermore, the gentleman did not mention to the gentleman from Iowa that we raise every possible kind of vegetable out there. All kinds of crops: fruit such as peaches, cherries, apricots, prunes, pears, plums, nectarines; large and numerous almond groves; also walnuts, including the largest walnut grove in California. Also table and wine grapes (several million tons). Also sugar beets, alfalfa. It is the richest valley in the world, and all that can hold it back is lack of water, which we fear due to declining underground levels and increased demand for more water from present river development.

I understand our Governor is heartily in favor of the development of this particular project, and that he wishes to see this bill passed. So that, in the last analysis, we may have enough water to give to that fertile valley in the central part of California, so it may reach its potential productive capacity. Most of the crops are specialty crops not raised in other parts of the Nation.

I would like to offer my congratulations and my support to the distinguished chairman of this committee for bringing out this bill. I shall be happy to do whatever I can do to help him get it through the House and have the bill understood by those in the House not familiar with our situation and our dire need for more water.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. RABAUT. Have you got a cost benefit on this project?

Mr. ENGLE. Yes. It is 3.1 to 1. It is the only project I know of, of this sort, that has such a cost-to-benefit ratio.

Mr. RABAUT. That is by the engineers?

Mr. ENGLE. Yes, sir; that is the official figure given by the Bureau of Reclamation. This project was good enough to be authorized under a finding of feasibility under the 1939 act. I made the statement some time ago that in my opinion there was no other project that would equal it. There is a very good project over in the Ventura area. Those are the only two that qualify under the present standards without any amendment or exception to the reclamation law.

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the gentleman from California [Mr. ENGLE], has outlined in very clear fashion the physical outlines of the Trinity River project.

I am here today to speak mainly in favor of the Trinity River, but in general for irrigation. California needs to use all the water available. She needs to use it wisely and carefully in order to continue with their growth. They have about 13 million acre-feet of water that runs to the ocean without being used. You who have been worried about surplus crops and about irrigation being some kind of a giveaway should remember this: Of the $2.7 billion that has been invested in reclamation in the last 50 years, more than $600 million has been returned to the Treasury. There have been more than $4 billion of new wealth come in from these irrigation projects. Economists estimate that last year the harvest alone from reclamation projects was $785,939,000.

Much of this land that is now being irrigated was at one time desert, unproductive, whose only inhabitants were coyotes and rattlesnakes, no humans living there because there was no water. Water is the essence and the life of these areas.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Iowa.

Mr. GROSS. Yes; and the administration predicated its opposition to the 90-percent support of parity program on the basis largely of surplus farm commodities, did it not?

Mr. MILLER of Nebraska. Let me say to the gentleman——

Mr. GROSS. And many of the Members of the House voted against the 90-percent program because of the surpluses we have on hand.

Mr. MILLER of Nebraska. Let me say to the gentleman that during wartime surpluses are a blessing, but during peacetime they apparently become a curse. Yes; we have about $7½ or $8 billion surplus products, but I think that we ought to be very glad that we do have some surpluses stored in warehouses.

Let me say further to the gentleman, that if the people of Asia would eat as we eat we could not raise enough to feed them; or if the people of Europe and Asia together were to eat as the people of the United States of America, we could not raise enough upon our productive acres to feed them. The population increase will demand all the surplus and food the world can produce. When our population reaches 200 million, this country will be short of food.

Mr. GROSS. Yes; I think we ought to have a surplus, but I do not think the farmer should be knifed economically because we do have surpluses. Certain Members voted against the 90 percent of parity program because we did have surpluses, yet those same Members turn around and vote for irrigation projects to bring more land into production.

Mr. MILLER of Nebraska. That is true insofar as such projects bring into production more acres. This project brings additional water to land already irrigated.

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

Mr. MILLER of Nebraska. I yield to the gentleman from California.

Mr. JOHNSON of California. I just want to make one correction with reference to the agricultural picture. We do raise a lot of grain in the Central Valley and have since about the time of the Civil War and on down. But let me point out the difference between dry land where the grain is grown and land that produces vegetables and trees. The dry land was worth about $50 an acre, but as soon as an irrigation ditch came along that could serve that same land, it jumped up to $250 to $400 an acre.

Mr. MILLER of Nebraska. There is no question but what irrigation produces larger yields.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from New York.

Mr. KEATING. I do not think I want to let the remarks of the gentleman from Iowa pass without this comment: I take it from his remarks that he is opposed to this bill and that he voted for 90-percent rigid supports.

There are some of us who voted for the flexible program who also are disposed to oppose this legislation today, and I do not want the gentleman from Iowa to think that he alone is opposed to this legislation.

Mr. MILLER of Nebraska. Let me assure the gentlemen from New York and Iowa, both experts in farming, I am sure, that this project will pay back every penny to the United States Treasury, including interest.

Mr. KEATING. At what rate?

Mr. MILLER of Nebraska. I think the rate is 3 percent on the power features with no interest on the reclamation.

Mr. KEATING. We have to go out and borrow money these days at 3 percent.

Mr. MILLER of Nebraska. We are borrowing at less than that, now, less than 2½ percent in some instances.

This project will pay back every penny.

One thing I like about this project is that the water running through these dams is almost worn out before it gets down to being used for irrigation and before it flows into the ocean. One of the greatest wastes we have in this country is the waste of our water resources. I believe this is the area of California

where the greatest amount of water is to be found and that California has at her disposal only about 16 million acre-feet. Then I contrast that with Nebraska where we have over 600 million acre-feet of water in the sandhills that runs down under the soil and can be pumped out and stored in reservoirs and used for irrigation or used by pumps for irrigation. So there is that contrast between the State of Nebraska with its million and a quarter people and 600 million acre-feet of water with California with its immensely greater population and only 16 million acre-feet of water.

So I would urge my colleagues to consider this an investment in the resources of our country. Let me say that again: It is an investment in the United States of America because this water is used to produce power, it is used to aid irrigation and in that respect it helps to add security, it adds confidence and it adds to the growth of our country.

Mr. Chairman, if you will turn to page 2 of the bill there is a section beginning in line 21 that the committee very wisely provided as follows:

Provided, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress.

That means, Mr. Chairman, that in the next session of the Congress we may well be in here to determine whether this electric power shall be sold as public power or whether we shall permit a private agency or a non-Federal agency to develop the generating facilities and actually to sell the power.

There is one thing we ought to keep in mind. In Trinity County the Government owns about 90 percent of the land. Shasta County is largely owned by the Federal Government. These people need some taxes. An amendment will be proposed which will ask the Government to pay something in lieu of taxes; however, in my book we must study very carefully any proposal that comes in from the Pacific Gas & Electric Co., but if adopted they will pay a tremendous amount of taxes to the counties and to the Federal Government of the United States. While this is not a part of the fight here, we expect to come back before the Congress, I hope maybe next year or within 18 months, with a program that will outline and spell out how the electrical energy in this area shall be sold.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Michigan.

Mr. DONDERO. What is the total cost of this project?

Mr. MILLER of Nebraska. I think it is $225 million approximately.

Mr. ASPINALL. It is $225 million, all of it repayable, a great deal of it with interest at the rate of 3 percent. The money used for power construction will be at 3 percent.

Mr. DONDERO. What part is power?

Mr. MILLER of Nebraska. Power is the larger part of this bill, about $158 million. There is no flood control and very little nonreimbursable funds involved.

Mr. DONDERO. It will be returned to the Government?

Mr. MILLER of Nebraska. It will be returned to the Government. The part allocated to power will pay interest.

PACIFIC GAS & ELECTRIC CO. TAXES IN SHASTA AND TRINITY COUNTIES

Mr. Chairman, a good idea of the importance of Pacific Gas & Electric Co.'s offer to build power facilities at the Trinity River project in partnership with the Federal Government can be gained by looking at the taxes that the company is now paying in Trinity and Shasta Counties and what it would pay if its offer to build the power facilities was accepted.

As of now, about 90-odd percent of the total land in Trinity County is owned by the Federal Government. Therefore, any burden that would be placed on the people of that county as a result of a major Federal project such as the Trinity being constructed there might very well place a rather heavy burden on the schools, police force, fire department, and other services for the benefit of its people.

However, this picture would change considerably if the power facilities of the project were installed by a taxpaying electric company.

These are the facts: The company is now paying about $117,000 a year property taxes in Trinity County. Total tax collections in the county amount to a little over one-half million dollars. In other words, that company is now paying about 22 percent of the total property taxes. If it were permitted to install the power facilities, it would pay over $200,000 additional in taxes or would make total taxpayments, property taxes only, of over $320,000. This would be about 45 percent of the total property taxpayments in Trinity County. This certainly would be a sizable contribution to its schools, police force, fire department, and so forth.

Now take a look at Shasta County. Part of the power facilities in connection with the Trinity project would be located here. As of now, the Pacific Gas & Electric Co. is by far the largest taxpayer. It paid over $2,100,000 last year in property taxes. That is 45 percent of the total property tax collections in that county. If the company were permitted to build the power facilities in connection with the Trinity project, it would pay an additional $770,000 in property taxes. That would mean that the company would be paying almost $3 million a year in property taxes in this county alone. That would be 53 percent of its total property tax collections.

These figures are pertinent, and they are important to these counties and the State of California. In addition, there would be close to $2 million in payments to the Federal Government if the company built these facilities. This certainly needs to be taken into account when disciples of Federal power development talk about so-called cheap public power.

Mr. Chairman, the following California organizations have formally endorsed construction of Trinity power facilities by local enterprise in partnership with the Federal Government.

This list includes Statewide farm and business organizations, farm organizations, labor unions, taxpayers associations, boards of supervisors, city councils, local civic organizations, business groups, and others:

California Taxpayers Association.
California Farm Bureau Federation.
California State Chamber of Commerce.
Inter County Chambers of Commerce of Northern California, representing 17 chambers of commerce including Shasta, Trinity, and 4 other northern California counties.
Arboga Farm Bureau Center.
Byron Bethany Irrigation District.
Calaveras County Farm Bureau.
Colusa County Farm Bureau.
East Contra Costa Irrigation District.
Lake County Farm Bureau.
Lake Mountain Grange.
Linda Farm Center.
Live Oak Farm Bureau Center.
Mendocino County Farm Bureau.
Mount Pleasant Farm Bureau.
North Fork Grange.
Nuestro Farm Bureau Center.
Oakdale Farm Bureau Center.
Oakdale Irrigation District.
San Benito County Farm Bureau directors.
Sonoma Valley Soil Conservation District.
South San Joaquin Irrigation District.
Trinity County Farm Bureau.
Winship Farm Center.
International Brotherhood of Electrical Workers, Local 1245.
San Francisco Area Group of Professional Employees.
Santa Maria Carpenters Union, Local 2477, AFL.
Santa Maria Union, Local 1222, AFL.
Contra Costa County Taxpayers Association.
Sacramento County Taxpayers Association, Inc.
San Benito County Taxpayers Association.
San Mateo County Taxpayers Association.
Santa Clara County Taxpayers Association.
Alisal Chamber of Commerce.
Alleghany Development League.
Anderson Chamber of Commerce.
Appliance Dealers Association of San Joaquin County.
Arcata Chamber of Commerce.
Auburn Area Chamber of Commerce.
Benecia Chamber of Commerce.
Berkeley Chamber of Commerce.
Brentwood Chamber of Commerce.
Brisbane Chamber of Commerce.
Building Owners and Managers Association of San Francisco.
Burlingame Chamber of Commerce.
Burney Chamber of Commerce.
Calistoga Chamber of Commerce.
Central San Francisco Association.
Chico Chamber of Commerce.
Civic League of Improvement Clubs and Association, San Francisco.
Cloverdale Chamber of Commerce.
Colfax Area Chamber of Commerce.
Colusa Chamber of Commerce.
Colusa County Boat Club.
Colusa Lions Club.
Concord Area Chamber of Commerce.
Cotati Chamber of Commerce.
Cottonwood Chamber of Commerce.
Davis Chamber of Commerce.
Del Norte Board of Supervisors.
Dixon District Chamber of Commerce.
Downieville Civic Club.
Downieville Lions Club.
El Dorado Chamber of Commerce.
El Dorado County Appliance Dealers Association.
El Dorado County Council of Republican Women.

El Sobrante Lions Club.
Emeryville Industries Association.
Eureka City Council.
Eureka Chamber of Commerce.
Escalon Chamber of Commerce.
Fairfield-Suisun Chamber of Commerce.
Fall River Valley Chamber of Commerce.
Ferndale Chamber of Commerce.
Fort Bragg Chamber of Commerce.
French Camp District Chamber of Commerce.
Grass Valley Chamber of Commerce.
Gridley Chamber of Commerce.
Guerneville Chamber of Commerce.
Hayfork Chamber of Commerce.
Hayward Lions Club.
Healdsburg Chamber of Commerce.
Humboldt County Board of Supervisors.
Humboldt County Chamber of Commerce.
Kings City Optimist Club.
LaFayette Chamber of Commerce.
Lake County Chamber of Commerce.
Lakeport Chamber of Commerce.
Lassen County Chamber of Commerce.
Lathrop Chamber of Commerce.
Lincoln Area Chamber of Commerce.
Linden-Peters Chamber of Commerce.
Linden Chamber of Commerce.
Live Oak Kiwanis Club.
Livermore Chamber of Commerce.
Lodi Board of Realtors.
Lodi District Chamber of Commerce.
Lodi Junior Chamber of Commerce.
Loleta Chamber of Commerce.
Los Altos Chamber of Commerce.
Los Gatos Chamber of Commerce.
Manteca District Chamber of Commerce.
Manteca Junior Chamber of Commerce.
Martinez Chamber of Commerce.
Martinez City Council.
Marysville Kiwanis Club.
Marysville Masonic Organization.
Marysville Realty Board.
Marysville-Yuba County Chamber of Commerce.
Maxwell Service Club.
Mendocino County Chamber of Commerce.
Mokelumne Hill Lions Club.
Monte Rio Chamber of Commerce.
Mountain View Chamber of Commerce.
National Electrical Contractors Association.
Napa Chamber of Commerce.
Newman Chamber of Commerce.
Niles Chamber of Commerce.
North Central Association (San Francisco).
Oakdale Chamber of Commerce.
Oakland Junior Chamber of Commerce.
Oakland Kiwanis Club.
Oakland Lions Club.
Oakland Service Club.
Orinda Chamber of Commerce.
Paso Robles Chamber of Commerce.
Peninsula Electrical Contractors Association.
Petaluma Chamber of Commerce.
Redwood City Chamber of Commerce.
Richmond Chamber of Commerce.
Richmond Kiwanis Club.
Rio Vista Chamber of Commerce.
Ripon Chamber of Commerce.
Ripon Junior Chamber of Commerce.
Sacramento Chamber of Commerce.
Sacramento Junior Chamber of Commerce.
Sacramento Luncheon Club.
Sacramento Power-Anne's Club.
San Benito Chamber of Commerce.
San Bruno Chamber of Commerce.
San Francisco Chamber of Commerce.
San Francisco Drygoods Association.
San Francisco Executives Association.
San Francisco Electrical Contractors Association, Inc.
San Francisco North Beach Merchants and Boosters.
San Francisco Retail Merchants Association.
San Joaquin County Chamber of Commerce.
San Jose Chamber of Commerce.
San Juan Chamber of Commerce.
San Leandro Chamber of Commerce.
San Leandro Downtown Merchants Association.
San Leandro Manufacturers Association.
San Lorenzo Chamber of Commerce.
San Luis Obispo Chamber of Commerce.
San Mateo Chamber of Commerce.
San Mateo County Manufacturers Association.
San Rafael Chamber of Commerce.
Santa Clara County Builders Exchange.
Santa Cruz Chamber of Commerce.
Santa Maria Chamber of Commerce.
Santa Maria Valley Chamber of Commerce.
Santa Rosa Chamber of Commerce.
Santa Rosa Junior Chamber of Commerce.
Sebastopol Chamber of Commerce.
Sheet Metal Contractors of San Francisco.
Solano County Board of Supervisors.
Sonoma Merchants Association.
Sonoma Valley Chamber of Commerce.
Soroptimist Club of Marysville.
South Oakland Market Central Improvement Association.
South San Francisco Chamber of Commerce.
Stanislaus County Chamber of Commerce.
Stockton Chamber of Commerce.
Stockton Junior Chamber of Commerce.
Stockton Optimist Club.
Sunnyvale Chamber of Commerce.
Sutter County—Yuba City Chamber of Commerce.
Taft Chamber of Commerce.
The Down Town Association of San Francisco.
Thornton District Chamber of Commerce.
Tracy Chamber of Commerce.
Tracy Junior Chamber of Commerce.
Trinity County Board of Supervisors.
Ukiah Chamber of Commerce.
Upper Trinity Citizens Council.
Vacaville Chamber of Commerce.
Walnut Creek Area Chamber of Commerce.
Walnut Creek City Council.
Weaverville Chamber of Commerce.
Willits Chamber of Commerce.
Woodland District Chamber of Commerce.
Yuba Sutter Boat Club.
Yuba-Sutter High Twelve Club.
Yolo County Appliance Dealers Association.
Yolo County Chambers of Commerce.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, the watershed of the Trinity River is mostly in my district. I might say that the best part of California is not shown on this map as my district extends from San Francisco to the Oregon line. The Trinity River flows through Humboldt and Del Norte County before it reaches the ocean some 85 miles north of the city of Eureka. It is true that the higher mountains in the Trinity Alps furnish most of the water of this basin; however, a good part of the mountain water in eastern Humboldt County does drain into the Trinity River.

The location where the first dam in Trinity County will be located is in the central part of that county. The river then flows from there northerly and westerly through Humboldt County and Del Norte to the ocean.

When this bill was first proposed, I was quite skeptical, and so were the people of my district, because we do have need for water in that area. Humboldt County is the second largest and possibly now the largest lumber producing county in the United States. It is the center of a great lumbering industry, and as the lumbering industry advances and the timber is cut, depleting our national forests, we must find new uses for by-products and the smaller timber. At the present time there is a large pulp mill operator in that area investigating the possibility of water to operate a pulp plant in the neighborhood of Eureka. So, naturally my people have become very much concerned regarding this legislation, not that we desire to take an attitude of dog in the manger, but we do realize that the great amount of water that is flowing into the Pacific Ocean should be used to the best advantage. I believe it has been stated by my colleague, the gentleman from California [Mr. ENGLE], that the Trinity River is one of the most feasible projects that has been advanced to this Congress because of the fact that in dropping from the high altitudes into the Sacramento Valley we are able to use that water four times for the generation of power.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from New York.

Mr. MILLER of New York. We have heard something here about the diversion of this water for purposes of irrigation of arid land and so forth, none of which I am opposed to, but we have also heard, as I understand, that this total sum of $225 million is going to be repaid to the Government. Is that correct?

Mr. SCUDDER. It will in time, I am sure.

Mr. MILLER of New York. Where are they going to get the money?

Mr. SCUDDER. Well, this is primarily a power project.

Mr. MILLER of New York. That is what I want to find out. Primarily and fundamentally this is a hydroelectric power development; is that correct?

Mr. SCUDDER. That is correct.

Mr. MILLER of New York. In other words, we are now before this Congress for an appropriation of $225 million to subsidize the people of California with hydroelectric power, the very thing that we refused to do in the Tennessee Valley here a few days ago.

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

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

Mr. MILLER of Nebraska. On page 5 of the report it points out that about $68 million is allocated to irrigation and about $156.5 million to power. As has been pointed out, the amount allocated to irrigation is all paid back without interest. The amount allocated to power is paid back with about 3 percent interest in less than 40 years to the United States Government.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield further?

Mr. SCUDDER. I yield.

Mr. MILLER of New York. As I understand, there is a provision in this bill that the Department of the Interior is to continue a study for 18 months to determine whether or not the recommendations of the Pacific Gas & Electric Co. should be followed to the extent that they shall build, at their own expense, at a money saving to the taxpayers of the

United States, the power facilities and that they will pay for the entire power facility aspects of this bill and also pay henceforth to the Federal Government sums of money for the falling water. Is that correct?

Mr. SCUDDER. That is true.

Mr. MILLER of New York. Why, then, do we not have a separate bill for irrigation purposes and forget the $200 million for hydro purposes?

Mr. SCUDDER. I realize that this project is very highly important from a power-development standpoint, but there is also use for all the water that can be impounded in any of the rivers in California.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield further?

Mr. SCUDDER. I yield.

Mr. MILLER of New York. Would it not be possible to hold this matter in abeyance until the recommendations of the Department of the Interior concerning the participation by the Pacific Gas & Electric Co. in the expense of the power aspects be determined and then come here with a bill authorizing the Congress to accept the recommendations of the Department of the Interior; so that instead of having a bill for $225 million, have a bill just for the irrigation aspects of the project as far as the Federal Government is concerned, and follow the recommendations of the Department of the Interior in accepting the proposal of the Pacific Gas & Electric Co. to pay for the power facilities themselves, instead of the Federal Government doing so? In other words, let us have just the one thing. Let us not permit them to get a foot in the door now and then have the gentleman from California [Mr. ENGLE] 18 months from now, when the recommendations of the Department of the Interior come in for the utility to do the job, not the Government, come in and oppose it, so that then the Government will be in the power business in California on the ground that we have already spent the money, anyway.

Mr. SCUDDER. I appreciate the gentleman's comments and I do desire to serve notice that if and when this matter comes before the Congress I shall most certainly support a program of partnership with the Pacific Gas & Electric Co. if reasonable arrangements can be made, so that they will construct the power facilities, which will amount to some $50 million, and they will buy from the Government falling water at a figure which they have offered of $3½ million a year; besides which they will pay the local, State, and Federal Government taxes to support our governmental operations.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman.

Mr. BEAMER. May I ask the gentleman from California whether in the appropriation bill for public works which was considered the other day this particular appropriation was included?

Mr. SCUDDER. I understand that is correct.

Mr. BEAMER. Was not that a bit premature, before this authorization was even passed?

Mr. SCUDDER. The wording in the recommendation of the report was such that it would not go into effect unless this proposal is authorized by the Congress. The provision, I believe, is quite fair, that the Bureau must make an investigation and report back to the Congress wthin 18 months. Then, of course, the issue will be squarely before us, whether we will accept the partnership program and sell them falling water.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from California.

Mr. ENGLE. It is a fact, is it not, that the private utility in California, the Pacific Gas & Electric Co., is for this bill? That is true, is it not?

Mr. SCUDDER. I understand so.

Mr. ENGLE. They have authorized me to say so and I do say so. I would like to call that to the attention of the gentleman from New York [Mr. MILLER] that the private utility in California which is currently negotiating with the Department of the Interior on this matter is for this bill.

Mr. SCUDDER. I thank the gentleman. The people in my district are not opposed to this bill providing an amendment is accepted, which I shall offer, and which has been approved by the chairman of the committee and the ranking minority member, to permit 50,000 acre-feet of water to be released from the reservoir for the people in Humboldt County and the lower reaches of the Trinity River. That will satisfy their needs according to the information I have from the best authorities possible and then I believe the bill will not be resisted by the people of my district. They have approved such an amendment.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, what I have to say will probably come as a distinct shock to some of the Members, but if they have to support a reclamation project or if they feel that reclamation is a necessary evil to be endured in these United States, this is the best reclamation project that they will ever be priviledged to vote upon.

The direct cost-benefit ratio in this bill is 1.86 to 1 even without considering the extracurricular benefits which the Department has had to seize upon to make other projects feasible. So that if you must support a reclamation project, I urge that you support this project.

Our good colleague from California [Mr. TEAGUE] has a small project down in the southern end of the State, in Ventura, Calif., which has a little better cost-benefit ratio, but then you must consider all the extracurricular benefits to get the increased cost benefit ratio.

The principal reason I am supporting this project is that the committee has taken cognizance of the fact that there has been proposed and fostered by the present administration a partnership power program, and that this bill will permit the Secretary of the Interior to negotiate with not only Pacific Gas & Electric but any agency of the State government, any agency that might be created in the State of California or elsewhere, to negotiate for the sale of falling water and for the erection of these power facilities.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. MILLER of New York. That is not correct, is it? The bill provides that the Secretary is authorized to proceed with the study, but he only makes a recommendation on the question of entering into a partnership with the utility or agency, governmental or otherwise, and reports back to the Congress, who must eventually pass on it. Under this bill the Secretary of the Interior can negotiate no contract with a utility.

Mr. SAYLOR. That is correct. We on the Interior and Insular Affairs Committee have determined as a matter of policy we would not allow the Secretary to be given the power to negotiate the contract itself. That matter should be determined by the Congress. One of the reasons that this is in such a nebulous stage is that the offers of the Pacific Gas & Electric Co. were not made far enough in advance to permit the Secretary to come before our committee and offer us any definite contract.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. ENGLE. Is it not a fact that so far as this project is concerned, if they started the building now it would be 3 years before they got around to talking about the powerhouses, and we have instructed them to come back in 18 months?

Mr. SAYLOR. That is correct. The facilities which will be the subject of negotiation would not be erected for at least 3 years, if construction began today.

One of the things to which I would like to call the attention of this committee is the policy of the Bureau of Reclamation. I think if you will turn to section 5 of this bill you will find a shining example. This I believe is the best project the Bureau of Reclamation has ever had, and one of the witnesses so testified, to present to any Congress. Rather than being satisfied with the laws that are on the books at the present time, they thought they saw a horse that could carry a little more weight than any other horse they have brought up to the barrier in some time, so they would like to give it a little more. They would like to establish a little more precedent. So they asked that in this county where these facilities are going to be erected we build not only these dams but hospitals, recreational facilities, and a dozen and one other things that the Bureau would like to establish as a precedent.

I am happy to say that even though the majority of the committee overruled me and defeated an amendment to take that provision out of the bill, it has been my understanding that the chairman of the committee has seen the light. I congratulate the gentleman from California, the great chairman of our committee, who was designated as a "wildcat" in a very popular magazine some

time ago. He is very eager to get for his district everything he can, and for that I congratulate him. But, when you push a good thing too far, you may even prejudice these good projects, and I say to the chairman that I think it is the better part of wisdom that he has seen fit to agree that this project should carry no greater burden than any other reclamation project places upon a community.

The people of California were defeated, I believe, some short time ago by people in the Bureau of Reclamation selling the excess power out of Shasta Dam to a municipality in California at a very low rate. The rate was so low it makes it impossible for a group of people in California to do what they intended. There was a movement on in California to come to the Federal Government and to pay back the Federal Government all the money they had invested in the central California project. The reason being that the central California project had been devised and originated by the people of California themselves, and it was only because the depression of the thirties came along that the people of California found out that they themselves were not able to sell the bonds which were necessary to finance this project, and they came to the Federal Government and offered their plans and asked the Bureau of Reclamation to build the central California project, which you have seen displayed on this map in back of me. There was a feeling in California that after the people out there had some dealings with the Bureau of Reclamation, many of which were not satisfactory, many of the people finding what they had considered to be the law of the land, the law of the water out in California, was being ignored by the bureaucrats in Washington. There grew up in the State of California a feeling that it would be very popular and probably very profitable to come to the Federal Government and buy it out, and pay back to the Federal Government the investment which they had made. One of the reasons they had for considering this was because there was a large power dam in connection with this, known as Shasta Dam, and Shasta produces more power than was apparently being used out there in California at that time, and several people in the Bureau of Reclamation saw the handwriting on the wall and they saw that the people out there were getting wise to the ways of the Bureau of Reclamation and they saw that this feeling which the people were developing was something which they would not be able to overcome as long as it was a paying proposition.

So they went to the people of Sacramento and offered them a very attractive rate to take all the remaining power at Shasta Dam. Now, I do not blame the people of the Sacramento Municipal Utility District, in fact, I congratulate them for having the foresight to go in and buy all of that power. But the rate at which they bought that power—anybody who comes from the East and anybody who comes from the South, and anybody who comes from the Midwest where Uncle Sam has not gone in and created this false low cost power would have loved to have the rate which the Sacramento Municipal Utility District was able to get from the Bureau of Reclamation. It was so low that the people of California, if they have to take it over, will find now that they will have to extend their payments over a great many more years. These are some of the ramifications which I think the Members of the Congress should be cognizant of.

