

They are dedicated artists who firmly believe, as did the six distinguished members of their profession before them, that they are right in deciding that the beauty of the central element of the east front of the Capitol will be greatly enhanced when reconstructed in marble in the exact manner in which it was originally designated and moved east 32 feet 6 inches properly to support the dome.

In order to retain the reentrant court of the east facade they have recommended to the Congress that the Senate and House wings should ultimately be moved easterly a distance equal to that of the central element. They are firmly of the opinion that the contemplated changes will neither destroy the majestic grandeur of the dome nor totally obliterate the central court.

GILMORE D. CLARKE,

Member, Commission of Fine Arts,
1932-50.

New York, March 17, 1958.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL BILL INTRODUCED

Mr. GORE, by unanimous consent, introduced a bill (S. 3560) to authorize the construction of a courthouse and a Federal office building in Memphis, Tenn., and for other purposes, which was read twice by its title and referred to the Committee on Public Works.

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

CONSTRUCTION OF COURTHOUSE AND FEDERAL OFFICE BUILDING, MEMPHIS, TENN.

Mr. GORE. Mr. President, I introduce for appropriate reference a bill to authorize the construction of a courthouse and Federal office building in Memphis, Tenn.

During the past several years, numerous surveys have been made in Memphis to determine the need for a new Federal building, but to date no action has been taken on the part of the General Services Administration to provide these much-needed facilities.

According to reports which have reached me, the Government is paying an annual rent bill of about \$375,000 to house various agencies in the city of Memphis. These agencies are widely scattered throughout the city, to the extent that persons doing business with Government agencies must be greatly inconvenienced in seeking out several different offices before their purposes have been accomplished. Even within a given department of the Government, offices are widely scattered. For example, various offices within the Department of Agriculture will be found in 10 different locations throughout the city. The Department of Commerce has agencies in four different locations.

The only Federal building now in existence in Memphis is an old building which was first completed in 1885. This building has been expanded by additions made to it in 1904 and 1932. This

building is grossly inadequate for even the limited activities which are now carried on within it. Federal court is held in this building in a courtroom which will seat approximately 75 persons. A second courtroom, which was formerly a grand jury room, accommodates only about 20 people and the bankruptcy court meets in a small room which accommodates only about 25 people.

Mr. President, I submit that we should take every advantage of the downturn in our economy to construct public works of lasting importance. It is in times of economic recession that we can do this work to best advantage and at minimum cost.

Mr. President, I hope the Public Works Committee and the Senate will act promptly on this matter.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3560) to authorize the construction of a courthouse and a Federal office building in Memphis, Tenn., and for other purposes, introduced by Mr. GORE, was received, read twice by its title, and referred to the Committee on Public Works.

RECESS TO 10 O'CLOCK A. M. TOMORROW

Mr. KNOWLAND. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 8 o'clock and 15 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Wednesday, March 26, 1958, at 10 o'clock a. m.

NOMINATION

Executive nomination received by the Senate March 25 (legislative day of March 17), 1958:

UNITED STATES DISTRICT JUDGE

Mendon Morrill, of New Jersey, to be United States district judge for the district of New Jersey, vice Alfred E. Modarelli, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 25 (legislative day of March 17), 1958:

UNITED STATES CIRCUIT JUDGE

Oliver D. Hamlin, Jr., of California, to be United States circuit judge for the ninth circuit.

UNITED STATES ATTORNEY

Donald E. Kelley, of Colorado, to be United States attorney for the district of Colorado, term of 4 years.

UNITED STATES MARSHALS

Pervie Lee Dodd, of Alabama, to be United States marshal for the northern district of Alabama, term of 4 years.

Tom Kimball, of Colorado, to be United States marshal for the district of Colorado, term of 4 years.

Vernon Woods, of Illinois, to be United States marshal for the eastern district of Illinois, term of 4 years.

George A. Colbath, of New Hampshire, to be United States marshal for the district of New Hampshire, term of 4 years.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 25, 1958

The House met at 11 o'clock a. m.
The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

James 4: 8: *Draw nigh unto God, and He will draw nigh unto thee.*

Almighty God, Thou art always calling and constraining us to draw nigh unto Thee in prayer with a humble spirit and a contrite heart.