It came to my attention the other day that the great Commissioner of Reclamation has taken to task several Members of the Congress because they have seen fit to question the Bureau of Reclamation. In fact, he even went so far in Denver to make the statement that the gentleman from California [Mr. HOSMER] and I did not deal in facts. I would like to call the attention of the members of this committee to this startling revelation which some of you will be apprised of within the next few weeks, that the commissioner had his attention drawn to certain figures which the Bureau had presented to the public, and when it was shown to him that his figures were in error, he came back with another set of figures. Then when those figures were checked by competent engineers and were shown to be in error, he admitted that they were incorrect. So that from the beginning right until the end, there was an error of a mere 600 percent. I might say that is the kind of facts the Commissioner of Reclamation deals in, and when you back him into a corner he finds some other nice place to run to, thinking he can hide from Members of Congress. I say this not only with regard to the present Commissioner of Reclamation, but it has been the history of the men who have been Commissioners of Reclamation. They have tried to build an empire and tried to hide from Members of Congress when they try to get the facts. That might be a little far-fetched from the Trinity River project, but I think it is something the Members of Congress should know when they are voting on these projects.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. SAYLOR] has expired.

Mr. ASPINALL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MOSS].

Mr. MOSS. Mr. Chairman, I am very pleased to hear the support from both sides of the aisle for this project. It is indicative of the unanimous feeling of the people of my State for the need of this project. If we are to continue to grow we need this supplemental water supply. It is not designed to put into production new acres, nor to aggravate any surplus in agricultural problems which we might have facing us at this time. In fact, its effect would probably be just the contrary. Rather than contributing additional crops now in surplus, it would tend to change the land from the production of crops of that character to the production of crops not in surplus.

We have two important criteria for this project.

First, there is a very real need for it. Either we have to irrigate through surface irrigation in my part of the State—and the district I represent is a major area of use for this project—or we must pump water. The history of California in recent years shows rapidly receding water tables which increases the cost materially to the farmer in placing water on his land. We have a real need for the power that will be produced. We have no surplus of electric energy in California, whether generated by steam or hydroelectric. We can use, as we continue to grow, every bit that we have potential to produce. I am happy to hear from my distinguished colleague, the chairman of the committee, the fact that the utility itself is supporting the legislation. I realize it begs an important question which will be faced some 18 months hence, when all the facts are in—a proper evaluation of the offer which has been proposed by the utility. At that time the recommendations of the Department can be forwarded to the Congress for study by the committee.

The second important criterion in this project is that it is a feasible one. From every standpoint it will bear its own weight. It is a wise capital investment for this Nation to continue to aid an area needing help, that is not holding its own and meeting the demands upon it in the most rapidly growing State in the Union. We are not producing much in that area that is surplus. We must continue to produce on the land now in production if we are not to finally lose ground and have the land become less and less valuable and less and less productive.

California has changed in recent years from a State which exported many types of agricultural products, exported meat also, to the point where now she is an importing State. We have had a growth factor in the last 20 years that I think is without parallel in the history of this Nation, and that growth has not been just in the southern part of California; it is growth that has uniformly developed, it is growth in the north and in the central section of the State as well.

This project will be a part of the Central Valley project that was undertaken by the United States Government some 20 years ago. It will be a most logical part, because it brings water into the area to replace water which has been exported to the southern part of the Sacramento and San Joaquin Valleys. It is water which is vitally necessary if we are to realize the full potential of the Sacramento Valley Canals which were authorized by the Congress recently and which are presently under construction. It is through those canals that approximately 200,000 acres of land in my district will receive water to bring in new production.

I know of no opposition of a substantial nature to this project, as all of you know from the comments of the chairman and the ranking minority member. From every section of California where opposition can be expected—particularly from some of the northern coastal counties—that opposition does not deal with the project but rather with particular matters of policy or means of allocation.

I sincerely hope we can pass this bill unanimously.

Mr. ENGLE. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, in the course of consideration of H. R. 6766 on June 16, I offered an amendment to increase the amount appropriated for flood control on the Mississippi River and tributaries from $46,675,000 to $50,-885,000. Apparently some confusion has developed concerning the intent of my amendment, and I would like to clarify the situation by stating here that the sole purpose of my amendment was to increase the amount of the funds available for flood control on the Mississippi River and tributaries. It was not intended to affect the language of the committee report on this item, nor did I intend that the amendment should in any way jeopardize the instructions in the report to spend $225,000 on the Reelfoot Lake project. Neither did I intend that the amendment should change the recommendation to provide for permanent or temporary work in the foothill areas of the Yazoo and Tallahatchie Basins.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MILLER].

Mr. MILLER of New York. Mr. Chairman, it seems to me that we in the Congress once and for all have got to resolve for ourselves the question of which way we are going in connection with this proposition of the subsidization of the electric light and power industry of this country.

In 1933 we authorized the construction of the TVA. I was not here at that time. I would have voted for it had I been here. As a matter of fact, Stanley Reed, who was the Solicitor General of the United States at the time the constitutionality of TVA was argued in the Supreme Court, and now a Justice of the Supreme Court, said:

> If TVA were solely a question of electric power I would not have a leg to stand on in appearing before you, but it is a matter of irrigation and reclamation which are governmental functions.

And, incidentally, as a matter of commonsense and good judgment, hydroelectric power developed from such dams should be utilized by the Government. Since that time we have seen the development of TVA to a point where only last week we were asked to appropriate $6½ million to build a steam plant to supply electric power for the southeastern part of the United States.

We are opening the door in this project to the identical situation; 85 percent practically of this entire appropriation is for power facilities when actually there is under study by the Department of the Interior a proposition to permit the Pacific Gas & Electric Co. at their own cost to take that 85 percent out of this controversy by building the power facility. In addition thereto they will pay to the Government a price for the falling water. Do you not see what that would mean? If we in the Congress wait for the termination of that investigation, we can come in here with a bill, a partnership bill, which would permit the Government to pay for and build the irrigation and reclamation features of this bill which would amount to only about $20 million to $25 million and permit the Pacific Gas & Electric Co. to build the power facilities and pay rent for the falling water. We would then have a bill that would not cost the people anything because the power facilities will be built by the utilities and the rentals they pay would take care of the irrigation, reclamation, and navigation features and eventually we would not have to pay anything at all out of the Treasury of the United States. We can do that in the next session of this very Congress if we wait pending the study of the Department of the Interior and the proposal made by the Pacific Gas & Electric Co.

Why get the Corps of Army Engineers into the construction of power facilities which they will commence right away, then have the Department of the Interior make recommendations. We would be then burdened with the proposition of determining how much the Corps of Army Engineers have spent, how much the Pacific Gas & Electric would have to pay for what has been spent and what has been done by the Corps of Engineers and the private contractor under contract by the utility, which will result in a lot of confusion in paying back to the Government money it has already spent, taxpayers' money. Why can we not just wait until the next session of the Congress, wait for the termination of this study, then we will have a bill that will not be a $225 million bill, it will be a $20 million bill and there will be a provision in the bill that will automatically repay the Federal Government for all the money spent. It will be then a partnership operation, it will be what the 90 towns are for in California, as I understand it.

May I ask the gentleman from California, if the Department of the Interior recommends this partnership with the utility and recommends that they pay for the power facilities and pay the Government for the falling water, will the gentleman from California be for that recommendation of the Department of the Interior?

Mr. ENGLE. The gentleman asked that question, and I told him I did not propose to prejudge what they would come in here with. I do not know what they are coming in with.

Mr. MILLER of New York. Will the gentleman say now that if the Federal Government has spent this money he is for turning it over?

Mr. ENGLE. My personal disposition is not to favcr turning over these powerhouses at federally constructed projects to private utilities.

Mr. MILLER of New York. They will not be federally constructed.

Mr. ENGLE. If the gentleman will yield, I would like to straighten him out on his figures. He talks about this project being 85 percent power.

Mr. MILLER of New York. The gentleman from Nebraska said it was mostly power. How are we going to pay this back?

Mr. ENGLE. The gentleman forgets you have to build a reservoir anyway.

Mr. MILLER of New York. Yes.

Mr. ENGLE. There are only $50 million of this project in powerhouses.

Mr. MILLER of New York. How are you going to pay back the $225 million? You cannot pay it out of irrigation, navigation, and reclamation. Only out of power are you going to be able to pay this back.

Mr. ENGLE. Mr. Chairman, I yield myself 3 minutes for the purpose of keeping the record straight.

The fact of the matter is, what we are after here is the water. We get the power incidentally. The Federal Government is going to have to build the Trinity Reservoir. The private power company proposal was to put up the $50 million to build the powerhouses. That is what they propose. It was not to put up 85 percent of the cost of this project at all because the Federal Government is going to have to put that up anyway in constructing the reservoir. The power company wants to put in the powerhouses and buy the falling water. The reason we put the provision we did in the bill is because the water and the power on this project is mixed up with the water and power of the Shasta and the Keswick projects. The Department of the Interior appeared before our committee and stated that on the basis of information they had they were not in a position to recommend one way or the other but that this project could go forward in the normal course of events. If you started to build the dam today it would be 3 years before you got around to the power features of it anyway. As a consequence, they stated we could proceed with the authorization of the project, work this out and bring it back later. As I told the gentleman from New York, who makes a great plea here for the private power industry, the Pacific Gas & Electric Co. itself is for this bill and is supporting it and is supporting the present provision in it.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. HOSMER. I understand the gentleman's position that he would not now want to prejudge any contract that the Secretary of the Interior might bring before the Congress and recommend be approved, but I would like to ask the gentleman if because and solely because whatever the Secretary of the Interior might bring up would be a power partnership policy, would he just oppose it because it were, or would he consider the contract on its merits?

Mr. ENGLE. The gentleman acts as if I am going to pass on this problem myself, alone and solely. This problem is going to be passed on by a committee of the Congress. And, let me tell the gentleman that this is not quite as simple a proposition as a simple partnership. This negotiation involves the disposition of the Trinity River power; it relates to the question, for instance, with reference to whether or not any power

shall be made available to the San Luis project, if it is authorized and built and the question of water releases is involved. We have a partnership with the Pacific Gas & Electric Co. out there now on a firming contract and a wheeling contract. I cannot say what they are going to come back here with, and I do not propose to be put in a position as saying I am for it or against it. I have stated my general philosophy twice on this floor, and it seems to me that is enough. But, I want to make it clear to the gentleman from New York that he simply had his figures wrong. There is less than 20 percent of this project involved in actual powerhouse facilities in which the Pacific Gas & Electric Co. is interested, and which the Pacific Gas & Electric Co. offered to negotiate to build.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, I would like to ask the distinguished gentleman if he would consider any proposal that the Secretary brought up on its merits and would not reject it merely because it involved the power partnership principle.

Mr. ENGLE. Mr. Chairman, if the gentleman will yield, is the gentleman asking me a political question? Is that it?

Mr. HOSMER. No. I am asking a question about the gentleman's specific intention with respect to the provision that is now written into this bill, that instead of bringing the contract back and having it disapproved by Congress if Congress does not like it, the Secretary of the Interior brings it up here and it only goes into effect if, when, and as the House of Representatives and the other body actually approve it. What I am asking the gentleman, as the distinguished chairman of the Committee on Interior and Insular Affairs, is, will he oppose this on the basis of not liking the partnership in general, irrespective of what the Secretary of the Interior brings up, or will he consider whatever the Secretary of the Interior brings up on its own merits.

Mr. ENGLE. I am not going to get into a political discussion with the gentleman. But, I will tell him this, that I have assured the private utility, the Pacific Gas & Electric Co. representatives, that if they arrive at an agreement with the Secretary of the Interior and he recommends that legislation and the legislation is introduced, that legislation will be given a hearing on its merits before my committee.

Mr. HOSMER. In other words, will it come out of the committee to the floor, or would it be killed in committee?

Mr. ENGLE. I did not say that. I said it would be given a hearing on its merits. The gentleman does not know himself whether he will support it.

Mr. HOSMER. I want to ask the distinguished chairman, is it not a fact that if the Committee on Interior and Insular Affairs did not take favorable action on a bill and report it for consideration to the House, that then and there it would be killed by just one-half the 25 or 30 men who are on the committee and this Congress would never have the opportunity to take any action in approving or rejecting the contract; is that not right?

Mr. ENGLE. That is true of any bill, that it can be killed by a committee, and if the proposal is not good enough to get the support of the committee, I assume, unless it is petitioned out or some other way, it cannot get out. It is subject to the rules of the House, as is all other legislation. But they have assurance that they will have their day in court.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman.

Mr. CHRISTOPHER. I would like to observe, may I say to the gentleman from California [Mr. HOSMER], that life is very uncertain and politics is still more uncertain. The chairman of the committee might not be the chairman of the committee when this measure comes up 18 months from now. He might not even be in the Congress of the United States. I think we have plenty to do to take care of the present and the past without trying to project ourselves a year and a half to 2 years into the future and tie somebody down by asking him what he would do at that time. I have no idea what I will do a year and a half from now. I might be astonished myself if somebody were to tell me what I would be doing a year and a half from now.

Mr. HOSMER. I will say to the gentleman that it is quite possible that none of us will be here at that time, but I am quite sure that the Bureau of Reclamation will be here and they will be continuing in their effort to socialize the power industry of this country. That will still be going on. Those of us who do not want to see that happen must stand up now and make their views plain.

Mr. CHRISTOPHER. I hope the Bureau of Reclamation is here, and I hope that they will be still engaged in the prosecution of just such projects as are outlined here on the map.

Mr. ENGLE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SISK], a member of the committee.

Mr. SISK. Mr. Chairman, I feel that it is most unfortunate that we find ourselves involved in an argument here on public versus private power. It is my conviction that this is a good project, that it can stand on its own merits, that it is one of the finest projects ever brought before this House.

I feel that the distinguished gentleman, the chairman of the committee, has done an excellent job of explaining the benefits to be derived from this project.

I would like to comment for a moment on some of the statements made by the gentlemen from New York [Mr. MILLER] and some others regarding this power argument. I have heard some comment with reference to the fact that some Members of this House apparently believe the Government is building up a great public power monopoly in the State of California. I am here to tell you that that is just not true.

Under direct questioning before our committee, the attorney for the largest private power company in California testified that the total power in the 46-county area of northern California which is covered by his company is 13 percent Government power and that his company, which happens to be the Pacific Gas & Electric Co., is producing and furnishing 87 percent of all the power in that area. So certainly we do not have any giant monopoly of public power.

Getting away now from the power issue, there are other benefits, and very important benefits, in this project. They are of a nature that we are a great deal more interested in; that is, water for our farms. I happen to be situated in this area shown on the map here, near the end of this canal. I have about 500,000 acres of land down there, and we need water on it. The Trinity project is the first step toward putting water on that land.

I would like to say with reference to questions by the gentleman from Iowa that we are not putting new land into production, but we are simply attempting to keep land in production and to keep that land from returning to desert. A number of years ago we were pumping water at a comparatively small expense, from a rather shallow depth. Today it costs from $50,000 to $80,000 per well, to sink one in this area, to get water. The water table is falling at such a rapid rate that very shortly, 5 to 10 years from now in many cases, that land will go out of production and those landowners will lose their total investment. This is an area that is producing today about $50 million a year, and certainly a good proportion of that money is coming back into the Treasury of the United States in the form of income and other taxes. It is of vital concern to us in California and the Central Valley and I feel it certainly should be of vital concern to the people throughout this Nation that this land be kept in production.

Also, in cases where new land has been brought under irrigation, it has been taken out of producing dryland grain. We realize we have a surplus of grain today. What irrigation is doing in many cases is taking out of production dryland grain, which is in surplus, and making it possible to grow vegetables, fruits, nuts, and other things that certainly are not in surplus in the warehouses of the United States today.

So I urge each Member of the House today to support this bill, to support this project, strictly on its merits, on the fact that it has a very fine benefits-to-cost ratio, one of the best that has ever come before the House, that it is necessary and vital for those farmers in order to keep their land in production, and that the power which is produced, whether that power may ultimately be produced by a private power company or by the Federal Government, will go to make this one of the most feasible projects on which you have ever had an opportunity to cast a vote.

Mr. ENGLE. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, during this session of Congress the Committee on Irrigation and Reclamation will have considered, before we close, something like ten irrigation projects. During the last several years we have considered in the neighborhood of 10 or 15 others. Of all the projects which will have come before the committee during the 8 years I have been a member, this project in my opinion is one of the best.

I can join my energetic and able chairman in his statement that this is a gold-plated irrigation project. What we resolve today is simply a dispute between the friends of reclamation and those who oppose reclamation as such. This is the 53d year of reclamation in the United States. It came into being under the leadership of the great conservationist President, Theodore Roosevelt, who was helped at that time by one of the truly great conservationists of the Nation, the late Honorable Gifford Pinchot. We have had difficulty throughout these years, from the very beginning, in trying to impress upon different areas of the Nation the worthwhileness of reclamation programs. However, one need be only an unprejudiced person in order to measure the benefits that have come from the program and to see the innumerable benefits, which outbalance any of the costs or any of the criticisms that may be leveled at the record of reclamation.

Public power as such is not the main issue involved in this project. It is in the project, all right, but public power production has been present in the Central Valley of California right from the very beginning. Those of you who oppose the project simply because there is public power connected with it should keep in mind that if it were not for the development proposed in the bill now before the committee, there would be no power that would be produced in this particular area, at least for some time to come, because no one or no group, other than those interested in the legislation now being considered, plan any program for the production of power by use of the water involved in the Trinity project.

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

Mr. ASPINALL. I yield.

Mr. JOHNSON of California. I am glad that the gentleman emphasized the water features of this problem rather than the electric features. One thing that has not been mentioned here, which I would like to point out, is that a great many of the crops of that great interior valley are vine crops or tree crops, and if you lose the water on this land, they will dry up and the land will go right back to desert because the cost of removing those vines and trees would be prohibitive. The result would be that the land would lie idle and be useless. The land is committed largely to tree and vine crops and to be profitable must continue producing such crops. Water is the one thing that will keep those crops growing and producing.

Mr. ASPINALL. The gentleman is correct. The authorization and construction of this project takes out of production some of those products now in oversupply. There is no question about that. And brings into production other products not in oversupply at the present time. What I am trying to impress on my colleagues is that this is a multiple-purpose project to be sure. But as irrigation has been considered to be the primary objective of reclamation projects throughout the period of federally authorized reclamation so in the bill now being debated the primary objective is irrigation and the production of power is incidental. Most certainly the people themselves of the area to be benefited should have the right to look to the development of those resources in their own area in order to firm up the development of their other resources.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. HOSMER. If in the course of events, 18 months hence, the gentleman is still chairman of the Irrigation and Reclamation Subcommittee, and the proposal from the Secretary should come before the committee, I would like to know if the gentleman would consider it on its merits or would not consider it on its merits because it involves the partnership policy.

Mr. ASPINALL. I have in my own area the operation of the partnership policy. It came into operation a long time before this administration and the present officers of the executive department had anything to do with it. The gentleman from Colorado is a friend of free enterprise and he is a friend of private initiative.

If at the time suggested by the gentleman the matter should come before my committee, and I should happen to be chairman, it will be given consideration. That is all I can say to my colleague. As far as my position at that time on these matters, it will have to depend on the legislation that is before the committee. The gentleman from Colorado never has buried, and does not intend to bury, legislation in committee.

Mr. HOSMER. As a matter of fact, however, if the subcommittee consisted of only 20 persons, it would take but 11 of those members to prevent the House hearing this question.

Mr. ASPINALL. The gentleman is correct. Of course, he is correct, and that is true as to any legislation being studied by a committee.

Mr. ENGLE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Chairman, I would like to add my voice in support of this proposal. I would first like to say that the very able gentleman from Pennsylvania [Mr. SAYLOR] placed his benediction on this project from the standpoint of economic feasibility, which is a most important consideration when you are spending Government money. I want to say to the gentleman from California [Mr. HOSMER] that we have the partnership policy in California in connection with every hydro project that I know about. The Central Valley project has, as one of its principal customers, the Pacific Gas & Electric Co. In connection with Boulder Dam, the Southern California Edison Co. is one of the principal customers. I would like to point out that the metropolitan water district which serves his home city is a public district which is as liable to the charge of socialism as is the Federal Government, and that district gets power from Boulder Dam. As a matter of fact, the development of the great city of Los Angeles and the aircraft industry there, which is so vital to our national defense, could not have taken place without Boulder Dam. Actually, today the Southern California Edison Co. would be a much smaller power corporation were it not for the fact that Boulder Dam was erected and that the city and the district as well as the company itself were permitted to get power generated at that site.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield.

Mr. RHODES of Arizona. When the gentleman mentioned Boulder Dam, I presume he refers to Hoover Dam; is that not correct?

Mr. HAGEN. It is Hoover Dam. That is correct. The name has been changed but the results are identical although Hoover might want to dismantle it. But I would like to point out also that this is not a power project, it is not a power project because it will be an integral part of the central valley project and is necessary to make that huge Government investment work. The fact is that the study conducted at the time the central valley project was authorized indicated only a certain limited land utilization in the Sacramento River Valley which was the principal source of water for that project. Since that time land utilization has increased in that area, and there is a serious question whether the present supply of water flowing down the Sacramento River is adequate to take care of the needs of the Sacramento Valley and still serve those areas which are south thereof in my territory. So that if we want to guarantee that the existing Government investment will be returned completely, the best insurance we can have is this additional water supply made available to the Sacramento River through the Trinity River project. That is the principal purpose of this authorization.

Actually the power features can also serve, in connection with the existing project and with proposals made, to extend the transfer of water down into my area of the State of California. There are proposals on the drawing board for that purpose. I am certain, as in the case of the existing power companies, if the Pacific Gas & Electric, or any other power company, comes in with a feasible program for purchase of the power, that that proposal will receive the earnest consideration of the Members from California.

Mr. SAYLOR. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Mr. Chairman, I ask unanimous consent to speak out of order for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Chairman, I want to take this opportunity to pay tribute to the new United States open golf champion, Jack Fleck, of Davenport, Iowa.

Last Sunday the attention of the entire sports world was directed to the drama being enacted on the fairways of the Olympic Country Club in San Francisco. An unknown youngster was bidding for one of the greatest honors in the field of golf. The day before, he electrified the thousands in the gallery, as well as millions more on radio and television, by doing the impossible in fighting his way into a tie for the championship with the reputed master of the golf world.

In Jack Fleck's victory over Ben Hogan to become the United States open golf champion we have a feat which all America has taken to its heart as something which is typically American and typically in the American tradition of this great country.

Just as every American boy can dream of being President of the United States, so can every caddy on the golf links who totes the clubs for the duffer, the great, and the near great, dream of some day capturing the coveted crown of United States open champion.

Jack Fleck proved that it can be done. He proved that the qualities we prize as being typically American: persistence, hard work, courage, and the never-say-die attitude, when guided by a faith in a higher power, can work miracles. Anyone who saw that drama will attest the fact that all of these were on the side of Jack Fleck last weekend. This modest young man, unfamiliar in the role of supreme champion, accepted his accolades with the humility that marks him as a true champion. With all his ability, his courage, and his will to win, he acknowledged that it could not have been possible without the help of a supreme being in whom he had faith.

To my colleagues, to our leaders, to our ministers and teachers, to boys and girls everywhere, I commend to you Jack Fleck, of Davenport, Iowa. Here is the personification of the American dream. Here is living proof that this country which was founded, built and sustained by the same mastery over odds and adversity, does nuture in its people the courage to face up to any given situation, and in winning, acknowledge the real source of their power.

I am proud of Jack Fleck, not only because I know him personally and have been aware of his championship mold for a long time, but because he is a Christian gentleman, who stands as an example worthy of emulation. All of us, too, are proud of his good wife, Lynn, who encouraged him, helped him, and was a real partner in his rise to success and fame. I respectfully urge our native city, Davenport, Iowa, to award him permanent recognition by taking whatever steps are necessary to rename one of the golf courses to which he has brought so much honor in his name. I suggest that this course be called Fleck Fairways. All of the Iowa delegation join me in these felicitations to this great sportsman.

Mr. ENGLE. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Chairman, I take this time at the request of the gentleman from North Carolina [Mr. DURHAM], who is necessarily absent, to make an announcement regarding the Atoms for Peace film.

As you know, the Joint Committee on Atomic Energy, in cooperation with the Encyclopedia Britannica Films, Paramount News, and the United States Atomic Energy Commission, has made arrangements for a 16-millimeter black-and-white, sound film, Atoms for Peace, to be made available to all Members of Congress for use in their districts. The cost of the film is $22 and can be sold only to Members of Congress.

In compliance with requests from Members whose duties prevented their attendance at any of the three previous showings of the film, arrangements have been made for additional showings. It will be run at 11:30 on Wednesday and Thursday in room 160, Old House Office Building.

The response to the film is most gratifying to the Joint Committee on Atomic Energy.

The Clerk read as follows:

Be it enacted, etc., That, for the principal purpose of increasing the supply of water available for irrigation and other beneficial uses in the Central Valley of California, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain, as an addition to an integral part of the Central Valley project, California, the Trinity River division consisting of a major storage reservoir on the Trinity River with a capacity of 2,500,000 acre-feet, a conveyance system consisting of tunnels, dams, and appurtenant works to transport Trinity River water to the Sacramento River and provide, by means of storage as necessary, such control and conservation of Clear Creek flows as the Secretary determines proper to carry out the purposes of this act, hydroelectric powerplants with a total generating capacity of approximately 233,000 kilowatts, and such electric transmission facilities as may be required to deliver the output of said powerplants to other facilities of the Central Valley project and to furnish energy in Trinity County. The works authorized to be constructed shall also include a conduit or canal extending from the most practicable point on the Sacramento River near Redding in an easterly direction to intersect with Cow Creek, with such pumping plants, regulatory reservoirs, and other appurtenant works as may be necessary to bring about maximum beneficial use of project water supplies in the area.

SEC. 2. Subject to the provisions of this act, the operation of the Trinity River division shall be integrated and coordinated, from both a financial and an operational standpoint, with the operation of other features of the Central Valley project, as presently authorized and as may in the future be authorized by act of Congress, in such manner as will effectuate the fullest, most beneficial, and most economic utilization of the water resources hereby made available: *Provided*, That the Secretary is authorized and directed to adopt appropriate measures to insure the preservation and propagation of fish and wildlife, including, but not limited to, the maintenance of the flow of the Trinity River below the diversion point at not less than 150 cubic feet per second for the months of July through November and the flow of Clear Creek below the diversion point at not less than 15 cubic feet per second unless the Secretary and the California Fish and Game Commission determine and agree that lesser flows would be adequate for maintenance of fish life and propagation thereof; the Secretary shall also allocate to the preservation and propagation of fish and wildlife, as provided in the act of August 14, 1946 (60 Stat. 1080), an appropriate share of the costs of constructing the Trinity River development and of operating and maintaining the same, such costs to be nonreimbursable.

SEC. 3. Contracts for the sale and delivery of the additional electric energy available from the Central Valley project power system as a result of the construction of the plants herein authorized and their integration with that system shall be made in accordance with preferences expressed in the Federal reclamation laws: *Provided*, That a first preference, to the extent of 25 percent of such additional energy, shall be given, under reclamation law, to preference customers in Trinity County, Calif., for use in that county, who are ready, able and willing, within 12 months after notice of availability by the Secretary, to enter into contracts for the energy: *Provided further*, That Trinity County preference customers may exercise their option on the same date in each successive fifth year providing written notice of their intention to use the energy is given to the Secretary not less than 6 months prior to said date.

SEC. 4. The Secretary is authorized to make payments, from construction appropriations, to Trinity County, Calif., of such substantial additional costs of government as are incurred by it during the period of actual construction of the development and as are found by the Secretary to be properly attributable to and occasioned by said construction and to constitute an undue burden upon the county, including but not limited to (1) police, hospital, and welfare facilities, (2) the repair, maintenance, and replacement of existing roads, and (3) the establishment of new roads, meeting standards adopted by the American Association of State Highway Officials, which give access to the areas and communities adjacent to the project and reservoir sites, which roads shall include, though not be limited to, those giving the shortest practicable route from Weaverville to Lewiston, Weaverville to the vicinity of Trinity Center, and from the vicinity of Trinity Center to Tower House. Construction of said roads shall proceed and be completed expeditiously consistent with the construction and completion of said project. The Secretary is authorized to make such payments in advance based on the reasonable anticipated additional costs of county government, but the total payments over the construction period shall not exceed the total actual additional costs as heretofore provided. The Secretary is further authorized and directed to pay to Trinity County annually an in-lieu taxpayment out of the appropriations during construction and from the gross revenues of the project during operation an amount equal to the annual tax rate of the county applied to the value of the real property and improvements taken for project purposes in Trinity County, said value being determined as of the date such property and improvements are taken

off the tax rolls. Payments to the public-school districts in the project area affected by construction activities shall be made pursuant to existing law.

SEC. 5. There are hereby authorized to be appropriated for construction of the Trinity River division $225 million, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein, and, in addition thereto, such sums as may be required to carry out the provisions of section 4 of this act and to operate and maintain the said development.

Mr. ENGLE (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

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

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, line 9, after the word "to", insert the word "and."

The committee amendment was agreed to.

Mr. ENGLE. Mr. Chairman, with respect to the next committee amendment, it was printed in the bill by error in the wrong line. I ask unanimous consent that the amendment be read as appearing on page 2, line 14, following the word "County.", so as to put it in the proper place.

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

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as indicated.

The Clerk read as follows:

Page 2, line 14, following the word "County" change the period to a colon and insert the following: "*Provided*, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress."

The committee amendment was agreed to.

The Clerk read as follows:

Page 4, line 5, insert a new section to read as follows:

"SEC. 3. The Secretary is authorized to investigate, plan, construct, operate, and maintain minimum basic facilities for access, to and for the maintenance of public health and safety and the protection of public property on, lands withdrawn or acquired for the development of the Trinity River division, to conserve the scenery and the natural, historic, and archeologic objects, and to provide for public use and enjoyment of the same and of the water areas created by these developments by such means as are consistent with their primary purposes. The Secretary is authorized to withdraw from entry or other disposition under the public land laws such public lands as are necessary for the construction, operation, and maintenance of said minimum basic facilities and for the other purposes specified in this section and to dispose of such lands to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest. The Secretary is further authorized to investigate the need for acquiring other lands for said purposes and to report thereon to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, but no lands shall be acquired solely for any of these purposes other than access to project lands and the maintenance of public health and safety and the protection of public property thereon without further authorization by the Congress. All costs incurred pursuant to this section shall be nonreimbursable and nonreturnable."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, line 7, strike out "SEC. 3" and insert "SEC. 4."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, line 22, strike out "six" and insert "eighteen."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, line 23, strike out "SEC. 4." and insert "SEC. 5.".

The committee amendment was agreed to.

The Clerk read as follows:

Page 7, strike out "SEC. 5." and insert "SEC. 6."

The committee amendment was agreed to.

The Clerk read as follows:

Page 7, line 15, strike out "4" and insert "5".

The committee amendment was agreed to.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: Delete all of section 5 and substitute in lieu thereof the following:

"SEC. 5. The Secretary is authorized to make payments, from construction appropriations, to Trinity County, Calif., of such additional costs of repairing, maintaining, and constructing county roads as are incurred by it during the period of actual construction of the Trinity River Division and as are found by the Secretary to be properly attributable to and occasioned by said construction. The Secretary is further authorized and directed to pay to Trinity County annually an in-lieu tax payment out of the appropriations during construction and from the gross revenues of the project during operation an amount equal to the annual tax rate of the county applied to the value of the real property and improvements taken for project purposes in Trinity County, said value being determined as of the date such property and improvements are taken off the tax rolls. Payments to the public-school districts in the project area affected by construction activities shall be made pursuant to existing law."

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. ENGLE. As a result of previous discussions with the gentleman and some of my friends on the Rules Committee, I regret accepting this amendment.

I repeat that I have reluctantly agreed to this amendment, which limits the amount of assistance in lieu of taxes which will be given to Trinity County, Calif., the county in which this project is to be constructed. Less than 20 percent of Trinity County is in private ownership and subject to taxes.

The construction of this project will impose tremendous hardships on the school, welfare and police facilities of Trinity County.

The bill in its original form simply provides that the Secretary of Interior shall sit down with the county officials and make arrangements to assist the county in carrying these burdens. That precedent has been well established in aid to schools in federally impacted areas. In fact it is included in this bill and will remain in the bill after the amendment offered by the gentleman from Pennsylvania is adopted. It is hard to believe that it is proper for the Federal Government to aid county government in helping with its school problem where a huge Federal project with its thousands of workers are piled on top of a little county government and yet similar assistance will not be given to keep kids from dying from illnesses from which they may suffer, for which they cannot pay, and for which the county government is unable to provide adequate welfare facilities. The same thing is true with reference to police protection. There will be 2 or 3 thousand construction workers and their families dumped into this small mountain county. How is it going to provide ordinary police protection? The fact is that the County cannot do it. I would have been glad to agree to some formula limiting the amount of this aid if the members of the Rules Committee and the gentleman from Pennsylvania who insisted on this amendment, had been willing to consider it. But they are afraid of a precedent. I am never afraid of a precedent that does right. And any time where a local government is to be swamped with obligations because of a Federal project, whatever its long-range benefits, we should be willing to set up a formula which will enable that small county government to meet the normal obligations of government. That is especially true where, as in this case, the people who will finally pay the bill will be the water and power users who must repay the total capital cost of the project, of which these charges will be a part, the Federal Government only advancing the money as a part of construction appropriations. I emphasize that the water and power users of California have registered no objection whatever to the present provisions of this bill. They are willing to have these costs charged against them to be repaid—and it will be repaid with interest on the same proportions as the whole project itself is repaid with interest. I regret exceedingly that such hard conditions were laid down on the ground that a precedent might be established. The precedent, if any, is a precedent for doing what is right and what is fair:

Under the circumstances I have accepted the amendment but I do so with great reluctance for the reasons that I have stated.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from New York.

Mr. KEATING. Will the gentleman state whether or not this is a fact, that the Bureau of the Budget recommended only $400,000 for planning for this project, or did they recommend the project itself?

Mr. SAYLOR. The Bureau of the Budget has recommended the project itself. They have approved this project.

Mr. KEATING. I note the statement on page 2 of the report that they have recommended $400,000 additional for continuing the advanced plans. I do not know exactly the significance of those words "advanced plans" but how does that tie into this project itself?

Mr. SAYLOR. May I inform the gentleman, the preliminary plans have been approved. After the Bureau of the Budget approves the preliminary plans it is then necessary to have your advanced planning. It is for this advanced planning the Bureau of the Budget has authorized an increased appropriation.

Mr. KEATING. In other words this project if approved here by a vote of this body and becomes law is only the beginning of a much larger project?

Mr. SAYLOR. No. This is the complete project. The plans that are called for there are the detailed plans for construction of the dams and the power plants.

Mr. KEATING. I thank the gentleman.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. BALDWIN. May I ask whether the provision for payment of the in lieu taxes is something that is now standard procedure for reclamation projects of this type?

Mr. SAYLOR. It is not now standard procedure. The amendment which has been agreed upon, and which the chairman indicated he would accept, is the regular procedure for every reclamation project.

Mr. MILLER of New York. That is the same formula followed by the TVA?

Mr. SAYLOR. That is correct.

Mr. MILLER of New York. It is about 10 percent of what corporations pay?

Mr. SAYLOR. That is more than I can tell the gentleman. It is a policy that has been set up. I have never tried to figure out what the exact amount is, but it is in lieu of the taxes paid if owned privately.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was agreed to.

Mr. SCUDDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCUDDER: Page 4, line 4, strike out the period and insert in lieu thereof a colon and the following: "*Provided further*, That not less than 50,000 acre-feet shall be released annually from the Trinity Reservoir and made available to Humboldt County and downstream water users."

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from California.

Mr. ENGLE. I am delighted to agree to and accept the amendment offered by the gentleman which will provide the assurance of water for people downstream from this reservoir in the gentleman's area.

Mr. SCUDDER. I thank the gentleman and appreciate his statement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SCUDDER].

The amendment was agreed to.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask some questions to clarify certain statements that have been made on the floor in regard to this bill. It seems one group says this is principally power and the other group tells us it is for irrigation. I would like to know what it is for. Will the chairman enlighten me on that phase?

Mr. ENGLE. The gentleman evidently was not on the floor——

Mr. JONES of Missouri. Yes; I have been on the floor during practically all of this debate.

Mr. ENGLE. I made the statement——

Mr. JONES of Missouri. The gentleman made the statement that it was not for power but on the other side they said it is for power.

Mr. ENGLE. I made the statement that what we are after is water. This project involves 704,000 acre-feet of water resulting in 1,192,000 acre-feet of usable water in the Central Valley project. Incident to that, and while the water is being brought over into the Central Valley area, bringing it through two layers of hills, it comes through in tunnels and is dropped through powerhouses and there are 4 powerhouses on the project—plus the water that goes through the current powerhouse at Keswick, and that results in about 223,000 kilowatts of installable electric energy.

Mr. JONES of Missouri. Why do you not just tell me, was the project designed originally to get water for reclamation purposes, or was it designed to provide water for power purposes?

Mr. ENGLE. It is designed for the purpose of filling the gap in the needed water in the Central Valley project between what is now available and what is needed to meet existing requirements.

Mr. JONES of Missouri. I keep reading here about such things as cost to be nonreimbursable, or "all costs incurred pursuant to this section shall be nonreimbursable and nonreturnable." I had always been under the impression that most of this reclamation was to be on a returnable basis, yet throughout the bill it says "nonreimbursable." Then when we get down here you talk about making all the payments to Trinity, Calif., and I think maybe the amendment that was offered as a substitute clarified that point. But, getting down to another point in the bill which seems a little out of the ordinary to me is in this last section when it says—

There are hereby authorized to be appropriated for construction of the Trinity River division $225 million, plus or minus such amounts.

Now, that does not tie down the thing very well, and I read in the report that Mr. Aandahl, Assistant Secretary, says that the estimate is $229 million. Well, of course, $4 million out of $229 million is not very much, but I would like to see this thing tied down a little bit, and I do not like the wording in here "plus or minus." In other words, do not let them go up as high as they want to go on this project.

Mr. ENGLE. That is the usual language we employ in the authorization of these projects in order to take care of the normal fluctuations, whatever is indicated in engineering costs indexes applicable to this type of construction. If you pin it down to a particular figure, then if it is running a little over, you could not do a thing about it; you would have to come back for another authorization. This allows a little bit of flexibility; not very much.

Mr. JONES of Missouri. I think we should allow them a sufficient amount but not leave it wide open, and I do not believe it is customary to do that. It may be customary in reclamation projects, but I do not think you will find that running true in most other authorizations of this House. I think many times you will find we have made authorizations, and then when the time comes and we have not set the authorization big enough, they have to come back. But, that is the purpose of putting an authorization limitation in a bill, so that it can come back to the Congress for further review and to show how much money they are spending. I do not intend to vote for a bill which will just put an authorization in here and say "plus or minus" or go as high as you want to or as low as you want to. I want to see that fixed down before I vote for such a bill.

Mr. ENGLE. This allows them to zero in on the figure they think is precise, and this language allowing for the fluctuations of the cost according to the engineering index gives just enough flexibility so that we do not have to come in here and lard these projects up in order to be safe. In the long run, it contributes to more efficient legislation. And, without knowing what they do on flood-control projects, in which the gentleman is interested, this is the common language in all our projects.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws, pursuant to House resolution 263, he reported the bill back to the House, with sundry amend-

ments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MASON. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 230, nays 153, answered "present" 1, not voting 50, as follows:

[Roll No. 91]

YEAS—230

Abbitt	Dolliver	Lankford
Abernethy	Doyle	Lesinski
Addonizio	Edmondson	Lipscomb
Albert	Elliott	Lovre
Allen, Calif.	Ellsworth	McCarthy
Andersen, H. Carl	Engle	McCormack
Andrews	Fascell	McDonough
Anfuso	Feighan	McDowell
Aspinall	Fenton	McIntire
Avery	Fernandez	McMillan
Ayres	Fine	Machrowicz
Bailey	Fjare	Mack, Ill.
Baker	Flood	Mack, Wash.
Baldwin	Forand	Madden
Bass, Tenn.	Ford	Magnuson
Belcher	Frazier	Marshall
Berry	Friedel	Martin
Blatnik	Gordon	Merrow
Blitch	Granahan	Metcalf
Boggs	Grant	Miller, Calif.
Boland	Gray	Miller, Nebr.
Bolling	Green, Oreg.	Mills
Bolton, Frances P.	Gregory	Minshall
Bow	Griffiths	Mollohan
Bowler	Hagen	Morgan
Boyle	Hale	Moss
Brooks, La.	Halleck	Multer
Brooks, Tex.	Harden	Murray, Ill.
Brown, Ga.	Hardy	Murray, Tenn.
Brown, Ohio	Harvey	Natcher
Broyhill	Hays, Ark.	Norblad
Buchanan	Hays, Ohio	O'Brien, Ill.
Budge	Hayworth	O'Brien, N. Y.
Burnside	Hill	O'Hara, Ill.
Byrd	Hinshaw	Passman
Byrne, Pa.	Holifield	Patman
Byrnes, Wis.	Holmes	Pelly
Carnahan	Holt	Perkins
Carrigg	Holtzman	Pfost
Cederberg	Hope	Phillips
Chelf	Horan	Pilcher
Chenoweth	Hosmer	Powell
Christopher	Huddleston	Preston
Chudoff	Hull	Price
Clark	Ikard	Priest
Colmer	Jackson	Quigley
Cooley	Jennings	Radwan
Coon	Johnson, Calif.	Rains
Cooper	Johnson, Wis.	Ray
Cramer	Jones, Ala.	Rees, Kans.
Crumpacker	Judd	Reuss
Davidson	Karsten	Rhodes, Ariz.
Dawson, Ill.	Kee	Rhodes, Pa.
Dawson, Utah	Kelley, Pa.	Richards
Delaney	Kelly, N. Y.	Rivers
Dempsey	Keogh	Roberts
Denton	Kilday	Robeson, Va.
Dixon	Kilgore	Rodino
Dodd	King, Calif.	Rogers, Colo.
Dollinger	Klein	Rogers, Fla.
	Knutson	Rogers, Mass.
	Lanham	Rogers, Tex.
Rooney	Staggers	Walter
Roosevelt	Steed	Watts
Rutherford	Sullivan	Weaver
Sadlak	Taber	Westland
Saylor	Teague, Calif.	Whitten
Scudder	Thomas	Wickersham
Selden	Thompson, Tex.	Willis
Sheehan	Thomson, Wyo.	Wilson, Calif.
Sheppard	Thornberry	Wilson, Ind.
Short	Trimble	Wright
Sieminski	Tumulty	Yates
Simpson, Pa.	Udall	Young
Sisk	Utt	Younger
Smith, Kans.	Vanik	Zablocki
Smith, Miss.	Vinson	
Spence	Wainwright	

NAYS—153

Adair	Fino	Matthews
Alexander	Fisher	Miller, Md.
Alger	Flynt	Miller, N. Y.
Allen, Ill.	Fogarty	Morano
Andresen, August H.	Forrester	Nelson
Ashley	Fountain	Nicholson
Ashmore	Frelinghuysen	Norrell
Auchincloss	Fulton	O'Hara, Minn.
Bates	Gamble	O'Konski
Baumhart	Gary	O'Neill
Beamer	Gathings	Osmers
Becker	Gavin	Ostertag
Bennett, Fla.	Gentry	Patterson
Bennett, Mich.	George	Philbin
Bentley	Gross	Pillion
Betts	Gwinn	Poage
Bonner	Haley	Poff
Bosch	Hand	Rabaut
Boykin	Harris	Reed, Ill.
Bray	Harrison, Nebr.	Riehlman
Brownson	Harrison, Va.	Riley
Burdick	Henderson	Robsion, Ky.
Burleson	Herlong	St. George
Bush	Hoeven	Schenck
Cannon	Hoffman, Ill.	Scherer
Carlyle	Hoffman, Mich.	Schwengel
Chiperfield	Hyde	Scott
Church	Jarman	Scrivner
Clevenger	Jenkins	Seely-Brown
Cole	Jenson	Shuford
Corbett	Johansen	Sikes
Coudert	Jonas	Simpson, Ill.
Cretella	Jones, Mo.	Smith, Wis.
Cunningham	Jones, N. C.	Springer
Curtis, Mass.	Kean	Talle
Curtis, Mo.	Keating	Thompson, Mich.
Dague	Kilburn	Thompson, N. J.
Davis, Ga.	King, Pa.	Tuck
Davis, Wis.	Kirwan	Van Pelt
Deane	Kluczynski	Van Zandt
Derounian	Knox	Vorys
Devereux	Laird	Vursell
Dies	Landrum	Wharton
Dondero	Lane	Wigglesworth
Donohue	Latham	Williams, Miss.
Donovan	LeCompte	Williams, N. J.
Dorn, N. Y.	Long	Williams, N. Y.
Dorn, S. C.	McConnell	Winstead
Dowdy	McCulloch	Withrow
Durham	Macdonald	Wolverton
Fallon	Mahon	
	Mason	

ANSWERED "PRESENT"—1

Arends

NOT VOTING—50

Barden	Green, Pa.	Mumma
Barrett	Gubser	Polk
Bass, N. H.	Hébert	Prouty
Bell	Heselton	Reece, Tenn.
Bolton, Oliver P.	Hess	Reed, N. Y.
Buckley	Hiestand	Shelley
Canfield	Hillings	Siler
Celler	James	Smith, Va.
Chase	Kearney	Taylor
Chatham	Kearns	Teague, Tex.
Davis, Tenn.	Krueger	Thompson, La.
Diggs	McGregor	Tollefson
Dingell	McVey	Velde
Eberharter	Mailliard	Widnall
Evins	Meader	Wier
Garmatz	Morrison	Wolcott
	Moulder	Zelenko

So the bill was passed.

On this vote:

Mr. Hébert for, with Mr. McVey against.

Mr. Hiestand for, with Mr. Arends against.

The Clerk announced the following pairs:

General pairs:

Mr. Morrison with Mr. Reed of New York.

Mr. Eberharter with Mr. Prouty.

Mr. Chatham with Mr. Taylor.

Mr. Polk with Mr. Heselton.

Mr. Buckley with Mr. Widnall.

Mr. Zelenko with Mr. Wolcott.

Mr. Barrett with Mr. Gubser.

Mr. Green of Pennsylvania with Mr. McGregor.

Mr. Shelley with Mr. Reece of Tennessee.

Mr. Smith of Virginia with Mr. Siler.

Mr. Thompson of Louisiana with Mr. Hillings.

Mr. Evins with Mr. Hess.

Mr. Garmatz with Mr. Chase.

Mr. Dingell with Mr. Bass of New Hampshire.

Mr. Diggs with Mr. Kearney.

Mr. Moulder with Mr. Kearns.

Mr. Davis of Tennessee with Mr. Tollefson.

Mr. Barden with Mr. Velde.

Mr. Celler with Mr. Meader.

Mr. Bell with Mr. Canfield.

Mr. Teague of Texas with Mr. Mailliard.

Mr. Wier with Mr. Krueger.

Mr. HAYS of Ohio changed his vote from "nay" to "yea."

Mr. ARENDS. Mr. Speaker, I have a live pair with the gentleman from California, Mr. HIESTAND. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks in the RECORD on the bill just passed.

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

There was no objection.

INTER-AMERICAN HIGHWAY

Mr. FALLON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the sum authorized in section 7 of the Federal-Aid Highway Act of 1954 (68 Stat. 70) for the Inter-American Highway for each of the fiscal years ending June 30, 1957, 1958, and 1959, is hereby authorized for appropriation immediately, to be available until expended, and the additional sum of $25,730,000 is hereby authorized for appropriation immediately, to be available until expended, for the purposes of and in accordance with the provisions of said section 7."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

CAPT. MOSES M. RUDY

Mr. LANE submitted a conference report and statement on the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy.

MRS. LORENZA O'MALLEY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LANE, FORRESTER, and MILLER of New York.

VICTOR HELFENBEIN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

Mr. MARTIN. Mr. Speaker, reserving the right to object, I understand the gentleman has a number of these bills and they have all been agreed to by the ranking minority member of the Committee on the Judiciary. Is that correct?

Mr. LANE. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LANE, BOYLE, and MILLER of New York.

HUSSEIN KAMEL MOUSTAFA

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1069) for the relief of Hussein Kamel Moustafa, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, lines 9 and 10, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ROBERT H. MERRITT

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1202) for the relief of Robert H. Merritt, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 12, after "act", insert ": *Provided*, That no benefit except hospital and medical expenses actually incurred shall accrue for any period of time prior to the date of enactment of this act."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

DAVID R. CLICK

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1400) for the relief of David R. Click, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 4, after "Click" insert ", of Woodville, Alabama."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

H. W. ROBINSON & CO.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1409) for the relief of H. W. Robinson & Co., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 4 and 5, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

HAROLD C. NELSON AND DEWEY L. YOUNG

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 903) for the relief of Harold C. Nelson and Dewey L. Young, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 1, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

J. B. PHIPPS

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1416) for the relief of J. B. Phipps, together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 11, after *"Provided,"* insert: "That no part of the amount provided for in this act shall be subject to any claim or reimbursement to any insurance company, or compensation insurance fund, which may have paid any amount to the claimant herein, by reason of the injuries incurred: *And provided further.*"

Page 2, line 1, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

CONSTANTINE NITSAS

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1640) for the relief of Constantine Nitsas, together with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

JAMES F. CASEY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1643) for the relief of the estate of James F. Casey, together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, after "Casey," insert "service No. 33317739, private, first class, deceased, late of 2603 Memphis Street, Philadelphia 25, Pa."

Page 2, line 1, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

MRS. DIANA P. KITTRELL

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2456) for the relief of Mrs. Diana P. Kittrell, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, lines 10 and 11, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ALBERT VINCENT, SR.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2529) for the relief of Albert Vincent, Sr., together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ESTATE OF WILLIAM B. RICE

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2760) for the relief of the estate of William B. Rice, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Sally Rice, of Rockaway Beach, N. Y., the sum of $2,000 in full settlement of all her claims against the United States arising out of the failure of the Department of the Army, Class E Allotment Section, to forward premiums to the Pioneer American Insurance Co., Houston, Tex., on a life-insurance policy issued by that company to her son, William B. Rice, RA-12296456 (George Rice, Jr.), deceased, prior to the last day of grace as authorized to do so under the law: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

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

There was no objection.

The Senate amendment was concurred in.

The title was amended so as to read: "An act for the relief of Mrs. Sally Rice."

A motion to reconsider was laid on the table.

GEORGE L. F. ALLEN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3045) for the relief of George L. F. Allen, together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 4, strike out "reimburse" and insert "pay."

Page 2, line 7, strike out "which would have been paid him" and insert "allowable."

Page 2, line 11, after "Allen" insert ": *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

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

There was no objection.

The Senate amendments were concurred in and a motion to reconsider was laid on the table.

LOUIS ELTERMAN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3958) for the relief of Louis Elterman, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, and page 2, line 1, strike out "in excess of 10 percent thereof."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ORRIN J. BISHOP

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4249) for the relief of Orrin J. Bishop, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 9, strike out "in excess of 10 per centum thereof".

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

THEODORE J. HARRIS

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4714) for the relief of Theodore J. Harris, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 8, after "refund" insert ": *Provided, however*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

OVERSEAS NAVIGATION CORP.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5196) for the relief of the Overseas Navigation Corp., together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "$12,500" and insert "$10,000."

Page 2, line 2, strike out all after "delivery" down to and including "1955" in line 4.

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

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

THOMAS KUNHYUK KIM

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 142) for the relief of Thomas Kunhyuk Kim, which is identical with the bill H. R. 2708, passed by the House this afternoon.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Thomas Kunhyuk Kim shall be held and considered to have been lawfully admitted to

the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

The proceedings by which the bill H. R. 2708 was passed were vacated, and that bill was laid on the table.

MARGARITA OY WAN CHAN

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 284) for the relief of Margarita Oy Wan Chan, which is similar to the bill H. R. 2240, passed today on the Private Calendar.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Margarita Oy Wan Chan (Oy Wan Leung) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

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.

The proceedings by which the bill H. R. 2240 was passed were vacated, and that bill was laid on the table.

SPECIAL ORDER GRANTED

Mr. JOHNSON of Wisconsin asked and was given permission to address the House for 20 minutes on Wednesday, June 22d, and Thursday, June 23d, following the legislative program and any special orders heretofore entered.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1956

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MAHON, SHEPPARD, SIKES, NORRELL, WHITTEN, ANDREWS, RILEY, DEANE, FLOOD, CANNON, WIGGLESWORTH, SCRIVNER, FORD, MILLER of Maryland, OSTERTAG, DAVIS of Wisconsin, and TABER.

THE CONGRESSIONAL SECRETARIES' ANNUAL VARIETY SHOW

Mr. FOGARTY. 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 Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, the Congressional Secretaries' Club has been working for several months now on their annual variety show, which will be held tonight in the ballroom of the Sheraton Park Hotel. I hope all Members and their secretaries will take advantage of this opportunity to see a good play.

As you know, a few weeks ago the House took action on a bill that came out of our subcommittee on appropriations which this year for the first time appropriated $750,000 for research into the problems of the mentally retarded children of this country. About the same time the Secretaries' Club, that day or that week, I do not remember which now, agreed to offer all the returns of their play tonight to open up a diagnostic and treatment center for the mentally retarded in the District of Columbia, to which all families, regardless of race, creed, or color, might take their children sc afflicted. I think this is a worthwhile project, and I hope that they will have a good crowd there this evening.

Mental retardation is a great tragedy to a family, Mr. Speaker, and I, too, want to commend the Congressional Secretaries' Club for working like it has to put on this year's edition of Revisin' and Extendin' to help establish this critically needed diagnostic and treatment center, where parents of any retarded child can take him or her for attention. It is a wonderful cause, Mr. Speaker, and I do hope that the new ballroom at the Sheraton Park will be filled to overflowing tonight. I understand that there are 2,100 seats available and I hope every one of them will be taken.

PERSONAL ANNOUNCEMENT

Mr. ROOSEVELT. Mr. Speaker, on yesterday on rollcall No. 88, I was unavoidably absent from the Chamber at the time of the vote on the Federal employees salary increase bill of 1955. I had looked forward to being present and voting for it, and had I been present I would have voted for it.

PAY TV

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. CHELF. Mr. Speaker, yesterday I introduced H. R. 6913 that would seek to make it unlawful for the Federal Communications Commission to decide the question of so-called pay TV now pending before it against the expressed will and desire of the great American public. Since the public is primarily affected in this decision, the American people ought to have a right to a voice in the matter and thereby be permitted to say whether or not they want to endorse or to reject a so-called trial run of subscription television or pay TV. If it is good they will want it—if it is not—they will say so. The FCC would regulate the fee charged.

My feeling toward this particular situation is somewhat akin to my thinking and feeling with respect to our recent burley tobacco legislation that passed the House and the Senate. I fought very hard for the passage of that bill for several reasons—but the greatest motivating factor which prompted my several speeches and hard work was the feature in the bill which gave to my burley tobacco farmers, large and small, the opportunity to vote in a tobacco referendum on the question as to whether or not they wanted further tobacco acreage controls by the Federal Government, through the medium of the Department of Agriculture. When the referendum was held and my good Kentucky farmers had expressed themselves by the ballot, 96.8 voted for acreage controls. Could it be that those who oppose pay TV are afraid of a verdict at the hands of the people?

Mr. Speaker, let me make it clear that I do not advocate pay TV, or any other form of entertainment, for that matter, for the benefit of the 165 million of Americans. I am not in the entertaining business, the broadcasting business, the television set manufacturing business, nor does my law office represent any of these. Frankly, the only business that I have in this entire affair is trying to prevent the public from getting "the business." I am not concerned with the claims and interest of General Sarnoff, president of RCA, I want it clearly understood that the only general I am interested in is the "general public." What is good for the people should be good enough for all TV manufacturers and broadcasting companies. I feel that the American public should not be denied—by any stretch of the imagination—any form of free television such as they now can secure by listening to the advertisements of the various and sundry products. However, I am of the opinion that the American people ought to have the additional opportunity to make a choice as between the free TV and the ads of the sponsors on the one hand and a wholly new kind of television for a relatively small fee that would bring to their living room the latest movie such as the Silver Chalice; Clark Gable in Soldier of Fortune; the world's heavyweight championship boxing bout, or "live" opera being televised at that instant at the Metropolitan Opera in New York.

Up to the present time the public has been denied the right to view on television the heavyweight championship boxing bouts. All of these bouts have been funneled over a private outlet to various TV theaters located in cities the size of Washington, New York, Philadelphia, and elsewhere. I am informed that tickets to view the bouts are in the neighborhood of four-five dollars in order to see this simultaneous telecast. I find no fault with the charge that is made to see

this boxing bout but I do find fault with the fact that it is released to these TV theaters that can only accommodate a limited, select group of a few hundred people. This arrangement tends to deny the right of several million potential TV viewers in the metropolitan area of Washington, D. C., to pay a quarter, one-half dollar, or even a dollar to be able to witness the bout in their own homes. When the Washington area, with its several million potential viewers, is added to those of the other great metropolitan centers one can easily understand that the general public is actually being discriminated against under the present or existing so-called free system.

Without getting into the question as to whether or not free television encourages juvenile delinquency, I would like to say that I do not feel that it would be detrimental in the least for parents of a child to have the right—if they saw fit, for a small fee—to select a movie or an entertainment program that the parents felt would be fitting and proper for the enjoyment, relaxation, entertainment, and education of their child. I feel very deeply that any American parent should have the right to say whether or not they want to get free TV with any questionable or unsuitable ads that may accompany it or a program selected by the parent without benefit of advertisements of any kind.

Mr. Speaker, we are now entering into the summer months and, as a result, the better free television shows are taking their usual summer vacation. As a result thereof, sponsors will be digging into the old TV film supplies and we will be having playbacks over and over again. Frankly, I have seen so many repeats and replays of so-called television movies that I could almost recite the lines of the characters in the plays. On last Sunday, as a concrete example, I tuned in the Loretta Young show, and already, Mr. Speaker, they gave me for free a film of a previous show that I had seen. This is exactly what the American public is going to be subjected to time and time again during this summer and every summer yet to come unless the general public, the American people themselves, are given an opportunity to see on television for a nominal fee something better than the sponsors are now able to provide.

I am informed that at the present time there are applications of various companies before the Federal Communications Commission seeking permission or authority to give the American people an opportunity to personally view any advantages that there may be to "pay TV." I am of the opinion that the good people whom I represent in Kentucky are entitled to an opportunity to make up their own minds as to whether or not they want or do not want "pay as you see" television or "pay TV." I feel that my people are a true segment of the great American public. They are the salt of the earth. I sincerely believe that if they had an opportunity to see the advantages and disadvantages—as the case may be—of so-called "pay TV," that they would promptly make a clear-cut decision and that by so doing they would definitely reflect the sentiment and the thinking of the average American in the United States.

Mr. Speaker, in my humble judgment some form of "pay as you see" television is inevitable. Any attempt to block the people of an opportunity to speak their mind with respect to "pay TV" would be comparable to preferring an oxcart over a jet-propelled plane. It would be like burning candles instead of electricity, or viewing stereopticon pictures in the parlor instead of coast-to-coast live television in the living room. We simply cannot stop the clock, turn back its hands, yank out its works, and expect the tick of progress to go on. Frankly, these old free TV film playbacks that are now taking to the air really are in violation of the Constitution of the United States and the Bill of Rights, in that they are truly cruel and inhumane treatment. They are a mild form of mental horsewhipping. They are headache agitators, insomnia stimulators, and ulcer provokers.

The great Carl Sandburg has described progress as follows:

Sailboats to steamboats
Stagecoach to trains
Pony express to telegraph
Telegraph to telephone
Carriages to automobiles
Phonograph to radio
Theaters to movies
Movies to television.

Mr. Sandburg's beautiful description of progress is eloquent testimony as to why America is the greatest country on the face of the earth today. We are great because, in the past, any problem that ever affected the daily lives, the freedom, the happiness, contentment, and tranquillity of the people was submitted to the people for their final decision.

It is for the above reasons that I introduced H. R. 6913.

PUBLIC FACILITIES CONSTRUCTION

Mr. VAN ZANDT. 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 Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, when the 84th Congress convened on January 5, 1955, I introduced H. R. 860, to provide for programs of public facilities construction which will stimulate employment in areas having a substantial surplus of labor, and for other purposes. The bill also authorizes an appropriation of $3 billion to finance the provisions of the bill.

In addition to H. R. 860, which is now pending before the House Committee on Public Works, several other bills have been introduced by other Members of Congress and are pending before the same committee.

These bills are H. R. 356, 385, 553, 820, 840, 1556, 2145, 3565, 5360, and 5885.

A study of all the bills pending before the House Committee on Public Works reveals the keen desire on the part of many of us who have unemployment in our congressional districts to alleviate conditions through a Federal program for public-facilities construction.

This program will provide for the planning and construction of useful public facilities and is designed to provide permanent capital improvements of a nature which will strengthen our national economy and increase the well-being of our citizens. The projects include bridges, dams, reservoirs, and other flood-control works.

In addition, the program provides for sewage disposal plants, water purification facilities, works of reclamation, facilities for research, and other works of public construction including post offices, schools, and hospitals which add to the well-being of our citizens in general.

Mr. Speaker, while most of the bills pending before the Committee on Public Works provide a general facilities construction program, my bill, H. R. 860, restricts such a program to areas having a substantial surplus of labor according to standards established by the Secretary of Labor under defense manpower policy No. 4 or any similar rule, regulation, order, or policy.

In this connection, such a program of public facilities construction would not only provide permanent capital improvements which will strengthen our national economy and increase the well-being of our citizens but also provide employment so badly needed in labor surplus areas where little has been done to date by the Federal Government to solve this perplexing and distressing economic problem.

According to the Bureau of Employment Security of the United States Department of Labor, among the 249 areas surveyed 144 are classified as being in group 4–A or 4–B, which means they have either a substantial or very substantial labor surplus.

It may be of interest to state that since 1949 my congressional district has been classified as an area having a substantial labor surplus and at the present time it is in group 4–B with a very substantial labor surplus since over 18 percent of the employables are unemployed.

These labor surplus areas, sometimes referred to as blighted areas, are not beneficiaries of the general prosperity that is reported to exist in the Nation as a whole.

They are the victims of economic dislocations over which they have no control. While they are working to bolster their sagging economy they need Federal assistance, not through a handout program but through useful public projects on a matching-fund basis where the political subdivision has the ability to pay its share.

Mr. Speaker, under the provisions of the Federal Disaster Act the President has authority to provide Federal assistance to States and local governments in areas declared by him to be major disaster areas.

To date millions of dollars have been spent in these major disaster areas where floods, snowstorms, droughts, and dust storms have brought economic ruin requiring Federal assistance.

Unfortunately, however, the provisions of the Federal Disaster Act do not permit

the President to declare areas where unemployment prevails as major disaster areas and therefore no Federal assistance under the Federal Disaster Act is permissible.

These critical areas are unable to meet the economic problems they are faced with through unemployment because the Federal Disaster Act does not cover unemployment resulting from economic dislocations. Therefore, those of us who represent these labor-surplus areas must ask Congress to recognize their plight and render assistance through a public facilities construction program.

It is for that reason that I introduced H. R. 860 and I know other Members of Congress were motivated by the same reason when they introduced bills on the subject.

Therefore, Mr. Speaker, it is my sincere hope that the chairman of the House Committee on Public Works will find it possible to schedule hearings on the many bills now pending before his committee that are designed to alleviate unemployment conditions through a useful program of public facilities construction.

SPECIAL ORDER GRANTED

Mr. HINSHAW asked and was given permission to address the House for 15 minutes tomorrow, following the legislative program of the day and the conclusion of any special orders heretofore granted.

AN EXAMPLE OF ARMY PUBLIC RELATIONS WORK

Mr. BROWNSON. 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 Indiana?

There was no objection.

Mr. BROWNSON. Mr. Speaker, these days we are faced by new and dramatic crises almost every hour during the appropriations season. We receive emotion-packed requests for additional installations or manpower for the military almost daily. It is interesting to note, however, that public relations officers and their personnel in the Army are still functioning as usual grinding out their usual grade and kind of contributions.

In this time of organized and subsidized hysteria, I note with interest that the art of rhetoric still flourishes at Fort Lee, Va., and I ask unanimous consent to include with these remarks, a tender story of room key No. 21, written by Pvt. John J. Vlases, of Indianapolis, Ind., which was reproduced by the public information officer of Fort Lee, Va., and sent to the Indianapolis Times of Indianapolis, Ind., together with a letter from Mr. J. B. Stephens, managing editor of the Indianapolis Times, questioning the military necessity and importance of such artistic pursuits.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

[Public Information Office, Fort Lee, Va., June 10, 1955]

(By Pvt. John G. Vlases, Indianapolis, Ind.)

FORT LEE, VA.—My number is 21.

I open a door with the same number at the guesthouse here, but I'll bet that I've seen more of this crazy world than a lot of you humans have.

Most door keys are pretty stodgy and set in their ways. They never want to go any place or do anything but just keep opening the same old door for the rest of their lives, until someone either loses them down a drain or breaks them off in a lock.

I'm different, though. I like to go places and see things and just last month I got my big chance.

There was this lady that came in one night, see, and Frances Hiles, she's the manager here, gave me to her and her 2 children. It started out just like any other assignment. I was to be with them for 2 days until they left, and then returned to the desk downstairs; but that was before I found out where they were going.

It didn't take me long to find out that this lady, the wife of a Captain McCoy, and her two children were going to cross the Atlantic Ocean to see the lady's aunt all the way over in England.

This was my big chance. When they were ready to leave I snuggled down deep in the lady's coat pocket and held my breath for fear her reaching fingers would find me there. My luck held and soon I was on my way.

We arrived in England and went to a place called Mitchum Surrey. I took in the sights and they were swell, but then I began to wish I was home, so one day when the lady reached into her coat pocket, I brushed myself against her fingers and she found me.

The lady and her aunt must have seen how homesick I was, because they took pity on me and sent me home with a nice little note explaining that I had been carried away by accident.

It's all right if they think that it was all an accident, but I know better. Humans are easy to fool.

THE INDIANAPOLIS TIMES,
June 15, 1955.

Lt. JACK P. JOHNSTON, QMC,
Public Information Officer,
Quartermaster Training Command,
Fort Lee, Va.

DEAR LIEUTENANT JOHNSTON: Thank you for sending me the article by Pvt. John G. Vlases of Indianapolis.

It gives me an opportunity to say to you, to your superiors, and to the military establishment in general that if you do not put a stop to this sort of nonsense, you will soon have us in the hands of the Russians or whoever shakes a stick at us.

The nonsense I refer to is the fantasy about a key No. 21 which went from Fort Lee, Va., to England and back, concluding, after some 350 or more words, "Humans are easy to fool."

I appreciate the need for a soldiers' newspaper at Fort Lee and/or any other Army post. I believe public relations experts have their place in the Army. But not to flood newspapers with material like this.

So, will you, please, under the authority vested in you by the Congress of the United States, quit wasting the time of Private Vlases, conserve on the official letterheads of your command, and stop bothering me as a newspaperman with fairy tales.

I do not doubt that Private Vlases is an asset to your command. I suggest, however, that after he completes his duties as a newswriter for the Fort Lee paper, you order him to study electronics, paint barracks, or read military history. If he wants to write for publication outside the post, allow him to do so after hours and on his own time.

I am convinced that this particular young man from Indianapolis did not know that national defense depended on the number of pages of trivia he could turn out on his typewriter. Otherwise, I am sure he would have headed for another branch of the service.

In any case, I want you to know that if you personally can help us civilians get more for our taxes than a piece of light prose from Private Vlases and the others on your staff, I will see to it that your efforts are recognized and rewarded with my written and public approval.

One more thing, Lieutenant Johnston. I suspect that this business of building up a great army of Ernest Hemingways is not altogether your own idea. I think it stems from fuzzy thinking on the Pentagon level.

Since I'm sending a copy of this letter to the Congressman from this district and to the Secretary of Defense in Washington, you may get your head handed to you on a platter.

If you should suddenly find yourself transferred to undesirable duty, let me know. I will make it my business to find out why and who issued the orders.

On the other hand they may promote you immediately. If so, let me know; both of us may then be able to get Private Vlases boosted to Pfc.

Sincerely,

J. B. STEPHENS,
Managing Editor.

DON HARDY

Mr. CHENOWETH. 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 Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, I wish to call attention to a press dispatch that states that Don Hardy, of Canon City, Colo., has been elected president of the National Editorial Association. This dispatch is of special significance to the Members of the House of Representatives since Mr. Hardy is a son of a former Member of the House, the Honorable Guy U. Hardy, who so ably represented the Third District of Colorado in this body from 1919 to 1933. This is the district I now have the honor to represent. I am sure we all wish Mr. Hardy a pleasant and successful term as president of this great organization. He is a very successful newspaperman in my district and publishes the Canon City Daily Record.

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

Mr. CHENOWETH. I am very happy to yield to the distinguished gentleman from New York.

Mr. TABER. I join with our colleague from Colorado in wishing the son of our former colleague every success as president of the National Editorial Association. I would like to point out that it was my privilege to know Guy Hardy and to work with him on the Committee on Appropriations. He was a fine Member who did his work well and he had the respect and confidence of all the Members.

Mr. CHENOWETH. I appreciate the gentleman's observation. I know that

former Congressman Hardy, the father of Don Hardy, greatly enjoyed his service on the Committee on Appropriations with the distinguished gentleman from New York. He referred to the same many times.

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

Mr. CHENOWETH. I yield to the distinguished minority leader.

Mr. MARTIN. Mr. Speaker, I join our colleagues in congratulating Don Hardy, the son of our former colleague, Guy U. Hardy, on his election as president of the National Editorial Association. The father of Don Hardy rendered a splendid service to his State and the Nation during the time he served as a Member of the Congress, and it is a pleasure to wish his son every success.

Mr. CHENOWETH. I thank the gentleman. The distinguished minority leader, the gentleman from Massachusetts, being a newspaperman, I am sure is especially interested in this announcement.

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

Mr. CHENOWETH. I am very happy to yield to my colleague from Colorado.

Mr. ASPINALL. I join with my distinguished colleague from Colorado in giving recognition to Don Hardy, the distinguished son of a very distinguished father. It was my pleasure this afternoon to call this matter to my colleague's attention. The people of Colorado are honored by this recognition, which has come to our fellow citizen who has served our State long and well, and to his father before him.

Mr. CHENOWETH. I am sure Colorado is very proud to have this honor bestowed upon Don Hardy, the son of our former colleague. I might state that Mr. Hardy is successfully operating the same paper that his father published up to the time of his death.

I am very happy and honored to have Don Hardy as a constituent and I wish him continued success in the years ahead.

SPECIAL ORDER GRANTED

Mr. STAGGERS asked and was given permission to address the House for 5 minutes on Thursday, following the legislative business of the day and any special orders heretofore entered.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KEARNEY (at the request of Mr. ARENDS) for 2 weeks, on account of official business (Veterans Affairs Committee).

Mr. DOYLE until about July 8 or 9, on account of attendance upon Armed Services Committee work in New Mexico and Un-American Activities Committee work in Los Angeles and San Diego, Calif.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday be dispensed with this week.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

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

Mr. DAGUE and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. HOSMER in six instances and to include extraneous matter.

Mr. AYRES and to include a newspaper article.

Mr. O'BRIEN of New York.

Mr. LONG.

Mr. BOYKIN and to include an address he delivered on Jefferson Davis and also a story appearing in the Thomasville News.

Mr. LANE and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. JENKINS (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. SCHERER (at the request of Mr. MARTIN).

Mr. DOYLE and to include appropriate material on Flag Day.

Mr. ROOSEVELT and to include a statement.

Mr. WOLVERTON and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 80. An act for the relief of Nicholas Neapolitakis; to the Committee on the Judiciary.

S. 176. An act for the relief of Gerda Irmgard Kurella; to the Committee on the Judiciary.

S. 186. An act for the relief of Spirodon Karousatos; to the Committee on the Judiciary.

S. 561. An act for the relief of Feliciano C. Mendoza; to the Committee on the Judiciary.

S. 562. An act for the relief of Charles F. Garriz; to the Committee on the Judiciary.

S. 606. An act for the relief of Gisela Hofmeier; to the Committee on the Judiciary.

S. 664. An act for the relief of Mecys Jauniskis; to the Committee on the Judiciary.

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic); to the Committee on the Judiciary.

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt and her minor child, Rosanne Hitzelberger; to the Committee on the Judiciary.

S. 1884. An act for the relief of Gertraut Hildegarde Marie Hubinger and Franz Hubinger; to the Committee on the Judiciary.

S. 1993. An act authorizing the installation of additional elevators in the Senate wing of the Capitol; to the Committee on Public Works.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 103. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies;

H. R. 1165. An act for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt;

H. R. 1108. An act for the relief of Rose Mazur;

H. R. 1086. An act for the relief of Mayer Rothbaum;

H. R. 1081. An act for the relief of Anna Tokatlian Gulezian;

H. R. 1062. An act for the relief of Luigi Cianci;

H. R. 1664. An act for the relief of Charles Chan;

H. R. 2126. An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; and

H. R. 4650. An act to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 208. An act granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the appointment of, the waters of the Arkansas River and its tributaries as they affect such States;

H. R. 2984. An act authorizing E. B. Reyna, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Los Ebanos, Tex.;

H. R. 3878. An act to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work;

H. R. 4426. An act to amend section 7 of the act approved September 22, 1922, as amended;

H. R. 4573. An act authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.;

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices;

H. R. 5841. An act to repeal the fee stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended;

H. R. 5842. An act to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State;

H. R. 5860. An act to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms; and

H. R. 6410. An act to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 22, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

923. Under clause 2 of rule XXIV, a letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 4, 1955, submitting a report, together with accompanying papers, on a review of reports on Yadkin-Pee Dee River and tributaries, North Carolina and South Carolina, with reference to substitution of the single Wilkesboro project for the presently authorized system of reservoirs. This investigation was requested by a resolution of the Committee on Public Works, House of Representatives, adopted on March 5, 1952. The letter was taken from the Speaker's table and referred to the Committee on Public Works.

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. BROOKS of Louisiana: Committee on Armed Services. H. R. 2109. A bill to authorize permanent appointments in the United States Navy and in the United States Marine Corps; with amendment (Rept. No. 868). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Armed Services. H. R. 2112. A bill to amend the act of February 21, 1946 (60 Stat. 26), to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service; with amendment (Rept. No. 869). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee of conference. H. R. 1142. A bill for the relief of Capt. Moses M. Rudy (Rept. No. 870). Ordered to be printed.

Mr. THOMAS: Committee of conference. H. R. 5240. A bill making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 871). Ordered to be printed.

Mr. O'NEILL: Committee on Rules. House Resolution 144. Resolution authorizing and directing the Committee on Public Works to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under clause 15 of rule XI of the Rules of the House of Representatives; with amendment (Rept. No. 872). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Agriculture. House Resolution 266. Resolution to authorize the Committee on Agriculture to make investigations into certain matters within its jurisdiction, and for other purposes; with amendment (Rept. No. 873). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 281. Resolution for consideration of H. R. 3253, a bill to amend section 6 of Public Law 874, 81st Congress, so as to provide for the continued operation of certain schools on Marine Corps installations; without amendment (Rept. No. 874). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 282. Resolution for consideration of H. R. 6040, a bill to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws; with amendment (Rept. No. 875). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H. R. 6934. A bill adopting and authorizing a project for the improvement of the Tombigbee River and tributaries, Alabama and Mississippi, for flood control; to the Committee on Public Works.

By Mr. ALEXANDER:

H. R. 6935. A bill to amend title II of the Social Security Act to reduce retirement age from 65 to 62 in the case of women, and to provide that any fully insured individual who becomes permanently and totally disabled shall be deemed to have reached retirement age; to the Committee on Ways and Means.

H. R. 6936. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits to certain individuals who are over the age of 18 but who are unable to engage in any regular employment by reason of permanent physical or mental disability; to the Committee on Ways and Means.

By Mr. BOYKIN:

H. R. 6937. A bill to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service connected; to the Committee on Veterans' Affairs.

By Mr. HILLINGS:

H. R. 6938. A bill to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the Vice President-elect and to authorize Secret Service protection for the Vice President-elect; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 6939. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of the State of California; to the Committee on the Judiciary.

By Mr. UDALL:

H. R. 6940. A bill to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VINSON:

H. R. 6941. A bill to authorize the Secretary of the Navy to take possession of and operate the naval oil shale reserves, and for other purposes; to the Committee on Armed Services.

By Mr. WEAVER:

H. R. 6942. A bill authorizing modification of the general comprehensive plan for flood control and other purposes in the Missouri River Basin to provide for improvement of Salt Creek, and its tributaries, Nebraska; to the Committee on Public Works.

By Mr. JENNINGS:

H. R. 6943. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits to certain individuals who are over the age of 18 but who are incapable of self-support by reason of physical or mental disability; to the Committee on Ways and Means.

By Mr. LOVRE:

H. R. 6944. A bill authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such land from the city; to the Committee on Government Operations.

By Mr. THOMSON of Wyoming:

H. R. 6945. A bill to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly; to the Committee on Interior and Insular Affairs.

By Mr. McCONNELL:

H. J. Res. 351. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. J. Res. 352. Joint resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world; to the Committee on Education and Labor.

By Mr. ELLIOTT:

H. Con. Res. 169. Concurrent resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world; to the Committee on Education and Labor.

By Mr. BURDICK:

H. Con. Res. 170. Concurrent resolution to authorize and direct the Secretary of Commerce to conduct a survey for the purpose of ascertaining the feasibility of establishing industrial plants near Indian reservations in North Dakota, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KRUEGER:

H. Con. Res. 171. Concurrent resolution to authorize and direct the Secretary of Commerce to conduct a survey for the purpose of ascertaining the feasibility of establishing industrial plants near Indian reservations in North Dakota; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BOYLE:

H. R. 6946. A bill for the relief of Rosa Birger; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 6947. A bill for the relief of Marie Veronique Tremblay; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 6948. A bill for the relief of Giovanni Delli Carpini; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 6949. A bill for the relief of Mrs. Elise T. Kirk; to the Committee on the Judiciary.

By Mr. KILBURN:

H. R. 6950. A bill for the relief of Max Luming; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 6951. A bill for the relief of Eero Mikael Siltanen, Airi Mirjami Siltanen, and

Heikki Erkki Siltanen; to the Committee on the Judiciary.

H. R. 6952. A bill for the relief of Cyprian Benedict Francis; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas:

H. R. 6953. A bill to authorize Maj. Gen. K. L. Berry, The Adjutant General of Texas, to accept the Philippine Legion of Honor and supporting documents conferred upon him by the Government of the Philippines; to the Committee on Armed Services.

H. R. 6954. A bill to authorize Lt. Col. Lee E. James, United States Army, to accept the Greek War Cross, Class III, and supporting documents conferred upon him by the Government of Greece; to the Committee on Armed Services.

By Mr. WALTER:

H. R. 6955. A bill for the relief of Chaim Grade and Inna Hekker Grade; to the Committee on the Judiciary.

PETITIONS, ETC.

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

322. By Mr. THOMSON of Wyoming: Petition of Mrs. Lucille Bales and 42 others, to get alcoholic beverage advertising off the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

323. Also, petition of Rev. W. E. Hoff, Church of Christ, Newcastle, Wyo., and 13 others, to get alcoholic beverage advertising off the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

324. Also, petition of Mrs. G. K. Halley and 385 others, to get alcoholic beverage advertising off the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

325. By the SPEAKER: Petition of Bertha Norwash and others, Ladies Auxiliary No. 45, United Rubber, Cork, Linoleum, and Plastic Workers of America, Naugatuck, Conn., petitioning consideration of their resolution with reference to requesting that Congress pass legislation to increase the minimum wage to $1.25 per hour, etc.; to the Committee on Education and Labor.

326. Also, petition of the deputy clerk of the board, Board of Supervisors, Buffalo, N. Y., petitioning consideration of their resolution with reference to requesting that the board of supervisors be recorded in favor of legislation for the purpose of reducing from 65 to 60 years of age at which women may qualify for old-age and survivors' insurance benefits and likewise reducing from 65 to 62 years of age at which men may qualify for such old-age and survivors' insurance benefits under the Social Security Act; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Housing in Many Lands

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21, 1955

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by Mr. Albert M. Cole, Administrator of the United States Housing and Home Finance Agency, before the International Real Estate Federation in Geneva, Switzerland, on June 16, 1955.

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

ADDRESS BY ALBERT M. COLE, ADMINISTRATOR, UNITED STATES HOUSING AND HOME FINANCE AGENCY, TO THE INTERNATIONAL REAL ESTATE FEDERATION, GENEVA, SWITZERLAND, JUNE 16, 1955.

I am happy to have this opportunity of speaking to this international gathering concerned with the provision of more and better housing for many people in many lands.

Here housing takes on a new dimension—a world dimension. Each of us, with our interest and attention largely fixed on our national problems at home, can take a new perspective in our work. We are reminded of the common purposes we seek to serve and the mutual advantage we can take by greater cooperation and understanding in the international field.

We have tried to promote such a cooperative interchange between the United States and other countries through the International Activities Staff of the Housing and Home Finance Agency, which I head. We have sought to develop a free trade of knowledge and techniques—a two-way exchange of housing experience as much for our benefit as for that of other lands.

I have also had some personal introduction to the housing economies of Europe. A few years ago, when I was in the United States Congress, I was a member of a special committee that spent several weeks observing housing activities and programs in Great Britain, Norway, Sweden, Denmark, the Netherlands, Belgium, Switzerland, and France. It was an enlightening and stimulating inspection.

But I do not put myself forward as an expert in your housing and real-estate affairs. I will not presume to tell you what measures you should undertake to serve your own needs. Instead, I will talk to you about some of our problems and efforts in the United States, a field in which I can speak with some authority, in the hope that our experience will be of some value to you.

Much of what we have done and are doing in the United States has its origins in our European heritage, both in tools and ideas. Our country was settled and developed with axes and plows brought over from Europe, and refashioned to serve the requirements of the New World. And our traditions of freedom stemmed from the roots implanted by freedom-loving peoples in this part of the world.

In return for what we borrowed from you, perhaps there are now some things in our own experience that you may find suited to your modern needs and helpful in your own economies. You, of course, will be the best judge of that.

Housing is an intensively individual commodity that varies within even a narrow geographic range; and much more so on a world basis. But its individuality of form is in itself an expression of its similarity of purpose in all lands where freedom is prized, wherever the family and the individual are the all-important end to be served.

In a free world the home is the heart of freedom. Deeply rooted in our beliefs and written unmistakably into the Bill of Rights of our American Constitution is the concept, which had its origins in Europe, that a man's home must be inviolate. No arm of government, no power of police may reach into a man's home against his will, except by due process of law established and sanctioned by the people themselves.

Today we value this individual right more than ever, as we see the tyrannies of our present era turn free homes into cell-blocks of the state and the citizens into its prisoners. We do not want to have loose in this modern world the surly power that strikes terror into the hearts of the people with a knock on the door in the dark of night.

This is a peril that we understand. When the free home is invaded by the steel voice and the iron boot in any free land, we understand that our own thresholds are endangered and our own freedom is at stake. This, more than anything in the American citizen's heart, has sent him to join you in your battles for the freedom of person and home. It impels him to stand with you today against the threats and enticements of modern despotism.

It has been said that war begins in the minds of men. And it is also true that devotion to peace and liberty begins in the homes of men. A man who has a home of his own, also has a family, a community, and a nation that are his own. He has a real stake in a stable, peaceful world, in which he can work out his life's pattern to its fullest.

The freedom of a people is only the multiplied product of the free citizen in a free home. Where the door of that home may be smashed in at will by the gun butt of the police state and the family dragged off to an untold fate, freedom has been submerged.

But freedom is not just something to have—it is something to use. And the home, in our beliefs, means more than security—more than a place of refuge or a place to hide. The home is also a place to live and grow and to develop the strength and talents of the people. It is the essential basic piece out of which the mosaic of national character, culture, and progress is made.

We forbid the Government to trespass on our homes and private lives. But we expect the Government to be concerned about our opportunities to have homes, better homes, and to enable us to share in the Nation's rising standard of living. Within its clearly defined sphere of authority and responsibility, we believe the Government can and should strengthen and support the opportunities of all people to better their housing; to improve their living conditions, within the framework of free communities and free enterprise.

This is the philosophy of housing and community growth that we have established in the United States. It has been firmly secured and implemented under the new and reorganized housing policies and programs put into effect, with the approval of the Congress, by President Eisenhower.

Let me tell you about some of the principal responsibilities that our Government has in housing and related fields, and their relationship to the people and to private enterprise.

Housing in the United States has traditionally been, and still remains, the function of the private-enterprise system. This is the system that we believe in because it serves us best and is consistent with our belief that Government must be the servant and the aide of the people—not their master, nor even the benefactor to whom they must look for the blessings of life.

For the past quarter of a century, however, Government responsibility for the people's housing welfare has been recognized and accepted in various forms. Only in such an emergency as the war, however, has Government been granted the temporary power to control and direct the housing economy. And that power was quickly terminated when the war ended.

Many things have been tried, some discarded, some retained, most of them modified or revised. They have been shaped into what today is a basically consistent and well-defined set of limited aids, geared to private effort and local citizen decision.

In its supplementary role, the Government, with a few minor and special exceptions, does not build homes, does not make loans, and does not give subsidies to individuals to buy homes. Indirectly, however, through established private market channels, it helps to make adequate home financing available on terms that most people can afford. It also extends certain loans and subsidies to local governments for special needs, such as the clearance of slums and prevention of blight, and for the improvement of housing for low-income families.

In the limits of this talk, I cannot discuss all of our Government housing activities. I will, therefore, center on certain ones that I believe will be of most interest to you and of greatest value in terms of your own problems and responsibilities.

Let me first make clear, however, that while many of our Government programs developed separately over the years, they are today linked and coordinated in their administration and use, with common objectives. Nearly all of the major housing and related activities—except the GI home loan program under the Veterans' Administration—are embraced in the framework of the Housing and Home Finance Agency. As Administrator of this Agency, it is my primary task under the direction of the President, to coordinate and supervise the Agency's various programs.

The Federal Government first entered the housing field in a significant way through the financing field, and this still is the principal channel through which it undertakes to assist and maintain the housing market. Home financing through most of our history had been a kind of economic stepchild in our economy. Its particular requirements were largely ignored or neglected in the development of our financial practices.

Because of this, investment in homes was subject to violent fluctuation and the risk was high both to the lender and the borrower. The great dream of the average American family, as it still is today, to own its own home was constantly thwarted and endangered by the lack of adequate and assured low-risk financing. The housing industry itself, for the same reason, was an uncertain, in-and-out business that failed to keep pace with our other great productive advances.

The initial need, which became an urgent one after the mortgage market was demorilized following the 1929 depression, was for a stable, assured source of home mortgage financing. As a result, the Home Loan Bank System was created in 1932. It was designed to stabilize and encourage the growth of mutual savings and building groups which had existed, but often failed, for a century.

These savings and loan associations, as we call them, are local institutions. They derive their funds not in competition with other needs from the great centers of investment capital, but from the great mass of unassembled savings of the local citizens. They invest these savings in residential mortgages for the housing needs of the average citizen in the locality.

This assembling of relatively small investments from the local people has been eminently successful. It may suggest a source of mortgage capital to other countries for the financing of homes, and the encouragement of savings and thrift.

The individual investments can be and in most cases are small, even $100 or less, and the average individual account is less than $2,000.

Today, however, these institutions currently finance about 40 percent of new home construction and existing home purchase. Total investments are well over the $20 billion figure, and the number of individual investment accounts more than 8 million.

Here is what the Government, through the Home Loan Bank System, has done to make this source of mortgage capital secure and attractive both to the small investor and the average homebuyer.

Funds are made available through a reserve credit pool, independent of the commercial bank system, and extended through a system of 11 regional home loan banks under the supervision of the Home Loan Bank Board. They are advanced to members on terms up to 10 years. This provides a steady flow of capital and credit in line with mortgage market needs, and protection against sudden area or local contractions in economic and financing conditions.

In addition, through the Federal Savings and Loan Insurance Corporation, also operating under the Board, individual investors in these institutions are insured against loss up to $10,000.

Although the initial capital for the system was provided by the Government, this has now been largely paid off and replaced by capital from the participating institutions. The Government continues, however, to support the system by agreement to advance funds if necessary should conditions make this necessary.

No Government funds, however, are directly involved in the operations; the system is self-supporting.

Today there are 4,200 member institutions under the Home Loan Bank System. Their mortgage investments until a year ago were limited to a maximum of $20,000, but to reflect changing cost levels, this has now been increased to $35,000. Total assets of these institutions are now about $26 billion.

Up to the end of last year, cumulative advances made to members totaled $6 billion, of which more than $5 billion had been repaid. About 2,000 borrowing institutions had a balance owing to the Federal Home Loan Banks of $867 million at the end of 1954.

Some of these institutions are directly chartered by the Federal Government. Others are chartered by their respective States.

But a new, stable source of mortgage financing was only part of the need to encourage and secure the building of good homes and the opportunity for people to buy them. Mortgage financing practices in the past had been based not on long-term security, but on short-term, high-risk loans. The average mortgage in earlier days was for a short term, was not amortized, and carried a relatively high interest rate. When money became tight, forced foreclosures resulted in heavy losses both to borrowers and lenders.

To make mortgage lending for the average family sound and available and to improve housing standards and stimulate building, the Federal Housing Administration was established in 1934. This program provides Government insurance, under a mutual system, for private home loans. These include loans both for new and existing homes, as well as for rental and cooperative housing, and also short-term loans for the repair and modernization of homes.

This, too, is a self-supporting system, financed through premiums, but with Government credit behind it. Requiring a relatively small down payment, it underwrites private mortgages for terms up to 30 years at moderate interest rates. These are amortized mortgages which are paid off, both as to principal and interest, through moderate monthly payments. The FHA type of mortgage has proved so successful that it is now the standard for mortgages made for all types of home loans in the United States.

The general adoption of this type of financing has greatly stimulated home building and resulted in a rapid rise in home ownership in the country. Home ownership has now reached 56 percent of all housing compared to about 40 percent 15 years ago. The housing market demand has been greatly enlarged to embrace the great mass of American families, and the housing industry has become a large, well organized part of our economy. The handicraft methods of construction have been superseded by large-scale, mass operation in our urban centers.

Today the dominant force in mass building is the operative builder, who builds homes in large numbers, developing large tracts—sometimes entire communities—with the assurance that financing will be available for the homebuyer to buy his home and that this will be a profitable venture. Builders producing more than 100 homes a year accounted for more than one-third of the new homes built in 1949. This compares with only 11 percent for the same group 10 years earlier.

The FHA has been an important influence in this growth, both directly and indirectly. Since it started in 1934, the FHA has insured mortgages covering nearly 4 million sale and rental units, totaling nearly $23 billion. Losses have been negligible and repayments far in advance of schedule. About $13 billion of the mortgages insured are currently outstanding.

The veterans home-loan program, established in 1944, is basically similar to the FHA program. In this case, however, the Government directly guarantees private loans. It also pays administrative costs and losses, which thus far have been minor. The terms are in some respects more liberal. They permit the veterans to buy homes with no downpayment.

Under the veterans program a total of more than 3½ million home loans, amounting to nearly $26 billion, had been guaranteed through 1954. Almost $18 billion was still outstanding.

However, even though the Federal Housing Administration and the Veterans' Administration are important sources of financing for moderate and lower-cost homes, they still represent only 27 percent of total outstanding home mortgages. Conventional loans, which carry no Government insurance or guarantee, provide the majority of home financing. The principal types of home-mortgage lenders are savings and loan associations, mortgage companies, commercial banks, mutual savings banks, insurance companies, and individuals.

To assure a steady long-term market for FHA and VA home loans, the Federal National Mortgage Association operates as another agency within the Housing and Home Finance Agency. The FNMA buys and sells such mortgages, according to the capacity of the private investment market to absorb them. Last year Congress reorganized this operation, to make private capital its normal source of funds. However, Government support is permitted for special needs where private financing is not adequate.

We have achieved, I believe, what for our economy is a basically sound and successful approach to the production and marketing of homes in the United States for the benefit of the great mass of our people. Since 1949 we have been building new homes in our nonfarm areas at the rate of more than a million units a year, with as many as 1,300,000 possible this year. I believe we will continue to produce homes—good

homes—at approximately this rate, and even higher, for many years to come.

We haven't licked all our problems, however. We still have not found a satisfactory solution to our lowest-income housing needs. We have extended subsidies to local communities to provide about 450,000 units of locally owned housing for this purpose to date. We are continuing to do this on a restricted basis, not only because of the low-income problem but because of larger, community problems that are tied into it. We are developing, however, other means for meeting these needs through private effort. We hope that this will enable us to eventually remove Government substantially from the field of housing subsidy.

All of our efforts, however, are not concerned with the individual home and homeowner. We also have some very pressing problems involving the community of homes—the towns and the metropolitan cities which are the nerve centers of our modern economy and which create the environment in which most of our people must live.

The United States has long been a country in a hurry. You more patient people in Europe have often told us that. Like the white rabbit in Alice in Wonderland, we've been rushing along fearing that we were already late for the party, and having neither time nor patience to listen and to look behind or about us.

In recent years, however, we've been forced to stop and look around. We've been stopped by the very congestion that our rapid progress has piled up in the heart of our cities. We've been hindered by the financial dilemmas that have been saddled on our fast-growing but fast-deteriorating communities, and by the double burden of providing homes for our growing population and of correcting the blighted housing of much of our existing supply.

These are problems not unlike those in many of your European centers. In the United States they have grown too large, under our system, for local and private resources alone to deal with. We have concluded that Federal help is appropriate and necessary to supplement these resources; to correct our urban deficiencies and to assure the health and solvency of our modern economy.

After some earlier partial starts to meet this need, we developed last year, at the urging of the President, a full-scale program of cooperative Federal help with local communities and private enterprises. Our aim is not only to clear and redevelop the rundown, slum sections of our cities, but also to restore declining areas and prevent and seal off the future spread of blight.

It is one of the most imaginative and dynamic national efforts we have ever undertaken. And it has called forth an enthusiastic and active response from American communities and American industry.

The program itself, which we now call a program for urban renewal, begins and remains with the local community and private enterprise. They initiate the plans, undertake complete analysis and proposed treatments of their problems. These may require either full-scale clearance and redevelopment of parts of the city, a rehabilitation or preventive measures in less seriously affected areas, or a combination of both.

The Federal Government, at the community's request, then is authorized to make loans and grants to local agencies for the clearing and replanning. Special assistance is also provided for overall and specific planning, both in metropolitan areas and in smaller towns.

The reconstruction or rehabilitation of these areas, however, is undertaken by private enterprise, or by local bodies, depending on the type of redevelopment. Through the Federal Housing Administration, special insurance of private loans is provided for financing the redevelopment and rehabilitation of these renewal areas by private enterprise. Special insurance is also extended to underwrite low-cost new or rehabilitated private housing for the rehousing needs of lower-income families displaced by these and related activities. Public housing subsidies also are still available, on a limited basis, for rehousing low-income families who, as yet, cannot otherwise be adequately cared for.

Nearly 300 communities, from small towns of a few thousand to great cities like New York and Chicago, are actively participating under this and preceding programs. About 7,000 acres of urban blight and slums, involving nearly 100,000 dwelling units, are or soon will be under actual clearance.

But this, large as it is, is only the beginning, only a small part of all that has to be done. The greater effort, the community-wide attack, under the full program has only just started.

I want particularly to say that in this communitywide and nationwide movement to redeem and restore our urban areas, the real estate profession—the realtor as we know him—has been, for years, in the forefront of our leadership. Many of the most active community programs now underway have been spearheaded by the realtor group.

In much of this housing and community progress in our country, the real estate profession has been a powerful generating force. It has not only carried through on the programs that have been put into effect, but in many cases has led the way and generated the strength that brought these efforts into existence.

The realtor in our country stands at a strategic focal point in our housing economy—the point at which the lender, the seller, the buyer, and also the local official are brought together and their respective interests combined into an accomplished result. Without his skills and knowledge, the housing economy we have sought to shape would be likely a finely designed train with no track to run upon.

Our thinking has also broadened to recognize that housing is more than individual shelters—it is a whole community, a soundly planned community. The urban planner was, not too long ago, regarded with something like suspicion as a man who wanted to keep us from doing what we wanted to do. Today, however, he is a sought-after specialist, as our urban communities frantically ask him to come in and disentangle them from the unplanned results of some of our past speedy growth.

I do not mean to give you the idea that we have somehow waved a wand over the United States and made all our problems disappear. Come visit us, and while you will see a great deal that is modern and well planned, you will not be able to miss some of the problems and deficiencies I have talked about. But what you will find, in nearly all our communities, is that something is being done about them—active, positive undertakings are being developed to correct these conditions and solve these problems in the foreseeable future.

There are many reasons why the people of the United States are concerned, and have undertaken comprehensive action in the housing and community field. Housing is a very vital part of our whole economy, and represents one of the major fields of economic activity, employment, and income to our people. It is also an essential determining factor in our social structure; if neglected, it aggravates our problems of crime, delinquency, sanitation, and health.

But these considerations alone would not account for the widespread popular concern and support that the measures now underway have won among the American people. More fundamental is the American citizen's deep-seated belief that the home, the free home, is the nucleus of a free country and a free people. He will defend his home against the despoilers of freedom abroad in the world today, and he is now equally determined to protect the home and his way of life against the corrosive effect of neglect and inaction.

In the end, all our housing, all our community improvement efforts have one end purpose in mind—not the house, not the city, but rather the family and the citizen and their way of life.

It has been a distinct privilege for me to give you this very condensed, but I hope useful review of some of our major efforts and problems in the housing and community field in the United States. I hope it will serve as a small, part payment of a long-standing obligation we owe to the ideas and ideals that have come to us from your lands and have become a part of our free way of life in America.

In Support of Amendments to the Railroad Retirement Act of 1937

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. ROOSEVELT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement which I made before the Subcommittee on Transportation and Communications of the House Committee on Interstate and Foreign Commerce, on June 17, 1955:

Mr. Chairman and members of the subcommittee, I wish to thank the members of this committee for granting me the privilege to appear before you in support of H. R. 4744, a bill in which I am very interested, as I have introduced H. R. 5039, an identical bill. As a freshman Member of Congress, I am eager to do all that I can to assist any group of retired workers.

I represent a district where many railroad people live, and before being elected to Congress, as well as since then, I have had many opportunities to become acquainted with them and to learn their problems.

It is a pleasure for me to recommend that you give favorable consideration to H. R. 4744. This bill will eliminate the inequitable dual benefits prohibition as it applies to widows. I understand the last session of Congress eliminated this prohibition as it applied to the pensioners themselves. I feel this rectification is overdue and that the plight of widows affected by this provision can be alleviated by the passage of this bill.

This bill would also assure spouses receiving annuities under the Railroad Retirement Act a benefit that would be no less than the maximum benefit payable under the Social Security Act. The maximum benefit under social security has increased from time to time, and this provision would allow spouses under the railroad retirement system to receive similar increases in the case of maximum annuities.

I am also pleased to note that this legislation under sections 5 and 6 calls for the protection of employees of the Railroad Retirement Board who fall under civil service. I recall the attempted transfer last year of a number of positions on the Board to schedule C, making these positions subject to political whims, instead of retaining them in the respected caliber where they justly belong. To prevent the strictly politically minded from attempting a similar raid in the future,

I feel it is proper to include them under the protection of law.

I have been deluged with letters from retired railroad constituents pleading for some increase in annuities. I, of course, favor as much relief for them as possible within the limitations of the railroad retirement fund. I wish to state at this point that I will be happy to support any future legislation of this kind that is actuarially sound. But for the moment, I understand H. R. 4744 is the extent to which changes in the act are desired. I am pleased to lend my support to this beneficial legislation, and urge members of the committee to approve it without delay.

Thank you for the opportunity to appear in behalf of this bill.

Jefferson Davis

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. BOYKIN. Mr. Speaker, a few days ago I was asked by Mrs. W. C. Harllee, president of the District of Columbia Division of the United Daughters of the Confederacy, to make a speech on the life and character of our beloved Jefferson Davis. I said many things regarding our great President of the Confederacy that are not in the prepared speech. As a matter of fact, there is no way to tell of all the wonderful things this great man did during his lifetime.

I wish every man in this Congress could have met the wonderful women from practically every State in the Union who attended the ceremonies in Statuary Hall, right under the dome of our Capitol, with not only Jeff Davis, but also another great hero, Robert E. Lee, standing there side by side, like the Rock of Gibraltar; and it seems to me that Stonewall Jackson's statue should be right there side by side with these other great American heroes, but, of course, there is not room in this great Statuary Hall for all of our great heroes who have gone to their rewards. The only place I know that could hold them all is heaven itself, and, of course, that is where we will all meet them sooner or later. There is so much one could say that will never be said about Jeff Davis, because you could be talking about this marvelous man and his life and character as long as you live, but even in that length of time you could never properly present it.

I do remember so vividly when I was a small boy that my father had our family of 7 boys and 3 girls, along with my precious, marvelous mother, on the steps of the capitol at Montgomery, Ala., where there is a marker showing the spot where Jeff Davis was sworn in as President of the Confederacy. Then, just across the street there is the Confederate White House—such a beautiful building that my kinsman, Mary Boykin Chestnut, helped design. Her husband, like Jeff Davis, was a United States Senator, and like Jeff Davis, resigned from the United States Senate to go and fight for the "lost cause." Senator, or General Chestnut, our kinsman's husband, lost both eyes in one of the hundreds of battles that were fought during these long, terrible 4 years.

Mr. Speaker, under unanimous consent to revise and extend my remarks, I include herein a part of my speech made in Statuary Hall on June 3, 1955, and the invocation and benediction by Rev. Vladimir E. Hartman:

PRAYERS GIVEN AT THE 147TH BIRTHDAY ANNIVERSARY OF JEFFERSON DAVIS, STATUARY HALL, UNITED STATES CAPITOL, JUNE 3, 1955

INVOCATION

"Let us now praise famous men,
And our fathers that begat us."

Eternal God, our Father and our King in whom our fathers trusted and found their faith rewarded by Thy gracious care, bless us today as we commemorate the valor and sacrifices of Jefferson Davis.

We thank Thee for the brave men who in time of conflict were ready to lay down their lives if need be in the cause of liberty and righteousness. We thank Thee for what they did and suffered on our behalf, in unflinching loyalty in order that popular self-government might not perish from the earth. Unite all the people of this Nation in a holy purpose to defend the principles of freedom and brotherhood for which they lived and died. And may the Nation which they helped to establish on an enduring foundation be ever true to the great ideals of the founders, and gain increasing prosperity as it offers to all beneath its flag justice and equal rights.

We thank Thee for the United Daughters of the Confederacy, for the ideals they cherish and for the values they perpetuate.

Bless us and guide us in this service. We pray in the name of our Lord and Saviour Jesus Christ. Amen.

ADDRESS BY HON. FRANK W. BOYKIN

Madam President and members of the District of Columbia Division of the United Daughters of the Confederacy, we are gathered here today to commemorate the 147th birthday anniversary of Jefferson Davis, President of the Southern Confederacy and leader of the South's beloved Lost Cause.

This man, Jefferson Davis, was a unique, gallant figure in the most spectacular era of our Nation's history. Around this soldierly, graceful man from Mississippi swirled great, impelling drama. Under his leadership the South waged a 4-year struggle for independence that will eternally be part of the magnificent heritage of every man and woman born under southern skies.

Today Jefferson Davis is the symbol of a valorous, fiery past, of broken hopes and shattered dreams, of a would-be republic whose Stars and Bars once floated from the Potomac to the Rio Grande. The cause to which he and 15 million people dedicated their hearts and souls was a failure, though it perished in such a sea of glory that its memory will evoke the world's admiration to the end of time.

Jefferson Davis was statesman, soldier, political leader, planter and, above and in all things, a gentleman. His enemies have charged him with treason. If Jefferson Davis was guilty of treason, this same guilt must rest on peerless Robert E. Lee, dauntless Stonewall Jackson and hosts of immortal leaders who wore the gray of the Confederacy. Even the Father of his Country was charged with treason because he led a ragged, starving army of Americans fighting for freedom.

Blame Jefferson Davis as they will they can never take from him the glory that he was an American citizen, who shed his blood for his country and who captained his people in a revolution founded on principles the South had held sacred and inviolate for almost a century. Nor can they deny that though abused and maligned, cast into prison and crucified with indignities, he accepted his fate unflinchingly and bore his sufferings with the fortitude of the soldier and Christian that he was. He had fought the fight and lost. Defeated, he would abide by the decision as did Lee, Beauregard, Hampton, and that amazing galaxy of Confederate chieftains who followed the Southern Cross through the smoke and thunder of a thousand battles.

Never once in the years after the fall of the Confederacy did Jefferson Davis retreat from his fundamental belief in the basic right of secession. Nor would he accept a pardon from President Johnson for something he felt in his heart was not wrong.

"As for me," he said, "our cause was so just, so sacred, that had I known all that is come to pass, had I known what was to be inflicted upon me, all that my country was to suffer, all that our posterity was to endure, I would do it all over again."

Let me recall for you the last inspiring message that fell from the lips of Jefferson Davis. Unfortunately, it is known to too few today. It was 1888, the year before he died. He was asked for a message to the youth of the South. Standing in the bright Mississippi sunshine he gave this exhortation to the young men who would carry on the new South that had arisen from the ashes of the old. And I quote, these, his wondrous words:

"I feel no regret that I stand before you this afternoon a man without a country, for my ambition lies buried in the grave of the Confederacy.

"There has been consigned not only my ambition but the dogmas on which that government was based. The faces I see before me are those of young men; had I not known this I would not have appeared before you. Men in whose hands the destinies of the southland lie; for love of her I break my silence to speak to you a few words of respectful admonition.

"The past is dead, let it bury its dead, its hopes, its aspirations; before you lies the future—a future full of golden promise; a future of expanding national glory, before which all the world shall stand amazed. Let me beseech you to lay aside all rancor, all bitter, sectional feeling and to take your places in the ranks of those who will bring about 'a consummation devoutly to be wished'—a reunited country."

There spoke in eloquent words, Jefferson Davis, the American, the southerner, the patriot though "a man without a country" as he called himself, as he summoned the young generation of the South to pledge themselves anew on the altar of American freedom.

I stand here today to offer no apology for Jefferson Davis. He needs none. Honest posterity has made up the record of his fame that grows as the years roll by. I am here on his natal day to pay tribute to the great man that he was. He had faults, made mistakes. Greatest of them was his unquenchable love of the South and his unshakable belief in her invincibility and her destiny as a free and independent nation.

For a decade on the floor of the Senate, barely a stone's throw from his statue here in this hall, he fought the battles of the South against all comers with fire, logic, and eloquence. Few Americans realize that the war between the States began here on Capitol Hill long before the first Confederate shell broke blood red over Fort Sumter in 1861.

To Jefferson Davis, the dying John C. Calhoun tossed his political mantle when that great champion of southern rights ceased from wrangling to don the robe of immortality. There on the Senate floor, amid thunderous debates, stood Jefferson Davis, unmoved, courageous, erect, beating back every attack on the South, parrying every thrust of her enemies. Yet even in the heat and fire of debate there was in his voice and

manner such charm that even his bitterest opponents found it hard to resist them.

But the gods had willed that the issues and political strife between the North and the South must come to the final arbitrament of the sword. Forty years of debate and violent clamor had done their best—and their worst. The year 1861 found Jefferson Davis still standing in the breach beside his desk in the Senate.

Now another scene rises before me: a cold January day, 1861, and the Senate galleries were crowded as never before. Hundreds were thronging these corridors to hear Senator Jefferson Davis of Mississippi say farewell to the Senate where he had served so long. Fine drama it was and he the chief actor in this, perhaps, the saddest scene ever witnessed on Capitol Hill. Amid tense silence while hundreds literally held their breath Senator Jefferson Davis rose and in calm, grief-stricken words offered his historic valedictory to a spellbound audience. There was no bravado, no threats of fire and sword in his words, only the hope of peace before the issues were handed over to the God of battles. Tears ran down the cheeks of men and women as Jefferson Davis closed his eloquent goodby, bowed to his august associates and walked slowly out of the Senate Chamber forever.

That same night his wife heard him wrestling in prayer. To his Maker he said, "May God have us in his holy keeping, and grant that before it is too late peaceful counsels will prevail." The next day he hurried south to lead his people on their ill-fated flight toward independence.

Now let me quickly highlight this man's career. He was born in a log cabin in what is now Todd County, Ky., June 3, 1808—and how strange it is that, within the same 12-month, in another log cabin nearby, was born another baby whose name was Abraham Lincoln. When he was 5 years old his parents migrated to Mississippi. At 14, Jefferson Davis entered Transylvania University, at Lexington, Ky. He was 16 when he entered West Point where he graduated in 1828, 1 year ahead of another young soldier, Robert Edward Lee, of Virginia. At heart, Jefferson Davis was a soldier. It was bred in his bone. After serving in the Black Hawk war he resigned from the army in 1835. He had already met and married and lost his first love, Sarah Taylor Davis, daughter of Gen. Zachary Taylor, of Mexican War fame. In 1845 Davis married glamorous Varina Howell, the rose of Mississippi, who was to him for the rest of his life, sweetheart, stanch companion in triumph and disaster, his very lodestar. To his home on the Mississippi, Brierfield, he brought Varina to share with him his love of camellias and roses, which became the very symbols of their affection.

With the outbreak of the Mexican War, Jefferson Davis resigned from the House of Representatives to which he had been elected in 1844, and sailed for Mexico as colonel of the first regiment of Mississippi Rifles. At Buena Vista, with the issue of the battle in doubt, Colonel Jefferson Davis and Mississippi regiment covered themselves with glory in a charge that saved the day. At the moment of victory Davis was badly wounded, crippling him for months. Offered a brigadier-generalcy he declined it only to be appointed to the United States Senate to fill out the vacancy caused by the death of Mississippi's Senator Speight. Subsequently, he was elected to the Senate in his own right, serving until 1851, when he resigned to run unsuccessfully for governor of his State.

In 1853, President Pierce appointed Jefferson Davis to his Cabinet as Secretary of War, a post he administered with distinction and ability. Davis pioneered many improvements in the Nation's military establishment. An innovation of his was the importation of camels to be used on the western deserts where so much of the country's small Army was stationed. In 1857 he was again elected to the United States Senate, serving until January 21, 1861, when he resigned to become President of the Southern Confederacy. On February 18, 1861, at Montgomery, Ala., he was inaugurated for a 6-year term. It was here at Montgomery that the eloquent William Lowndes Yancy, in introducing Jefferson Davis to the enthusiastic throngs, proclaimed, "The hour and the man have met."

Jefferson Davis' courage never faltered through all the varying fortunes of the Confederacy. When Richmond, second capital of the Confederacy, fell before Grant's hammer blows, Davis sped south to rally the broken remnants of the collapsed republic. He was captured by Federal troops in Georgia, May 10, 1865. Imprisoned at Fortress Monroe, he was shackled and kept for a long while in a casemate room with a searchlight on him that was never dimmed. Charged with treason by a Federal indictment he was never tried, though he asked many times to be given his day in court. On May 13, 1867, after nearly 2 years of inhuman treatment, he was released. His $100,000 bond was signed mostly by northern citizens, who admired his fortitude and who felt he had been treated shabbily. Among these signers were Horace Greeley, powerful editor of the New York Tribune, and arch-abolitionist Gerrit Smith.

Leaving prison Davis went to Canada but found the climate too rigorous for his constitution weakened by incarceration. Returning south he was received with warmth and affection by his own people. Going to New Orleans he found his property gone, his friends impoverished, and his plantations up the Mississippi devastated by Federal occupation armies.

A severe accident sent him to Europe, again seeking health. In England he was lionized. Under the kindly influence of new surroundings and cheerful company his health improved. In Paris Napoleon III and the Empress Eugenie invited him to court, but Davis declined. A visit to Scotland brought partial restoration of his health, but he was never again to enjoy robust health, never again to be a strong man.

In the autumn of 1869, he was offered the presidency of a life insurance company at Memphis, which he was compelled to accept to earn a livelihood for himself and family. Leaving his family in London, he went to Memphis where he remained for some months and then returned to London to bring his family back to America.

On his arrival in Memphis, the citizens there offered him for a gift a handsome residence, as an expression of their good will, but he preferred to be the recipient of no donations, and gratefully declined to accept it. He applied himself diligently, though probably unsuccessfully, to learning the science and technicalities of the life-insurance business. But, his training and experience had not been along such lines, and he later discovered that his company was not organized and conducted on a safe basis. The ultimate failure of the company, which was probably hastened by a yellow fever risk in the South, caused Davis to lose the small remainder of his meager fortune, and his troubles multiplied. The death of his brother, the litigation in connection with both the plantations at Davis Bend, the death of his little son William from diphtheria, and the failure of his insurance company, caused his health to grow worse, and he was again ordered to England.

Out of the wreckage of the hurricane and Brierfield suits, a portion of his old plantation was saved to him and from the lands where he had started life as a planter after his 8 years' service in the United States Army he had hoped to support himself and his family.

After pleasant months spent in England and in Paris, he returned home somewhat improved in physical condition. Through all these vicissitudes his courage continued dauntless and unbroken. Bountiful gifts of houses and lands and money might have been his for the acceptance, but his pride was as fine edged as his courage. After the death of his son in 1874, the people of Texas invited him to visit that State, and he was met with welcoming acclaim and was offered a tract of land and stock enough to furnish it, but again he declined the gift. Under the General Amnesty bill passed in May 1872, it was necessary that application should be made for the removal of prescribed disabilities to become a beneficiary of this bill's provisions. Davis, while accepting in good faith the results of the war, declined to ask pardon for an offense of which he denied that he was guilty. To quote Davis from the concluding chapter of his "Short History of the Confederate States," which was published in the year following that of his death:

"In asserting the right of secession it has not been my wish to incite to its exercise. I recognize the fact that the war showed it to be impracticable, but this did not prove it to be wrong; and now that it may not be again attempted and that the Union may promote the general welfare, it is needful that the truth, the whole truth, should be known so that crimination and recrimination may forever cease; and then on the basis of fraternity and faithful regard for the rights of the States there may be written on the Arch of the Union, Esto perpetua—may it be eternal."

The last of his larger plans in life, the development of a trade between South America and the United States, through the organization of an international enterprise which might build up New Orleans and the cities of the lower South caused him to visit England, but this scheme came to naught, and he began to look about him for some quiet, though humble place where he might end his days in the peace and seclusion which had been denied him since his earliest years at Brierfield. He selected the lovely spot along the Mississippi coast, overlooking the beautiful waters of the Gulf of Mexico, halfway between New Orleans and Mobile, known as Beauvoir. In April 1878, Mrs. Davis, who had accompanied him to Europe on his last visit abroad, joined him at Beauvoir and with her assistance and that of Mrs. Dorsey, whose residence he was occupying, and the literary aid of his friend, Major Walthall, and of Judge Tenney, whom his publishers sent down to assist him, he completed his history of the Confederacy at the end of 3 years. During this time, he lost his sole surviving son, Jefferson, who died at Memphis of yellow fever, and later Mrs. Dorsey died of the same malady. She had asked Davis sometime before her death to agree to act as her executor. He finally consented. After her death the will disclosed that she had devised Beauvoir to him during his life with reversion to his youngest daughter, Winnie, who was then a minor. After the book's completion, he and Mrs. Davis went again to Europe and remained in Paris 3 months, after which he returned to again take up his life at Beauvoir. The publication of his history of the Confederacy developed a renewed confidence in him on the part of those for whom he had borne a great burden. In 1886 he made a number of public addresses in Mississippi, Alabama, and Georgia, and was met everywhere with expressions of kindness and affection such as no other speaker had ever received. His last visit to Macon, Ga., for one of these homecomings was too much for his weakened vitality. His physician forbade him further excitement, and he returned to Beauvoir to appear no more in public. In November 1889, he went to Brierfield and was taken ill there. His sickness prevented his

reaching home before the end, and with his wife who had joined him on his way down the Mississippi, he could go no farther than New Orleans, where he died December 6, 1889. From all over the South representative men and women, including the Grand Army of the Republic, joined in the funeral ceremonies with the camps of Confederate veterans and the citizens of New Orleans thronged to his funeral in Metairie Cemetery. The Governors of nine States were his pallbearers and the legislatures of the Commonwealths which he had led in war held memorial sessions in his memory.

Four years after his death the people of Richmond asked that his body might be entombed in the company of many other soldiers and statesmen of the South, in Hollywood Cemetery. Jefferson Davis was borne back to the scene of his great adventure, the capital of what had once been the Confederate States of America. His body lay in state in the chief cities through which it passed, and tens of thousands came to gaze on the face that was still resolute and undaunted in death.

In reviewing the last years of Jefferson Davis' life, my admiration for this man which like all true southerners has always been high, if possible, has grown even greater. To meet with reverses of every kind and description and to still hold his head high and decline all the gifts which were offered him, and to rise above all the confusion of the times, proved this man to be one of our Nation's alltime greats, of whom we may be justly proud.

BENEDICTION

"May the God we trust as a nation,
Throw the light of his Peace and Grace,
On a flag with its stripes untarnished,
And with every star in place.
"Amen."

The Grace Weller Story: Bighearted America at Its Best

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. DAGUE. Mr. Speaker, it has always been my prideful boast that nowhere in this broad land will you find an area that encompasses a greater group of bighearted people than those who reside in Lancaster County, Pa. Indeed, their charity is the kind that leavens all who become exposed to it and makes us want to exclaim with the poet that "God is in his heaven and all's right with the world."

In support of this conviction I would like to relate briefly a warm and tender gesture of Christian fellowship and outstanding community service that occurred recently in my Ninth Congressional District in Pennsylvania.

Late in February a young woman from Ephrata, a small town in Lancaster County, woke up in a hospital following a horrible highway accident. Mrs. Grace Weller was told that her husband, Norman, aged 27, had been killed in the crash and that it was necessary to amputate one of her legs. She became despondent and despairing realizing that a bleak, dismal future faced her with no insurance, income, or means of a livelihood. She had little desire or spark to get well.

And then a wonderful thing happened. A group of citizens of Ephrata, led by Burgess Lloyd Gerhart and Mr. and Mrs. Henry Nissley, determined that Grace Weller deserved a better lot in life and decided to help. They organized a community drive that included parades, shows, and a tag day to try to relieve her of the tremendous burden of medical expenses that mounted daily.

Local clubs and civic groups cooperated, as did the town's weekly newspaper, the Ephrata Review. The Lancaster Intelligencer Journal and New Era, New Holland Clarion, Lititz Express, and Reading Eagle also publicized this worthy cause.

Several thousand dollars was raised, a sizable sum for this small community of only 6,000, but still not enough to meet Mrs. Weller's expenses, which had reached over $6,000.

A large metropolitan radio station learned of this tragic case and asked if it could help on this local level.

The Westinghouse-owned radio station KYW in Philadelphia reached out to thousands and thousands in its audience with the dramatic story of Mrs. Weller. Listeners from all over Pennsylvania, New Jersey, and Delaware, although they had never heard of this young Ephrata woman and her misfortune, responded magnificently, and over $3,000 was received in 2 weeks.

KYW decided to take it further and passed the story on to Warren Hull, of the radio and television program, Strike It Rich. As a result, he asked two KYW performers, Bill Givens and Vince Lee, to appear on his show in behalf of Grace Weller. Their appearance, in which they spread the Grace Weller story from coast to coast, both on the NBC radio network and the CBS television network, brought more money to Grace Weller. Nearly $800 in money and gifts were realized by the young men themselves on the show.

And so I would like to offer this humble tribute and praise to the townspeople of Ephrata and its newspapers, and to the thousands of generous folks reached by KYW who volunteered time, services, and money to make it possible to assist this young woman to get a fresh new start in life.

This is the heart of America responding. This is the American people taking care of their own. This is bighearted America at its best.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the San Juan-Chama irrigation project in New Mexico.

The San Juan-Chama project is a part of the proposed multibillion dollar upper Colorado River project.

The cost to the Nation's taxpayers of the San Juan-Chama project would be $4,250 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Highway Legislation

EXTENSION OF REMARKS

OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. SCHERER. Mr. Speaker, I am going to direct my remarks to what I consider to be the two most important phases of the highway legislation.

First, I shall attempt to show where the critical and primary need for highway improvement exists in the United States.

Secondly, how this Congress can meet that need by a proper allocation of Federal funds.

There are approximately 3⅓ million miles of roads in the United States. It is admitted that something could be done—some money could be spent to improve in varying degrees almost each and every mile of this gigantic system in order to bring all of this mileage up to a standard of highway perfection so as to meet present and future traffic demands.

The Clay Committee finds that such a program would cost more than a hundred thousand million dollars. If we adopt a plan calling for the expenditure of only a fourth of this amount, it will still be by far the biggest single public-works program, not only in the history of this country but in the history of the world.

It is further admitted that a hundred thousand million dollar program cannot possibly be considered. It is beyond our capabilities at this time. It, therefore, becomes obvious that the money available—the money we are willing to spend must be applied where it will do the most good—where the critical need exists—where it will do most toward relieving the traffic snarls that are gradually but surely strangling America's transportation. The available money must be applied to a highway program that will most effectively cut the tragic accidents and slaughter on the roads of this Nation with a resulting damage to our economy. Above all, the program must meet the defense requirements of this country. We must be able to move large heavy military equipment and personnel quickly across the Nation.

The question, therefore, is which program will do the job most effectively—the one fathered originally by Senator GORE, or the President's program resulting from the Clay Committee's studies and investigations.

If we are going to follow the overwhelming and almost uncontradictable evidence adduced in the 7-week hearing before the Public Works Committee—evidence from the most competent authorities in the country—we must adopt at least a modified version of the President's program. On the other hand, if we are to follow the theory of handling this problem conceived by Senator GORE in an effort to beat the gun we must ignore the mountains of evidence piled high in the record.

The President's program deals solely with the interstate system. Its very name indicates that it is the system with which the Federal Government should be primarily concerned. It is on this system that we find the large volume and extreme density of traffic between centers of population. It is on this system that we find the bottlenecks—the slowdowns, reduced to a snail's pace, just outside and in the big cities.

The reasons for these conditions can be understood when we realize that the interstate system which consists of only 37,600 miles represents approximately 1 percent of the total road mileage in this country. This 1 percent, however, carries one-seventh of all the traffic. It means, therefore, that the density of traffic on the interstate system is 14 times the average density on all other highways.

These conditions have resulted in tremendously increased automobile operating costs, such as gasoline and oil consumption waste, brake and tire wear, and, above all, an unbelievable man-hour loss. The loss to the trucking industry, which is eventually passed on to the consumer is incalculable.

The rebuilding of the interstate system to the standards required will save 1 cent a mile in operating costs or approximately 14 cents for every gallon of gasoline that is used in passenger cars.

The trucking industry will save 4 cents a mile in operating costs.

All this will result in a total savings to highway users and our economy of $1,475 million per year.

The evidence is conclusive that it is on the interstate system where we are having a disproportionate number of accidents and loss of life. The rebuilding of the interstate system will result in a reduction of monetary losses from accidents alone amounting to $725 million per year. The total savings, therefore, will reach the staggering sum of $2,100 million a year. These savings alone will offset about two-thirds of the cost of the program.

If the highway user realizes these savings he may even be willing to pay at least part of this amount in additional user charges in order to make the program a reality.

Furthermore, one of the principal advocates for the development of the interstate system is the Department of Defense. The Defense Department, like all of us, has no problem with its equipment reaching the main arteries of traffic from its installations. It points out that its difficulty, like yours and mine, begins when it attempts to transport large military equipment and personnel across the country on the interstate system. The Department of Defense without reservation recommends that the interstate system be developed as proposed by the administration and that it be given priority.

We all now know that the large industrial centers of the United States will be the frontline trenches of the next war which all of us, of course, hope and pray will never come. If war comes, however, then evacuation is the only defense against atomic attack.

Could any large city in the United States be evacuated? The answer is "No." because the main highways extending from the periphery of industrial areas cannot possibly handle mass evacuations.

All of us are familiar with traffic conditions in the city of Washington between 5 and 6 o'clock in the evening when the workers are being evacuated from the downtown area to the suburbs. We literally crawl southward to Virginia and northward on Connecticut Avenue and 16th Street to Maryland. One can well imagine what would happen if not only the workers but the entire population attempted to move from all the metropolitan area. The main or arterial highways beyond every city in the United States are not capable of handling the traffic that would be thrown into them as the result of mass evacuation. They cannot handle the congestion on an ordinary Sunday afternoon.

Now, of course, I admit that the improvement of all of the system of highways in the United States would be beneficial and would result in a reduction of accidents and some saving in operating costs. However, again the evidence is conclusive that the beneficial results from the improvement of these systems is so slight when compared with the needs of the interstate system that every cent of money available should be spent on the immediate rebuilding of the interstate system and that it should be given complete priority.

The testimony shows that the primary, secondary, and farm-to-market roads are generally capable of adequately doing the job that is demanded of them today.

I drive between Cincinnati and Washington quite often over the interstate system. In view of my service on the Subcommittee on Roads, I have made careful observation of conditions. Time and time again, I have driven in a long line of traffic, frequently crawling up steep grades with other vehicles behind big trucks. While impatiently waiting to move ahead more quickly, I have glanced down the intersecting secondary roads. Invariably they have been in good condition with little or no traffic on them. Usually vehicles, if any, on these intersecting thoroughfares would be stopped at the intersection waiting to enter the crowded arterial highway. I am certain each of you has had similar experiences. There are 100 million miles of such secondary roads in this country that carry only from 1 to 100 cars a day.

I am not saying these secondary roads are perfect—that they do not need improvement and that we should not spend any money on them. All I am trying to do is to point out the relative needs.

Last year this Congress almost doubled the amount of Federal funds allocated for these other systems. The fact is that none of this additional money has as yet been used for improvement of these roads. Some States are going to have difficulty in matching the new funds provided for in the 1954 act.

If the interstate system is improved as recommended by the President all other roads will have made available further additional funds in the nature of a hidden windfall. Because of the heavy demands on the interstate system States today are spending a large part of their own highway funds on the rebuilding and maintenance of the interstate system within their respective States. If the Federal Government takes over the cost of rebuilding these interstate roads the States then will be able to use the money they are now spending on the interstate system on their secondary highways. These roads are primarily the States responsibility anyhow.

Now in spite of what has been shown about relative needs it is now proposed to dump additional millions on these roads. The Gore bill calls for 900 million a year. Thirty States have said they will not be able to match these additional amounts. Why do we then in face of these facts and all of the evidence to the contrary and against the recommendations of 97 percent of the witnesses who appeared before our committee, insist on giving these additional Federal funds for the secondary systems. Why do we do this when the available money is limited. Why do we do this when this money could be used so much more profitably if it were used where it is actually needed. We do it because we cannot get away from "pork barrel" politics. An election year is just around the corner and roads on the secondary systems pass almost every voting booth in the country. And yet, this is not enough "pork." Some still are not satisfied. It is, therefore, proposed in the Gore bill to substitute more "pork" for a truly effective and uniform interstate system.

Let me demonstrate what I say.

A long list of highway experts and responsible organizations headed by the Association of State Highway officials proved by cogent evidence that the solution to our critical highway deficiencies was the immediate and uniform, and note I say uniform, rebuilding of our interstate system under modern scientific highway engineering standards in every State in the Union. The cost of doing this job will vary from State to State depending on the number of miles of the interstate system within the State—topography—land acquisition costs—width of highways—utility relocation costs—number of grade separations and interchanges.

Does the Gore bill propose to distribute the Federal funds for the interstate system on the basis of need? It does not. It completely ignores the evidence and the recommendations of 97 percent of the witnesses and distributes money on the basis of votes. Some States under the Gore bill will get far less than the Bureau of Public Roads finds is needed to rebuild the interstate system to proper standards. Other

States for no reason except political considerations get much more money than is needed to do the job.

On the other hand, the President's bill proposes to build roads where the real and critical highway problem exists and to allocate funds necessary to accomplish the results on the basis of need.

Poland's Freedom Should Be Restored

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. ANFUSO. Mr. Speaker, in connection with the celebration of Polish Constitution Day several weeks ago, the Polish Allied Societies of Williamsburg, which is a part of my congressional district, sponsored a parade and a large public gathering.

I was privileged to be invited to this celebration, which took place on May 29, 1955, and to deliver an address on the occasion. Under leave to extend my remarks, I am inserting the text of my address into the RECORD:

SPEECH BY CONGRESSMAN VICTOR L. ANFUSO, POLISH CONSTITUTION DAY PARADE IN WILLIAMSBURG, MAY 29, 1955

My fellow Americans, I am very happy to be here with you on this occasion and to join with you in the celebration of Polish Constitution Day. I consider it an honor and a privilege to address this wonderful gathering sponsored by the Polish Allied Societies of Williamsburg, which is doing a swell job and is rendering patriotic services.

It is fitting and proper for you to celebrate this day on which you reaffirm your devotion to the great Polish heritage of freedom handed down by your people 164 years ago. Your celebration is part and parcel of the spirit of loyalty and devotion which you bear in your hearts to America and all that America stand for in the spheres of justice, freedom, and morality.

This great Polish national holiday, however, is also a sad day for all of us in the free world. We observe it as a day of remembrance and rededication. It is a day of renewed hope that Poland will soon be liberated from the yoke of Communist subjugation and oppression, and that it will once again join the nations of the free world as an independent and democratic nation.

The people of Polish descent are no newcomers to the struggle for liberty. The Polish Constitution of 1791 is today recognized by freedom-loving people everywhere as one of the great documents in the annals of human freedom—a document which has since become a landmark in the development of constitutional government. Poland in the 18th century was in desperate need of a strong government. Its elective king was helpless; its Diet (Parliament) was impotent. Because of these weaknesses, Poland's predatory neighbors—Russia, Prussia, and Austria—were able to appropriate large areas of Polish territory in 1772.

Stirred by the democratic ferment then sweeping France and also our own 13 colonies in America, the people of Poland demanded a constitution which would strengthen the nation and guarantee certain rights to the people. Finally, after a long struggle, the constitution of 1791 was adopted, enfranchising the citizens of Poland and establishing religious freedom in the country. Let me read to you just a few lines from that great document in which the following principle is set forth:

"All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil liberty, and the good order of society, on an equal scale, and on a lasting foundation."

This is still one of the great objects of humanity. No wonder that Edmund Burke, the great British parliamentarian and fighter for liberty, said at the time, "Humanity must rejoice and glory, when it considers the change in Poland." Unfortunately, those gains were lost later in the turbulent events of Polish history, but the constitution remained and it became an important factor in man's long fight for freedom.

The desire for human freedom and social justice, for democracy and religious toleration, is perhaps stronger today than it has ever been in the history of mankind. And yet the great paradox of history is the fact that the Polish people, the same people who have brought forth this noble document more than a century and a half ago as a charter of liberty, cannot celebrate the occasion in a free Poland today.

The Polish nation, which has lived for nine centuries in spiritual, religious, and cultural relationship with the western nations, is now cut off from the West. Its homeland is sealed off behind the Iron Curtain, where freedom is not tolerated, where human rights are trampled upon, where social justice and religious toleration are unknown, and where democracy has been perverted in its meaning and purpose.

Those of us who are familiar with the story of Poland's struggle for national independence in our time, know that the American people have always supported Poland's just cause for national survival and sovereignty—and we always will. Human liberty everywhere suffered a severe blow when Poland's independence was wiped out so ruthlessly in 1939 by the Nazi aggressor from the west. Later, Nazi oppression was replaced by Communist slavery from the east. Today, the power of the state no longer originates with the people, or belongs to the people—the real master sits in the Kremlin in Moscow. Poland is a captive country under a Communist dictatorship.

My friends, let me assure you, however, that neither Poland nor its people are friendless or forgotten. We, in this country, and others in free countries throughout the world, are constantly striving to bring them encouragement and giving them the fullest moral and spiritual support in their hours of anguish. We are hoping and praying that this nightmare of Communist tyranny and oppression, their enslavement and degradation, will soon end, and Poland will again rise to its rightful place among the free nations.

At this point, I want to stress a particular development of recent months and to express my views in the matter. For a long time we, in this country, followed a policy of liberation of the enslaved nations of Eastern Europe: Poland, the Baltic States, Rumania, Hungary, Czechoslovakia, and the others. Of late, the Eisenhower administration is discarding this policy and is replacing it with a policy of coexistence.

I want to tell you just as clearly as I can make it that this is a fallacious policy. In fact, I consider it a dangerous policy because it will destroy every vestige of hope which is still lingering in the hearts of your kinsmen in Poland and the other enslaved people; it will end all their dreams and aspirations ever to become liberated from their Communist oppressors. Only the hope of attaining freedom in the future encourages the people of Poland today to continue their struggle against slavery. To them, coexistence means death, the end of all hope for national rebirth. As I see it, there can be no coexistence of any kind, in any way, between the free world and the Communist-dominated world so long as entire nations are enslaved.

I make a point of this, because this summer there will take place a Big Four conference in which our country will sit down with Communist Russia at the same table to discuss certain matters. I suggest that the question of the enslaved nations of Eastern Europe be made a part of the agenda at that conference, with the idea of obtaining their freedom—something to which Russia had consented 10 years ago when the United Nations was organized in San Francisco. Russia must be asked to live up to her international agreements. The despots of the Kremlin must be given to understand that they cannot succeed forever in subjugating human dignity and justice. Theirs is a negative approach to human progress and civilization, it is contrary to basic principles of life itself.

In conclusion, let me assure you that the people of the United States follow with great sympathy the tragic plight which has befallen the people of Poland, whom we shall always regard as our stanch friends and allies. On this occasion, I extend my greetings and good wishes to all of you, friends and neighbors, all of you loyal Americans of Polish descent. I join with you in your prayers for Poland and its people. As we pray together for Poland's restoration, as we pay tribute to the bravery of the Polish people, let their struggles for liberty of yesterday and today serve as a beacon of light for tomorrow.

I urge you to do everything possible to help your people in Poland to surmount the great national crisis that confronts them. In ways that you know best, you must not only maintain hope for the future, but you must help your kinsmen in Poland to survive that crisis. They must feel confidence in your devotion to the altar of God, at which you both pray in your hearts—you in freedom here, they in slavery over there.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the Gooseberry irrigation project in Utah.

The Gooseberry project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Gooseberry project would be $1,900 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Thirty-seventh Annual Department Convention—the American Legion

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include my statement to the members of the American Legion, Department of Massachusetts, at the 37th annual department convention held in Revere, Mass., on June 16, 17, and 18, 1955:

Some people think of the American Legion as an organization with a special interest; to forward the compensation, pension, medical, and hospital claims of all veterans.

While we proudly acknowledge this fact, because we know that veterans have made greater sacrifices in behalf of our Nation than any other single group, we also point to the great and comprehensive program of the Legion which is dedicated to the preservation of all that we hold dear to us—Americans.

The Legion advocates a strong defense establishment.

And a strong foreign policy.

The Legion is not fooled by the sudden switch to sweet talk by us somewhere and somehow.

At the moment, for various reasons, they are stalling for time.

It seems to me that this is precisely the right moment to press our advantage.

Not by military action.

Accelerating, instead, our campaign to win the minds of men.

By increasing psychological warfare, as recommended by the Legion at the Washington national convention.

The defense of the United States, including the maintenance of far-flung forces and bases overseas, is costing us over $34 billion a year. Of that sum we are only spending $88 million, or less than one-third of 1 percent, for the United States Information Agency and the Voice of America.

We must never forget that the cold war goes on, relentlessly, even when the Reds are making peaceful gestures.

We oppose the Communists with military power.

We counter with diplomatic moves.

And exert economic pressure.

In the field of public relations on a global scale, however, we are acting like scared sheep. While Communist propaganda works night and day to convince its present and future victims that communism is invincible.

We have the best produce—freedom.

We have the best salesmen in the world.

By a strange lack of understanding, and purpose, we are unable to team them up in a concerted drive to hit the Communists where they are weakest—the latent dissatisfaction of their own people.

Consider this one fact; the Communists have never conquered a single country by direct employment of military power. They didn't have to. Subversion, infiltration, propaganda, and blackmail did the trick.

Do we need any further evidence that psychological warfare is the trump card of the Communists?

Then consider their hideous brain-washing techniques that take a victim's mind away from him, and replace it with a soulless zombie Communist model.

Or the massive efforts being made to train an army of professional Soviet athletes that will go into the next Olympics disguised as amateurs in order to defeat the United States, and thus increase the prestige of communism.

This is being done on a cold and calculated basis * * * not in the interest of clean and wholesome sport * * * but to serve the ruthless ends of the Communist propaganda machine.

Words like "peaceful coexistence" "neutralism" are used to play upon human wishes, with dangerous cleverness, and as weapons against the mind.

Think of it, one-third of the people in this world have been enslaved by the cold-war methods of communism, which are far more profitable for the Reds than a hot war could ever be.

They will not risk a large-scale war because they know this would release revolutionary forces within their own empire. Even if they felt sure they could win such a war, they know that they too would suffer nuclear devastation.

Psychological warfare is the key to victory.

Of course we must maintain our lead in all categories of military power, for this gives us the insurance, the confidence, and the opportunity to wage psychological counter-offensive.

It may come as a shock to us to realize that we are not as modern or efficient as we think.

The United States, with all of its military and economic power, is asleep at the switch.

We have not yet awakened to the fact that the Reds are far ahead of us in the successful employment of cold-war techniques.

Every American wants peace and prosperity. The Presidential election of next year may hinge upon the real or fancied existence of both. But if the American people interpret the absence of bombs and casualty lists as a sign of peace, they will be falling into a habit of thought that could be fatal.

The Communists know when to give in—a little—just to deceive us into believing that peace is just around the corner, because that is a part of their cold-war technique, intended to throw us off balance.

Getting us into the mood of wishful thinking, and back to business as usual, as if the cold war could be turned off as conveniently as we turn off the light and go to sleep.

While strengthening ourselves with nuclear weapons and maintaining a defensive posture, we are neglecting the main front which communism has already breached, with a positive campaign to capture the minds of all men.

Day by day we see how Communist-inspired fears confuse, divide, and weaken the moral fiber of nations that are apparently free when there are much greater tensions within the Communist empire that we are failing to exploit.

Even now, almost 50 years after the Bolsheviks took over Russia, they must use more of their manpower and resources to keep their own people in subjection.

In other words, they have not convinced their own people that communism is the best way of life.

In fact, they are afraid of them.

Add to this the feelings of the people in the captive countries, and we have a situation made to order for effective psychological counteraction by the free world.

This attack upon the enemy's nerves should be total and unrelenting.

Time does not give me the opportunity to spell it out in detail.

As a guideline, I would suggest the following eight points from a program for a political offensive against world communism, recommended by David Sarnoff:

"1. To keep alive through the Soviet Empire the spirit of resistance and the hope of eventual freedom and sovereignty. If we allow that hope to expire, the Kremlin will have perpetuated its dominion over its victims.

"2. To break the awful sense of isolation in which the internal enemies of the Kremlin live * * * by making them aware that, like the revolutionists in Czarist times, they have devoted friends and powerful allies beyond their frontiers.

"3. To sharpen by every device we can develop, the fear of their own people that is already chronic in the Kremlin. The less certain the Soviets are of the allegiance of their people, the more they will hesitate to provoke adventures involving the risks of a major showdown.

"4. To provide moral and material aid, including trained leadership, to oppositions, undergrounds, resistance movements in satellite nations, and China and Russia proper.

"5. To make maximum use of the fugitives from the Soviet sphere, millions in the aggregate, now living in free parts of the world.

"6. To appeal to the simple personal yearnings of those under the Communist yoke: release from police terror, ownership of small farms and homes, free trade unions to defend their rights at the job, the right to worship as they please, the right to change residence and to travel, etc.

"7. To shatter the wave of the future aura around communism, displacing the assumption that communism is inevitable with a deepening certainty that the end of communism is inevitable.

"8. To inspire millions in the free countries with a feeling of moral dedication to the enlargement of the area of freedom, based on repugnance to slave labor, coerced atheism, purges, and the rest of the Soviet horrors."

As a legionnaire, I would like to see our organization enlist public opinion in support of its resolve that the United States should increase psychological warfare.

Here we can attack communism at its weakest point.

In this manner we can win a bloodless victory.

On this anniversary of the Battle of Bunker Hill we should remember the early patriots who quickly adapted themselves to the challenge of their times and devised bold and original tactics to confound and defeat the enemy.

Aided by the vigilance and resourcefulness of the American Legion * * * I believe that we can decisively win the cold war and bring about the complete and final collapse of communism.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the silt-irrigation project in Colorado.

The silt project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the silt project would be $2,600 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Amendments to Social Security Act

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. JENKINS. Mr. Speaker, the Committee on Ways and Means began this morning to consider in executive session amendments to the Social Security Act which would lower the retirement age for women to 62 and provide cash disability payments. It is estimated that the average annual cost of these amendments would be in excess of $2 billion annually.

The nature of the proposed amendments was first announced last Friday, June 17, 1955, by our distinguished chairman, Mr. COOPER. On that same date, he transmitted a draft of the amendments to the Secretary of the Department of Health, Education, and Welfare with a letter requesting the views of the Department. The response of the Secretary to the chairman, under today's date, was presented to our committee this morning.

The Republican members of the committee supported a motion to hold public hearings upon the proposed amendments as well as on a number of other liberalizations in the social-security system which have wide public support. This motion was turned down by the Democratic majority.

Mr. Speaker, inasmuch as there will be no public hearings on this matter and no transcript and since it is vital that the membership of the House be kept acquainted with these proceedings of such tremendous significance to the American people, I am including at this point in the RECORD a copy of Chairman COOPER's letter of June 17 to the Secretary of Health, Education, and Welfare, a copy of the Secretary's reply of June 21, and a list of the subjects with respect to which the Republican members of the committee moved to hold public hearings:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 17, 1955.

Hon. OVETA CULP HOBBY,
Secretary of Health, Education and Welfare.

MY DEAR MRS. SECRETARY: I am enclosing herewith copies of a confidential draft of a bill which I plan to submit to the full committee next week. This committee print would provide disability insurance benefits, lower the age for all women beneficiaries from 65 to 62, and provide for child's benefits after age 18 where they are physically or mentally disabled.

I have scheduled executive sessions on this bill for Tuesday, Wednesday, and Thursday, June 21, 22, and 23. During these sessions it may be that other members of the committee will offer proposed amendments to the old-age and survivors insurance title of the social security laws.

I would sincerely appreciate your having your staff review the enclosed draft and be in a position to present to our committee the position of your Department on these proposed amendments by Tuesday.

I would like for your Department to be in a position to give us your policy on these provisions, actuarial estimates of the cost involved, including any offsetting estimates such as those due to an increase in payroll, and any other factors and considerations relevant to sound actuarial estimates. I would also like for your actuaries to be in a position to recommend any necessary adjustments in the social-security tax rates in order to keep the trust fund on an actuarially sound basis in the light of these proposed amendments, and other relevant factors.

I would also appreciate your Department being in a position at the executive sessions to present to the committee for determination any policy decisions that must be made in connection with giving effect to these proposed changes. In addition, I would like for your staff to be in a position to suggest to us any technical and administrative improvements which might be made in these proposals.

In the past, your staff has been most cooperative and helpful with Mr. Ed Craft of the legislative counsel's office in drafting proposed legislation and in perfecting such legislation. This assistance of your staff has been invaluable to our committee, and is most appreciated. I would be very grateful if you would again permit your staff to render any assistance to Mr. Craft which he may desire.

With my kindest personal regards and sincere best wishes, I am

Very cordially yours,

JERE COOPER.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D. C., June 21, 1955.

Hon. JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives.

DEAR MR. CHAIRMAN: Thank you very much for your letter of June 17, 1955, enclosing copies of a confidential draft of a bill you are submitting to the full Committee on Ways and Means. Our staff has made such review as is possible in the time available and will be happy to appear before your committee today to assist in whatever manner is possible. We wish to cooperate fully with you, the committee and the legislative counsel's office in carrying out the committee's wishes.

You have asked, also, that our staff be ready to present to the committee the position of the Department on these proposed amendments. I would like to take this opportunity to set forth our views.

It is hardly necessary for us to restate the administration's basic policy with respect to the old-age and survivors insurance system. In his first State of the Union message, and even prior thereto, President Eisenhower clearly and emphatically called for broad improvements in the contributory, self-supporting system of old-age and survivors insurance. In the spring of 1953, a group of expert consultants was called together by this Department to consider the extension of the protection of the OASI system to additional groups of workers and self-employed persons. Late in the first session of the 83d Congress a bill was introduced by Congressman DANIEL A. REED embodying the recommendations of this consultant group. During the fall of 1953 an intensive study was conducted within the Department of the benefit structure of the OASI system, and in January of 1954 President Eisenhower transmitted to the Congress, in his State of the Union and special social-security messages, a series of recommendations for the expansion and improvement of the OASI system. These recommendations were translated into a new bill introduced by Congressman REED.

As you will recall, your committee and the Committee on Finance of the Senate gave that bill the most careful and thorough scrutiny. Your committee conducted weeks of public hearings during 1954, even though many of the elements of the administration bill had, at one time or another, been considered previously by the committee. This Department regards the committee's action last year as a model of careful and thorough joint legislative effort, and we particularly valued the important contributions made by you personally and by other members of the committee to perfecting the administration bill.

The result of this effort was perhaps the most sweeping and broadening improvement of the OASI system since its inception 20 years ago. The 1954 amendments made the following important changes:

1. Extended coverage to about 10 million more workers, including 3½ million self-employed farmers and many additional farm workers.

2. Increased benefit payments substantially for all present and future retired workers and for other beneficiaries.

3. Adopted a more advantageous basis for calculating benefits by (a) permitting a worker to drop as many as 5 years of low or no earnings from his wage record, and (b) by increasing to $4,200 the amount of annual earnings that can be counted toward benefits.

4. Preserved the rights of totally disabled workers to any benefits they may have earned.

5. Liberalized the retirement test by (a) permitting employed and self-employed beneficiaries to have earnings up to $1,200 in a year without loss of benefits, and (b) by reducing from 75 to 72 the age at which a beneficiary will be able to receive the payments regardless of the amount he is earning.

6. Provided benefits for the families of workers who had credit for a year and a half in social-security jobs but who died uninsured prior to September, 1950.

In brief, Mr. Chairman, the 1954 amendments, which were adopted by an overwhelming bipartisan vote in both Houses of Congress, reflect in a way even more eloquent than a statement of principles the deep concern of this administration for improving the welfare of our people by strengthening and improving the OASI system.

We come now to consider how the administration policy for strengthening the OASI system applies in the situation presented by your stated intention to conduct 3 days of closed or executive sessions on a bill based on the confidential draft you transmitted to us with your letter.

It is our firm conviction that a thoroughgoing review and inquiry into the issues raised by the confidential draft are essential. We believe that this committee could best serve the American people in this particular instance by setting up the mechanism for an intensive study—as was done by this committee in 1946 and by the Senate Finance Committee in 1948. A study commission or advisory council, particularly if given a mandate to consider certain specified problem areas, could assure that no important consideration is overlooked and the views of all are taken into account. Either this committee or the study commission could conduct full and open hearings on measures of the type in the confidential draft, with an opportunity prior thereto for all interested persons and groups to study the measures carefully, to formulate their views and to prepare testimony.

We wish to emphasize particularly the willingness and desire of this Department, as it has done in similar situations in the past, to work in close cooperation with such a commission or council.

While it is true that testimony on related proposals was received by this committee in 1949, we are convinced that a full inquiry is needed with respect to the proposals con-

tained in the confidential draft for the following reasons:

1. The social-security system is a system of the people. It represents the source of security for many millions of Americans, and it has a tremendous significance for our economy. It has reached practically universality in coverage of employment. Legislation dealing with a structure of such universal impact and significance should be considered widely by employers, employees, the self-employed and other interested groups and discussed fully and openly.

2. Although the confidential draft is similar in many respects to parts of a bill considered by your committee in 1949, there are important differences. Just for example, the provisions of the 1949 bill dealing with cash disability benefits provided that a disability benefit could be terminated if the disabled person refused without good cause to accept available rehabilitation services.

3. There are many alternative approaches to even the proposals in the draft bill. For example, as to cash disability benefits, the terms of eligibility, the administrative provisions and the appropriate review of administrative determinations are all matters of key importance with respect to which we do not purport to be able to give the Congress our best counsel at this time.

4. The OASI system has changed significantly since 1949 from a system under which about 6 out of 10 jobs were covered to one under which 9 out of 10 jobs are covered. Millions of self-employed persons have now been brought within the system—paying social-security taxes at a rate of 150 percent of the rate paid by employees. Self-employed farmers will commence paying taxes for the first time on January 1, 1956. The benefit structure of the system has been completely revised since 1949. The overall costs of the system have increased substantially, and a substantially higher ultimate tax rate is projected than was the case in 1949.

5. Because the OASI system is becoming a more costly one (with an 8-percent combined employer-employee tax already projected at the end of 20 years), every additional item of cost must be considered with the greatest care. The system could lose its attractiveness, particularly for many self-employed persons, if additional cost items are added without the most careful evaluation of the benefits they confer.

6. There are many praiseworthy objectives which have taken the form of numerous proposals for amendment of the OASI system other than the 2 or 3 proposals included in the confidential draft. There should be full opportunity carefully to consider which of the many proposals have the highest priority.

7. Since 1949 there have been many developments outside the OASI system which call for a thorough consideration. For example, there has been a tremendous growth in private insurance, private pension plans and voluntary health insurance. These developments have an important bearing on the proposals contained in the confidential draft.

Within the administration, we have not had an opportunity to make a real study of the proposals contained in the confidential draft bill, and have particularly not had an opportunity to solicit the views of groups and individuals outside of the Government.

Furthermore, there has not been an opportunity to assess and evaluate the results of the 1954 amendments, nor will there be for some time yet. The first few State determinations of disability under the disability "freeze" provision enacted last year have just been received. We are convinced that best interests of the OASI system and the American people would be served by obtaining more experience under the "freeze" and having that experience evaluated carefully before coming to far-reaching decisions which have important implications for the OASI Trust Fund. Similarly, there has been no real opportunity to evaluate the effect of the Vocational Rehabilitation Act of 1954, expanding the Federal-State program of rehabilitation for the disabled, or the effect of the referral to State rehabilitation agencies under the disability "freeze" provision mentioned above. We regard all of these as matters of crucial significance in the development of sound legislation.

We wish to reemphasize that the Department strongly endorses all efforts to strengthen and improve the OASI system which are soundly financed, in a way not unfair to any group. However, we believe that any major amendments should be adopted only after they have been presented to the public with an opportunity for full expression of views and open debate, and have been the subject of full deliberation based on experience under recent basic changes in the law.

There are many issues which a commission of inquiry might fruitfully consider. For example, the following major questions are raised by the proposals in the confidential draft bill:

CASH DISABILITY BENEFITS

1. Recognizing that self-sufficiency and independence through rehabilitation are more important goals for the individual than dependence on cash payments: What are the implications of cash disability benefits with respect to rehabilitation efforts?

(a) Has experience under veterans' programs, workmen's compensation, or other programs indicated any lessening of incentive toward rehabilitation as a result of payments of cash benefits?

(b) Do we yet know the full potential of the expanding Federal-State vocational rehabilitation program?

(c) Could greater social gain be achieved by backing rehabilitation efforts with additional funds—whether from the OASI Trust Fund or other sources—rather than paying the same funds in cash benefits on the condition of continued disability?

(d) Could the desired objectives be better achieved by making more liberal maintenance payments during rehabilitation?

2. What are the actuarial problems involved in cash disability benefits? What is the recent experience of insurance companies, labor union funds, and the like? What experience is there with respect to disabilities of women in middle and upper age brackets?

3. Do we need a broad health census to better ascertain the incidence and scope of permanent and total disability in this country? See, for example, the recommendations in the 1955 report to the Congress entitled "Study of the Homebound."

4. Would a cash disability program be utilized by employers as a means for retiring disabled persons from the labor market, especially persons in upper age groups?

5. Is there in fact a changing concept of disability, as a result of developments which have broadened the extent to which handicapped persons may be restored to activity and gainful employment? Is it true, as stated in the 1952 report of the task force on the handicapped (Office of Defense Mobilization) that "The idea of disability itself is outmoded," and that the significance of medical and rehabilitation advances of the last 10 years have not yet been fully comprehended? How should long-range policy in our social insurance system toward disability be developed in the light of these factors, if they are found to be true?

6. What guidance to the administrative problems involved in determining disability can be derived from experience under the disability "freeze" which has just gone into effect?

7. What would be the relationship of a Federal cash disability program to—

(a) the program of aid to the permanently and totally disabled, enacted in 1950;

(b) "permanent and total disability" benefits provided under workmen's compensation;

(c) unemployment compensation;

(d) temporary disability programs in the States; and

(e) private disability programs and voluntary health insurance plans?

8. Could benefits for "permanent and total disability" be handled more effectively under any of the foregoing programs at the State level rather than at the Federal level?

9. Should cash disability benefits, if adopted, be paid at any age, or only at age 55 or 60?

REDUCTION IN RETIREMENT AGE FOR WOMEN

1. What is the particular rationale for a reduction in retirement age for—

(a) wives,

(b) working women, and

(c) widows?

2. Is a reduction in age inconsistent with—

(a) the lengthening life span for the entire population,

(b) the fact that women live longer than men on the average?

3. In meeting the challenge of an aging population, much public and private research is being conducted into the social significance of "retirement age" provisions in OASI and other retirement plans. For example, the Department of Labor is planning a broad research program with respect to employment of older workers, and the administration has endorsed the bills pending in Congress to establish a Commission on the Aging to consider, among other things, national policy with respect to employment of older persons. In view of these developments and the strong trend toward encouragement of continued employment for older workers who are physically healthy, should there be a general reduction in the retirement age for women at this time?

4. Would a reduction in age for working women make it more difficult for them to obtain and keep jobs on a fair basis with men?

5. Would a reduction of retirement age by only 3 years have any real significance in alleviating (for example) the problem of the woman who is widowed at age 45, 50 or later?

6. Would a reduction in age for women be merely a forerunner of a general reduction in retirement age for men, as well?

The foregoing questions, many of which involve issues of broad economic and social policy, are stated not to discourage action in further amending the OASI law, but rather to lend sincere encouragement to the soundest possible approach to strengthening our social-insurance system. It is because of these questions, Mr. Chairman, that we are anxious that your committee should exercise its traditional prerogatives with respect to the social-security system and conduct a full inquiry into these and the many other questions which might be raised.

In addition to stating these views as Secretary of Health, Education, and Welfare, I wish to express the same opinions in my capacity as a trustee of the Old-Age and Survivors Insurance Trust Fund. The integrity of the fund cannot, in my opinion, be protected if we are to commence now to deviate from the pattern of deliberate, full and careful consideration which has marked all prior major amendments of the OASI system. The actuarial status of the fund is too vital to the welfare of our people—the employed, the self-employed, and their families—to permit of even the possibility of hasty action without full understanding by all members of this committee, the Congress, and the American people of the implications of that action.

At the very minimum as a trustee of the fund, I feel compelled to call attention to the

financial impact which the proposals in the confidential draft might have—as a result of their average annual cost in excess of $2 billion—and to stress the importance of full and forthright financing of any additional costs imposed.

We appreciate this opportunity to express our views, and will stand ready to cooperate with your committee in any way possible. We highly value the spirit of cooperative endeavor which has marked all our relationships in the past.

With warmest personal regards,

Sincerely yours,

OVETA CULP HOBBY,
Secretary.

The following is the list of subjects with respect to which the majority rejected my motion to hold public hearings:

1. The payment of disability benefits.
2. Reduction of the retirement age for women.
3. Reduction of the retirement age for men as well as for women.
4. Liberalization of the retirement test which permits a beneficiary to earn only up to $1,200 a year without loss of benefits.
5. Reducing to 70 the age at which a beneficiary can earn any amount without loss of benefits.
6. Increasing the present minimum benefit of $30 a month to $45 a month or some other figure.
7. Consideration of the plight of millions of Americans who have passed the age of 65 but who never have had an opportunity to achieve social-security protection.
8. Extension of coverage to those individuals who are still denied social-security protection, such as lawyers, dentists, and many State and local employees.
9. Increasing a wife's benefit to more than one-half her husband's benefit.
10. Increasing a widow's benefit to the full amount of her husband's benefit.
11. Paying benefits to the dependent children of a deceased worker beyond age 18.
12. Paying benefits to widows whose husbands died prior to 1940 when survivorship benefits were first instituted.
13. Increasing the maximum family benefit above the present $200.
14. Providing an increase in benefits for those who postpone retirement until after 65.
15. Liberalizing the definition of employment to assist those who are employed by relatives.

East Greenbush (N. Y.) Centennial Celebration

EXTENSION OF REMARKS

OF

HON. LEO W. O'BRIEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. O'BRIEN of New York. Mr. Speaker, I should like, on this occasion, to extend the good wishes of the House of Representatives to the town of East Greenbush, N. Y., on the occasion of its centennial celebration, which will extend from June 30 through July 4.

July 1 will be called Citizen Genet Day in honor of the town's most illustrious resident, "Citizen" Edmond Charles Genet—1765 to 1834—first minister plenipotentiary from the French Republic to the United States, whom President Washington asked to have recalled because of Government intrigues. Genet never returned to France. He lived the rest of his life in the town of what is now East Greenbush, devoting himself to scientific research and literature.

July 2 will be "Greenbush Cantonment Day" in remembrance of the large United States Army cantonment situated in the town during the War of 1812. More than 4,000 troops were quartered in several buildings, one of which still stands. It was here that the name "Uncle Sam" originated, when the soldiers, noting that the beef shipped by Samuel Wilson of Troy, N. Y., was marked "U. S." jokingly called it Uncle Sam's beef.

The State of New York will dedicate markers to Citizen Genet and Greenbush Cantonment on these 2 days.

July 4 has been designated "Town of Clinton Day" to recall the forming of the town from the old town of Greenbush, Rensselaer County, by an act of the legislature on February 23, 1855. The town name was changed to East Greenbush by legislative act on April 14, 1858.

July 3 is to be "Day of Remembrance," with special mention of the centennial in all churches of the town and visits to the town's historic sites, of which there are 43 marked on the centennial map. They include the Greenbush Reformed Church, organized in 1787; Witbeck House, built about 1738; Greenbush and Schodack Academy, 1831; Lyman's Boarding School, 1851; Genet Gothic School, 1850; Gen. Henry Genet House and others.

Today the town has several hamlets and communities, all prosperous suburbs of Albany, the State capital, containing six churches; fine schools, homes and business places, and a nationally known chemical research laboratory.

I would that time would permit specific mention of the many fine citizens who have worked long and hard to make this celebration a success.

Mr. Speaker, I have ventured upon the patience of the House in this matter because I think East Greenbush typifies something precious in our way of life. Great bustling cities and rich farm acres are important to our Nation, but there is something very American about our towns.

They, like East Greenbush, have preserved the greatness of their yesterday and used it to season their calm approach to the problems of today and tomorrow.

By honoring the town of East Greenbush on this great occasion in its history, we are, in a sense, honoring similar towns throughout our great land.

Results of Questionnaire, First Congressional District, Wisconsin

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am inserting the following results of my May 1955 questionnaire:

Results of the May 1955 questionnaire from Congressman Lawrence H. Smith, 1st District, Wisconsin, June 17, 1955

[In percent]

	Yes	No	Don't know
1. Should the United States help defend Formosa?	79	14	7
2. If Red China attacks Matsu and Quemoy, should the United States defend these islands?	50	38	12
3. Should we use atomic weapons, if necessary, in repelling any Red Chinese attack upon Matsu and Quemoy?	50	39	11
4. Do you favor military training for 6 months, plus 7½ years in the Reserve?	32	58	10
5. Do you approve President Eisenhower's foreign policy?	50	36	14
6. Do you favor a constitutional amendment making treaties of no force and effect if they deny or abridge any right enumerated in the United States Constitution (the Bricker amendment)?	76	20	4
7. Do you favor foreign military aid?	47	42	11
8. Do you favor foreign economic aid?	43	47	10
9. Do you approve exchange of atom secrets between the United States and our allies?	24	70	6
10. Do you favor authorizing the development and use of atomic energy by private enterprise within our own country?	90	9	1
11. Do you favor trading American butter for Russian manganese?	57	43	------
12. Do you favor support levels for agriculture if such support requires the imposition of stricter marketing allocations, acreage allotments, and price controls?	22	73	5
13. Do you favor immediate balancing of the Federal budget by increasing Federal taxes?	24	71	5
14. Do you favor reduction of taxes before balancing the budget?	28	64	8
15. Do you favor immediate balancing of the Federal budget by reduction of Federal spending?	89	9	2
16. Do you approve President Eisenhower's 10-year construction program to modernize our primary roads?	66	28	6
17. Do you approve direct Federal grants to States to help build schools?	41	55	4
18. Do you approve an increase in the minimum wage?	44	51	5
19. Do you think management of money in welfare funds of labor unions should be regulated by law as insurance funds are regulated?	96	3	1
20. Do you favor reduction of Federal Government's competition with privately owned business and industry?	89	10	1
21. Do you approve extending social security old age insurance to all groups of workers not presently covered by social-security insurance or some equivalent plan?	71	25	4
22. Do you favor an increase in postal rates to meet Postal Department deficits?	65	30	5
23. Do you favor President Eisenhower's conducting personal talks with the heads of the Russian, British, and French Governments?	65	32	3
24. Do you approve of a questionnaire of this type as a means of helping a Congressman to know the thinking of his constituents?	98	1	1
25. Assuming the continuation of present economic conditions, do you favor an across-the-board lowering of the personal income tax?	63	35	2

More than 1,400 replies to the questionnaire have been received at this time. This represents better than a 15-percent return. Some of those who replied did not answer all the questions. I am greatly pleased with this fine response.

The Senator From Moscow (Idaho)

EXTENSION OF REMARKS

OF

HON. BARRY M. GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21, 1955

Mr. GOLDWATER. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD a very interesting article on our esteemed colleague from Idaho [Mr. WELKER], which was published in the July issue of American Mercury.

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

THE SENATOR FROM MOSCOW (IDAHO)

(By Howard Rushmore)

During the censure of JOE MCCARTHY, eggheads of the liberal press overlooked the startling fact that the Senator who led the defense of the Wisconsin anti-Communist was a graduate of a university located in MOSCOW.

The name's the same, but pronounced differently by the good westerners who, in 1950, sent HERMAN WELKER to Washington.

Idaho is a rugged State, a stronghold of western individualism and conservative political thinking. It is no coincidence that WELKER asked for and received the same Senate seat occupied for more than 30 years by William E. Borah. The late Senator has always been an idol of WELKER's and among his most cherished letters is a recent one from Borah's widow which reads, "Every day I am grateful that we had you to represent our Idaho."

WELKER also represents a large segment of the American people to whom nationalism isn't an ugly word. Many patriotic organizations have honored the Idaho Senator for his unequivocal fight against the Communists and their camp followers, the Socialists, New Dealers, and one-worlders. He's in constant demand as a speaker by unreconstructed Republicans from coast to coast, yet on his office wall is a photograph with the inscription, "With devoted friendship, from HARRY F. BYRD."

To WELKER, the fight for America cuts across party lines. He has only warm praise for JAMES EASTLAND, the Mississippi Senator who chairs the Internal Security Subcommittee, of which the Idaho lawmaker is a member.

"Senator EASTLAND has been a real bulwark on our committee," WELKER says. "And for the past 2 years every report was signed by all Democrats and Republicans and I hope and trust this unanimous united front against the enemies of our Nation will continue."

As an illustration of WELKER's typically western characteristic of honesty before partisanship, he was the only one of the 22 Senators who voted against MCCARTHY's censureship to criticize President Eisenhower when the latter praised Utah's ARTHUR WATKINS following the vote. "I hardly think," WELKER told the press, "it is necessary for the Chief Executive to be warmly congratulating anyone."

A few weeks later, WELKER was leading the fight in the Senate for passage of Mr. Eisenhower's Formosan resolution. Friends who know the Idaho solon will say there was nothing erratic in this. Herman thought the President was wrong on MCCARTHY and said so. On Formosa, he thought Ike was right."

While praising Mr. Eisenhower in a Lincoln Day speech in San Diego, WELKER told the audience: "True, I have had my differences with the President, and I shall no doubt have them in the future. I have never advocated strict, lock-step political conformity as a principle upon which to base a democratic government."

Privately, WELKER yearns for a return "to the old GOP I grew up in. Our party of late has gone too far down the line of the New Deal trend. I'd like to see it united again and strong in the face of the Communist threat."

Unlike some bird-brain politicians and bemused commentators on the Russian scene, WELKER has never swallowed the theory of "getting along with the Communists." He says: "I would sooner pick up a rattlesnake from the Idaho sagebrush and embrace it than I would embrace the belief of coexistence with the Reds."

During his years on the Internal Security Subcommittee, WELKER has been an aggressive cross-examiner of Communist witnesses and has only contempt for the comrades who crawl behind the fifth amendment. "During my career as a lawyer, I defended many men, but I never had a client plead No. 5. Leave that to the Red rats who crawl behind the Constitution only to plan its destruction."

The Senator, whom Time magazine honored by calling "a four-square McCarthyite" is, like Joe, a farm boy who came up the hard way sans finishing schools and Harvard. One of eight children, he was born 49 years ago in Cambridge, Idaho, and worked his way through law school by herding sheep and mining during vacations. He knows the miners and, when elected in 1948 to the State legislature, introduced and fought for a bill to guard the hard-rock workers from silicosis.

At the age of 23, WELKER was appointed prosecuting attorney of Washington County and was reelected twice by the voters. He then launched his own law practice and became one of Idaho's great trial lawyers. To get around his massive State, WELKER bought a plane and learned to fly. It is still one of his hobbies and he's logged more than 3,000 hours.

"It's a quick way of getting around," he says, "and you sure get a good view of Idaho."

When World War II came, WELKER was offered a commission as an Army lawyer, but he turned it down and enlisted as an Air Corps private. A training accident sent him to the hospital for 3 months and he was honorably discharged. Then came his one term in the State Capitol and his subsequent election to the Senate.

A handsome, driving sort of guy, WELKER still demonstrates the catlike physical quickness that made him an outstanding baseball player during his youth. He still spends his spare time scouting all over Idaho. Several of his finds have wound up in major-league uniforms. "Never saw a ball player who was a Communist," says the Senator.

In Washington, he's a man who earns his pay. Usually heading one task force of the subcommittee, WELKER is also active in three other divisions of the Judiciary Committee. He's not a cocktail partygoer and lives quietly with his wife, Gladys, and his daughter, Nancy, in a home near that of Vice President NIXON.

This same home was stoned and several windows broken during WELKER's defense of MCCARTHY. "The rats did it while I was away," the Senator says. "They knew all they might hurt was my wife and my 12-year-old daughter."

WELKER's activities as an aggressive anti-Communist, long before the censure vote, stamped him as a foe of the American-last outfits. Undoubtedly Idaho will be flooded with "Herman must go" forces in 1956 when he comes up for reelection. WELKER ignores such threats and those who know him well realize such warning signals won't stop him. As for the Senator himself, "Whatever the results of my political career," he says, "I hope to be able to say I was an American in a country that has been wonderful to me. And I gave her my best."

Dry Cleaners and American Legion Cooperate on Flag Day, June 14

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent granted me heretofore so to do, I wish to present what appears to me as a most interesting and significant fact in connection with the recent observation of Flag Day on June 14, 1955.

Mr. Speaker, it happened this way. As I delivered a couple of my suits of clothing to the Progressive Dry Cleaners at Cherrydale, Va., close to our nice little home at Arlington, Va., I noted a beautiful flag of the United States on a staff out in front thereof. As I entered the attractive front entrance of this particular establishment I noticed in the window a large sign, approximately 18 by 24 inches on which there was neatly and attractively printed the following:

IN COOPERATION WITH THE AMERICAN LEGION, AMERICAN FLAGS CLEANED WITHOUT CHARGE, JUNE 1–12, FOR FLAG DAY, JUNE 14

SPEAK UP FOR AMERICA—INSURE NEW GLORY FOR OLD GLORY

"So proudly stand you straighter
Lift eyes and spirits high;
See the emblem of your Freedom
See Old Glory passing by."

—*Ernest Todd.*

Flag Day, June 14, is the day set aside each year for Americans to honor their flag. At home, at sea, in far corners of the world, civilians and members of our Armed Forces will play their respects to Old Glory.

This year, it is more fitting than ever that we do so. In many parts of the world freedom today, is but a catchword, an ideal trampled under the heels of men who hate its very meaning.

But in these United States, and in those parts of the world where it flies, the Stars and Stripes still tells its own story to all men who would walk upright—in freedom.

Here, it proudly proclaims, is the symbol of a glorious ideal that founded a new Nation. It flies because oppressed men sought freedom—in the right to speak boldly without fear—to vote at the dictates of their minds—to worship in the manner of their choice—and were willing to die for their beliefs.

At Valley Forge, at Chateau-Thierry and at Iwo Jima—wherever down through the years the need has arisen—Americans have said "I die but It lives."

Small wonder, then, that we as Americans, set one day aside as Flag Day. But in the expression of our respect let us fly worthy of the ideals for which Old Glory stands.

Flag etiquette, the rules which have been formulated over the years for proper display of the flag, forbids the flying of a flag that is tattered or torn. Flags that have achieved this condition should be destroyed by burning.

Tradition also says that it is improper to fly a soiled flag—it should be restored, preferably by dry cleaning.

It is for this reason that the dry cleaners listed below have offered their services to their fellow citizens.

Help to insure new glory for Old Glory. Bring in your flag today. Speak up for America with the Stars and Stripes on Flag Day, June 14.

So, I naturally asked to see the manager and complimented him and his staff upon what I had seen and read in their shop windows. I learned he was a distinguished member of the American Legion and he cordially delivered to me for my inspection a copy of the following communication which he had received from the drycleaners of America.

IMPORTANT

(Please give to your local paper for release on or after June 1, 1955)

Drycleaners of America were asked today to join in a nationwide drive in which all American flags would be cleaned without charge in return for the owners' promise to display the colors on Flag Day, June 14.

The appeal was made jointly by Commander Seaborn Collins, of the American Legion, and the National Institute of Drycleaning.

Window posters identifying drycleaning stores as participating in the program have been provided to all such establishments by the Detrex Corporation of Detroit, a leading manufacturer of drycleaning equipment.

Post Comander _____ urges everyone in _____ (name of town) to make sure they "show their true colors—a bright and sparkling red, white, and blue."

I am sure, Mr. Speaker, and my distinguished colleagues, one and all of us desire to compliment the American Legion on this forthright and positively constructive and patriotic endeavor, and in like manner compliment the drycleaners of America who cooperated with the American Legion in this patriotic endeavor and action.

This endeavor, Mr. Speaker, is worthy of consideration by all American merchants in the forthcoming observation of Flag Day on June 14, 1956.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the Smith Fork irrigation project in Colorado.

The Smith Fork project is a part of the proposed multi-billion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Smith Fork project would be $1,800 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains and dairy products.

Unveiling of Statue of Chief Justice Edward Douglass White

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. LONG. Mr. Speaker, on Friday, the 17th of June 1955, the statue of Chief Justice Edward Douglass White, a native of the State of Louisiana, was unveiled in Statuary Hall of the United States Capitol in Washington, D. C. Chief Justice White was one of Louisiana's most illustrious sons. The South gave tribute to one of its greatest men and the whole United States is taking note of a Chief Justice of the United States Supreme Court whose contributions to the growth of the Nation are of the highest order.

The very facts of Edward Douglass White's life placed him in the center of our Nation's history. Within his own days he spanned three different eras of existence in our country. When he was born in 1845 in Thibodaux, La., as son of the owner of one of the largest sugar plantations in LaFourche Parish, he entered into the period of the old, rich, plantation days that existed in Louisiana before the War Between the States. His family circle was distinguished. His father had been Governor of Louisiana, and his mother was a Ringgold of Maryland, whose family name is among those of the heroes mentioned in My Maryland. His knowledge of the second period of our Nation's history began in 1861 when he abruptly ended his schooldays at Georgetown College and volunteered for service in the Confederate Army at the age of 16. During the war he served as an enlisted man and as a lieutenant on the staff of General Beall. In 1863 he was taken prisoner in a battle just below Vicksburg. The privations that followed his capture had a marked effect on his health. After the war he studied law in the office of one of the great civilians of Louisiana, Edward Bermudez, and in 1868 he was admitted to the Louisiana bar. Thereafter, his early political life which paralleled his rise to preeminence at the bar knew the harsh tumult of the Reconstruction, and the efforts of the citizens of Louisiana to restore orderly government to the State. He entered into the full tide of the third period, when after his appointment as an Associate Justice of the Supreme Court in 1894, he aided in inaugurating the new federalism of the 20th century with his wise and profound decisions, particularly in those cases arising under the interstate commerce clause, and in his championship of unpopular issues such as the Federal income tax.

Familiar though he was with all these divergent eras, with their claim and counterclaim of State and Federal right, he himself was truly within the purest traditions of our Nation. This is readily evidenced by the fact that while half his critics complained loudly that White had turned from States right to nationalism, the other half equally strongly insisted that he was a reactionary advocate of dual federalism. Yet, if his decisions are examined closely, it will be seen that his balancing of interests between the power of the States and the power of the Federal Government paralleled that of the greatest men of the South, among whom must be reckoned in the first rank George Washington, of Virginia, who recognized that the very existence of the country required a central power and whose interest led to the Constitutional Convention. In serving his State and in serving the Federal Government, Edward Douglass White was but following in the footsteps of his grandfather, Dr. James White, a member of the Continental Congress from what is now Tennessee but was then the western frontier of North Carolina, who wrote in 1788 to Gov. Richard Caswell, of North Carolina:

> I am writing to Your Excellency at a time that all minds, and all conversations are turned toward the interesting question of changing the Federal system * * * as those who have been the most conversant with the subject appear to me to be the most convinced of the necessity of an efficient Federal Government. * * * Whatever may be our wish in theory, we find in practice, by our own example, that States in confederacy, like individuals in society, must part with some of their privileges for the preservation of the rest.

Edward Douglass White served his State well. He was elected to the Louisiana State Senate in 1874 and was appointed from there to the Louisiana Supreme Court in 1878. His tenure there was brief, due to a constitutional amendment engineered by the opposing political party which limited his term to 15 months. This bitter rivalry between opposing factions arose from the deep-seated question of the Louisiana lottery which White had always opposed. In 1888, after several years in private practice, he returned to politics as campaign manager for Governor Nicholls, who opposed the lottery. It was a fierce contest, but Nicholls and those supporting him won, and White was elected to the United States Senate by the new legislature for the term to begin on March 4, 1891. Meanwhile the United States Government had taken a hand in the lottery scandal by making it a criminal act to send lottery tickets through the mail. When White came to Washington to take his seat several criminal prosecutions were in progress under this law. The Attorney General consulted him on the dismissal of several of these suits in Louisiana and it is characteristic of him that he should feel their dismissal was the preferable thing to do, on the ground that the "struggle is terminated and ended. To press the prosecution further would not redound to the benefit of the public service." Many years later, in 1915, when he was Chief Justice, this former Confederate soldier, in construing one of the post-Civil War amendments in Guinn against United States, exhibited the same attitude. The issue had been settled so far as he was concerned, and it would be disruptive of the public

good to allow the "Oklahoma grandfather clause" prohibition on voting to subvert the very essence of the supremacy of the Constitution and its amendments and thus the whole good of the United States.

White was appointed an Associate Justice of the Supreme Court by President Cleveland in 1894 and was elevated to the position of Chief Justice by President Taft in 1910. He has the unique distinction of being the first Associate Justice who attained to the eminence of Chief Justice. His career on the Supreme Court bench covered 27 years altogether, second only to Marshall's up to that time. His tenure was during a time of rapid social and economic change in the country, an era which also showed an increasing reliance on the Federal Government to solve the attendant problems.

There are three fields in which White's forward-looking thinking gave direction to American law. These are the fields of administrative law, interpretations under the antitrust acts, and the Federal income tax.

Justice White came to the Supreme Court bench during the years when administrative rulings under the Interstate Commerce Act were first coming up before the Court for interpretation. Beginning with the East Tennessee, Virginia and Georgia Railway decision in 1901, he steadfastly maintained the power of Congress to set up administrative agencies, provided proper limits to their authority were embodied in the law. One of the most notable decisions in this field was Oceanic Steam Navigation Company against Stranahan—1909—which permitted administrative officers to impose penalties set by Congress. In the child-labor and narcotics law cases which to him required the use of a power embodied in the Constitution to accomplish a regulatory effect not specifically denominated in the power, he dissented, for he did not believe the Federal Government had the right to assume the police powers of the several States for social welfare purposes.

Beginning with the dissent in the Trans-Missouri Freight Association case in 1897 and continuing through the Northern Securities Co. case in 1903 until he wrote the majority opinion in the Standard Oil and American Tobacco Co. cases in 1911, he carefully developed the "rule of reason" in determining whether contracts were in restraint of trade under the Sherman Antitrust Act.

Finally, with respect to the income tax, it may be stated that Chief Justice White never permitted economic theory to dominate his views of constitutional law. In the Pollock case (1895) he stood for the historic definition of the fathers of the country as to direct taxes rather than accept the definition given by the economists in 1895.

The work he accomplished was enormous. During his incumbency on the Supreme Court bench the Court disposed of, in one way or another, more than 14,000 cases and rendered opinions in more than 7,000. Chief Justice White wrote about 700 opinions for the Court, 10 concurring opinions, and 33 dissenting opinions. During his service as the Chief Justice he also bore the burden of the administrative details of the Court. His kindness and forbearance was memorable, and he added to the quiet dignity of the Court with the introduction of a formal method of greeting each morning. When all the Justices had donned their gowns in the robing room, Chief Justice White would step to the center and greet each one in order of seniority with a firm handshake and an affable good morning.

Chief Justice White was a credit to the old civil law of Louisiana—one of whom it was said in New Orleans that he was not merely a learned civilian but a veritable jurisconsult. He was conversant in English, Spanish, French, and Latin, and knew them not only as speaking languages but had consulted their legal works in the original. During his young manhood in New Orleans, in order to prepare himself for practice before the Federal courts, he became equally learned in the common law. This accumulation of wisdom he brought to the Supreme Court. He also brought a mind unbiased by the passions of the war in which he fought, an earnest consideration of every problem that came before him, and a logic and honesty that compelled him to try to balance the extremes represented by the contending parties before him. The State of Louisiana is proud to confess its debt to Chief Justice Edward Douglass White for the luster he has shed upon it and to dedicate this statue to him.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the Emery irrigation project in Utah.

The Emery project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Emery project would be $2,200 an acre.

The project would produce agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Roll Call

EXTENSION OF REMARKS

OF

HON. WILLIAM H. AYRES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. AYRES. Mr. Speaker, I wish to add my congratulations to Sidney L. Yudain for conceiving the idea of publishing a Capitol Hill newspaper.

The first edition of Roll Call was well received. It had the touch of the old hometown paper. Washington editors take heed—Yudain is on the march. His Roll Call is one no Member of Congress need miss, and, like the best things in life, it's free.

Patriotism

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21, 1955

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by the Honorable John Foster Dulles, Secretary of State, at the baccalaureate ceremony of the University of Indiana, Bloomington, Ind., Sunday, June 12, 1955.

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

PATRIOTISM

(Address by the Honorable John Foster Dulles, Secretary of State, at the baccalaureate ceremony of the University of Indiana, Bloomington, Ind., June 12, 1955)

It is indeed a great privilege for me to be here and to have the opportunity of talking with you on an occasion which for me is full of sentiment. It was just 100 years ago that my grandfather, John W. Foster, was graduated from this university. It was just 50 years ago that he received from this university the honorary degree which, I understand, the university plans to confer upon me tomorrow. My grandfather, whose name I bear, exerted a great influence over my life and he had ideals and purposes which I have tried to make my own.

He was a deeply patriotic American. He belonged to the period which saw this country rapidly developing from a small Atlantic coast group into a Nation that spread across the continent. He fought to preserve the Union; and then on diplomatic missions and as Secretary of State he helped to spread the influence of this Nation throughout the world both in Europe and in Asia.

He deeply revered his forebears, who had been pioneers in settling this part of our Nation. He wrote a private booklet inscribed "Don't Let the Little Ones Forget," in which he told for his descendants the story of his own forebears, his grandfather, my great, great grandfather, on whose grave I laid a wreath today, and his father.

To me that story has symbolized the spirit of our Nation. I vividly recall being told of how my great grandfather, as a young boy of 17, had struck out into the West to get away from what seemed to him the overpopulated East. After a foot voyage of exploration, he had fixed upon a forest tract in southern Indiana, as a future homestead. He then brought his aged parents—his father was then 79 years old—from the East to settle here and gained a livelihood by hunting and by cutting hickory for hogshead hoops and floating them on a raft down the Ohio and Mississippi Rivers to New Orleans, where hogsheads were needed for molasses. Then he would walk back through the 1,200 miles of dangerous trails from New Orleans to his log-cabin home here in Indiana. Finally, he became a farmer, a merchant, and then a

judge, in the growing community he had helped to create.

That spirit of enterprise, that vision, that industry, and that rugged independence have been characteristic of our Nation. There are indeed few Americans who cannot find in their family history similar stories of those who risked much and endured much to bring a dream into reality. It is those qualities which within the short span of 150 years have brought our people from national infancy into forming the greatest nation on earth.

In some quarters there has developed a tendency to scorn patriotism. Indeed, there are a few who find patriotism unfashionable and who go so far as to assume that institutions and ideas are better if only they bear a foreign label. Also, there is a theory that this mood is necessary if we are to develop international institutions and maintain international peace.

It seems to me that love of country is one of the great and indispensable virtues. No community is weaker because the members of the families which make it up—the mother, the father, the sons, the daughters, the brothers, and sisters—are bound together by distinctive ties of love, respect, and admiration. So I am convinced that the family of nations will not be the poorer or the more fragile because the peoples who form the different nations have a special affection and pride for their own people and for the nation they form.

I recall that St. Paul took great pride, which he did not attempt to conceal, in the achievements of his own people. To me, one of the most inspiring chapters in the Bible is the 11th chapter of Hebrews where St. Paul recalls, in epic words, the great deeds which had been wrought through faith by national heroes—men and women.

Recently I was asked to open an exhibit of the oldest known print of the Bible, in the Aramaic language, and in that connection to select one of my favorite verses. I selected that portion of the epistle to the Hebrews where St. Paul, after the historical recital to which I allude, concludes by saying, "Seeing that we are compassed about by so great a cloud of witnesses, let us run with endurance the race that is set before us."

If it was appropriate for St. Paul to entertain those sentiments, I think it is equally appropriate for us. We, too, of our Nation can look back with pride to the great figures which our Nation has produced, who through faith wrought much.

Surely, we, too, can feel that we are compassed about by a great cloud of witnesses who are observing our conduct and who by their spirit seek to inspire us to carry forward the great national and international tasks to which they dedicated their lives and to which they committed our Nation by their strivings and by their faith.

Our national course has to a unique degree been shaped by religious beliefs. Our people have in the main been God-fearing people. They believed in moral principles derived from a source above us. They were dedicated to human liberty because they believed that men had been endowed by their Creator with inalienable rights. So, they provided that those rights must at all times be respected, assuring the sovereignty of the individual against the dictatorship of the state. They were confident that the human liberty they thus assured would not be exercised recklessly and in disregard of fellow men because they were confident that our citizens would obey the moral law which prescribes the Ten Commandments of the Old Testament and the two great Commandments of the New Testament, "Thou shalt love thy neighbor as thyself" and "Whatsoever ye would that men would do to you, do you even so to them."

As George Washington pointed out in his Farewell Address, religion and morality are the two indispensable supports of a free society. "In vain," he said, "would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens." Indeed, a society which is not religious cannot tolerate much freedom. It is dangerous to give freedom to those who do not feel under moral compulsion to exercise self-control and who are unwilling to make sacrifices for the good of others.

It results that true patriotism, which vitalizes liberty and freedom for ourselves, can never be a purely selfish force. That has been ever evident so far as our Nation was concerned. Our people have always been endowed with a sense of mission in the world. They have believed that it was their duty to help men everywhere to get the opportunity to be and to do what God designed. They saw a great prospect and were filled with a great purpose. As said in the opening paragraph of the Federalist Papers, "It seems to have been reserved to the people of this country, by their conduct and example, to decide whether societies of men are capable of establishing good government." "Failure on their part," it continues, would be "the general misfortune of mankind."

Under the impulsion of that faith, there developed here an area of spiritual, intellectual, and economic vigor, the like of which the world had never seen. It was no exclusive preserve; indeed, sharing was the central theme. Millions were welcomed here from other lands, all to share equally the opportunities of the founders and their heirs. Through missionary activities and the establishment of schools and colleges abroad, American ideals were carried throughout the world. Our Government gave aid and comfort to those elsewhere who sought to increase human freedom.

These have been the characteristics of our Nation since its foundation and those characteristics have persisted. They today make our Nation the leader in the struggle to maintain liberty in the world. I believe we can say that in these times, when despotism menaces as never before, our Nation is playing a part worthy of our forebears and is imbued with the spirit of those who founded our Republic. We have availed of every opportunity, whether it be through the United Nations or through mutual security associations with other free nations, to make our influence felt in support of freedom. We have, as a matter of enlightened self-interest, contributed largely out of our vast productivity to others who, if left alone, could not sustain the freedom and independence for which they yearn.

All of that is in the American tradition. We can be happy that that tradition thrives and is vigorous and we can take pride in the fact that, inspired by our founders who saw a great vision, we are indeed with steadfastness pursuing the course upon which they embarked us.

There come times in the life of peoples when their work of creation ends. It is easy to diagnose the symptoms of that national decadence. It is seen when a people lose their sense of mission in the world, when they think only of themselves, when they forget the Biblical injunction that, although we have different offices, we are all members one of another and that those who are strong ought to bear the infirmities of the weak. No one, be he individual or nation, is truly great who does not have the will and the capacity to help others or who is without a sense of mission.

We can take pride in our Nation because since the day of its creation, and with but few lapses, its purposes have been large and its goals have been humane. We can rejoice that that spirit animates our Nation today, and makes us still young, still vital and still capable of great endeavor. Our youth, such as you who now enter into the larger world, are spirited, not selfish nor fearful. Our religious heritage and our national traditions are not forgotten. As we are faithful to their guidance, we can have the satisfaction which comes to those who, in fellowship, are embarked on the great adventure of building peacefully a Nation and a world of human liberty and justice.

Delaware River Deeper Channel Project Given the Go-Ahead Signal by Bureau of Budget and Approval of President Eisenhower

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. WOLVERTON. Mr. Speaker, it is most gratifying to learn that the Bureau of the Budget and the President approved an item of $6 million to initiate dredging and rock removal in a section of the Delaware River and for replacement of the Delair Bridge. This is part of the general project of deepening the Delaware River channel between Philadelphia, Pa., and Trenton, N. J., in accordance with the authorization contained in the River and Harbor Act of 1954.

As has been generally known, an appropriation up to this line has been withheld. This was because the Bureau of the Budget insisted that there should be a local participation in meeting the cost of the project by certain interests that would be benefited by a deepening of the channel. This was a new principle to be applied to river and harbor improvements. It had never been applied to any similar project in all the years of the past history of our Nation. It was opposed on principle, and furthermore, because there was no general legislation making local participation in the costs a policy of our Government. It was therefore argued that it should not apply to the Delaware River until there had been congressional action adopting it as a policy applicable to all river and harbor improvement projects.

It is now gratifying to learn, following a conference between the United States Senators from Pennsylvania and New Jersey, and interested Members of Congress from those States, what the Bureau of the Budget has recognized the merit of the arguments advanced for deeping the upper channel without requiring local participation in the cost until a uniform policy has been adopted and made applicable to all similar projects. It is equally gratifying that President Eisenhower concurs in this viewpoint.

The correspondence relating to the matter is herewith included as a part of our remarks. It reads as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., June 29, 1955.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemen-

tal appropriations for the fiscal year 1956 in the amount of $12,300,000 for the Department of Defense, civil functions, as follows:

Department of Defense, civil functions; Department of the Army, rivers and harbors and flood control, construction, general: For an additional amount for "Construction, general," $6 million, to remain available until expended.

The budget document for fiscal year 1956 included an item under the heading "Proposed for later transmission," for the initiation of the dredging of the authorized 40-foot channel in the Delaware River between Philadelphia, Pa., and Trenton, N. J., contingent upon reaching agreement with local interests on adequate cost sharing in some form.

This project was authorized by the River and Harbor Act of 1954, and is presently estimated by the Corps of Engineers to cost $95,100,000. The amount of $6 million is necessary to initiate dredging and rock removal in the section of the channel between Pennypacker Creek, Pa., and Delanco, N. J., and to initiate action toward replacement of the Delair Bridge.

Substantial benefits are derived by individual users of our waterways. The demand of many sections of the country for water-resources projects, involving large sums of money, focuses attention on the need for developing suitable arrangements to enable the beneficiaries to meet their fair share of the cost and to ease the burden on the general taxpayers of the Nation which results whenever an inordinate financial burden involved in such projects is imposed on the Federal Government. These arrangements should be consistent with an equitable general policy for sharing the cost of essential water-resources projects. We have been faced with the problem of developing a method which would be equitable with respect to the Delaware River project and yet would not discriminate against this project in relation to other water-resources projects. However, considerable time and effort will be required to develop a consistent overall policy and to work out arrangements for its application to individual projects.

Under the circumstances, and since no satisfactory proposal for bringing about an equitable sharing of the cost of the Delaware as a separate project has been found, it would seem fair not to further delay initiation of this project. We have in mind the importance of the Delaware River channel, not only to the continued economic development of the area but also to the Nation as a whole. Furthermore, local interests in the Delaware port area have made substantial investments in related harbor and terminal facilities to which an improved waterway is essential.

Initiation of work on the Delaware River does not change the basic objective of developing a satisfactory means for obtaining local contributions toward the cost of water development projects in line with the partnership policy of this administration, which would apply to the Delaware as well as other projects.

Federal contributions to partnership projects For payment of contributions by the United States for flood storage in the Markham Ferry project, as authorized by the act of July 6, 1954 (68 Stat. 450), $6,300,000, to remain available until expended.

The 1956 budget message states that provision will be made for cooperation in authorized partnership projects such as the Markham Ferry project in Oklahoma. This project, under the terms of the authorization contained in Public Law 476, approved July 6, 1954, will be constructed for hydroelectric power production and flood control in accordance with the terms of the Federal Power Act, by the Grand River Dam Authority, an instrumentality of the State of Oklahoma. The project will involve a total cost of about $25 million, of which not to exceed $6,500,000 is authorized to be contributed by the United States for flood-control storage in the reservoir. This authorized Federal payment will be reduced by an amount for certain lands to be conveyed to the Grand River Dam Authority by the United States, presently estimated at $200,000.

On June 22, 1955, the Federal Power Commission issued a license to the Grand River Dam Authority to construct the Markham Ferry project (FPC Project No. 2183). The full amount of $6,300,000 is required to be appropriated at this time in order to enable the Authority to sell revenue bonds to finance its part of the cost of construction. The appropriated funds will be administered by the Chief of Engineers, and transferred periodically to the Authority in amounts commensurate with the construction work completed by the Authority.

In view of the above considerations, I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

Respectfully yours,

ROWLAND HUGHES,
Director of the Bureau of the Budget.

THE WHITE HOUSE,
Washington, June 29, 1955.

THE PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1956 in the amount of $12,300,000 for the Department of Defense—Civil Functions.

The details of these proposed appropriations, the necessity therefor, and the reasons for their submission at this time are set further in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

DWIGHT D. EISENHOWER.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the Hammond irrigation project in New Mexico.

The Hammond project is a part of the proposed multibillion dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Hammond project would be $3,800 an acre.

The project would produce agricultural products now supported by the taxpayers and in great surplus. Among these are grains, beans, dairy products, and wool.

SENATE

WEDNESDAY, JUNE 22, 1955

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

O Thou whose throne is truth, frail creatures of dust serving out our brief day on the world's vast stage, we would set our little lives in the midst of Thine eternity and feel about us Thy greatness and Thy peace. Like flowers in June gardens uplifted to the sun, like still waters that mirror the eternal stars, so we would lift our yearning souls to Thee, our light and our life, our help and our hope.

We pray that the institutions of justice, of united endeavor, and mutual understanding, which are being set up in these anxious yet hopeful days, may be used as the instruments of Thy providence in bringing to fulfillment at last the prophet's dream: "Violence shall no more be heard in Thy land, wasting nor destruction within Thy borders." Give us hope which rises above frustration, patience which will bear the strain of waiting, good will which cannot be discouraged even by duplicity, and forgiveness for those who repent as we ourselves ask to be forgiven: In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 21, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 21, 1955, the President had approved and signed the following acts:

S. 89. An act for the relief of Margaret Isabel Byers;

S. 654. An act to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes; and

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service.

REPORT OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 194)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking and Currency:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the