We are now coming unto Thee, bringing many things that we cannot leave behind; our sins and shortcomings, our failures and frustrations, our problems and perplexities, beseeching Thee that we may find Thy grace sufficient for all our needs.

Help us to feel that Thou art daily seeking to deepen our faith and to strengthen our feeble wills with Thy sustaining power.

May all the barriers which prevent us from entering into an intimate and joyous fellowship with Thee, be broken down.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE HONORABLE ROSCOE CONKLING McCULLOCH

The SPEAKER. The Chair recognizes the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Speaker, it is with regret that I announce to the House the passing of Roscoe Conkling McCulloch, a former Member of this body.

Roscoe McCulloch served in this House during the 64th, 65th, and 66th Congresses. He represented the 16th Congressional District which I now have the honor to represent.

As a Member of the House of Representatives Mr. McCulloch became an expert on tariff laws which made contribution to the development of the Middle West and particularly the 16th Congressional District. As a Member of Congress he served on the Banking and Currency Committee and also on the Committee on Immigration and Naturalization.

He voluntarily retired from the House of Representatives and returned to his home in Canton, Ohio.

From 1922 to 1926 he served as an Assistant United States Attorney General, taking an active part in the investigation and prosecution of fraud cases, serving in the interests of the Government.

He later served as chairman of the Public Utilities Commission of Ohio, having accepted the appointment at the insistence of Gov. Myers Y. Cooper because of important rate cases that were to be heard by the commission. While serving on the commission a vacancy occurred in the United States Senate by reason of the death of the Honorable Theodore E. Burton. Roscoe McCulloch was appointed to fill the vacancy and he served in the Senate for the unexpired term.

Mr. Speaker, Roscoe Conkling McCulloch throughout his lifetime made substantial contribution to the welfare and interests of his city, his State, and the Nation. He was an impressive and handsome man who looked every inch a statesman and whose every action exemplified the best in statesmanship. I knew him well, Mr. Speaker, and I have lost a friend. Although I have not seen him in recent years I have vivid memories of being associated with him in the practice of law and hearing him recount many of his experiences as he served here in the House of Representatives.

He is survived by his widow, Helen Herbruck McCulloch, a son, Hugh McCulloch and his daughter, Katherine.

To his family I extend my most sincere sympathies.

GENERAL LEAVE TO EXTEND

Mr. BOW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and that all Members may have 5 legislative days in which to extend their remarks on the life, character, and service of the late Mr. McCulloch.

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

There was no objection.

DEPARTMENTS OF LABOR, HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1959

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the Labor, Health, Education, and Welfare appropriation bill for the fiscal year 1959.

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

There was no objection.

Mr. TABER. Mr. Speaker, I reserve all points of order on the bill.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that it may be in order on Thursday next to consider the Labor, Health, Education, and Welfare appropriation bill for the fiscal year 1959.

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

There was no objection.

PERMISSION TO SIT DURING SESSION OF HOUSE

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit during general debate in the House today, Wednesday, and Thursday.

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

There was no objection.

THE UNEMPLOYMENT SITUATION

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. SIKES. Mr. Speaker, many proposals have been advanced as cures for recession. The most important one has been mentioned but little and pushed not at all. High prices are our principal problem, and the President could do no greater service than to bring management and labor together in a determined effort to reduce prices.

Our economy is not in danger unless we talk recession into a depression. Despite scare headlines in nearly every issue of the major publications, we are still a prosperous Nation. A relatively small percentage of our people are unemployed. Savings are up. The Nation is sound and strong.

Now it is true that we have more unemployed than we had last year or that we have had for a good many years. But also we have more people working than in most of the years of our history. I believe the reasons for the fact that unemployment has grown in recent months are easily determined. People are tired of high prices. There has been a buyer's strike against prices that are ridiculously high for products which stress gadgetry more than service and reliability. I believe also that people are apprehensive about the security of our Nation, because they are still disturbed by Russian progress in the scientific field and in the diplomatic arena.

This situation could feed on itself and grow. But there are remedies and one major remedy is lower prices. The economic experts agree that the failure of prices to come down is the most unusual thing about the current recession. That in itself is an admission this is no ordinary recession generated by economic weakness. People will start buying again when there is good reason for it. Certainly an attack on high prices is preferable to huge spending programs or to tax cuts.

We cannot spend ourselves into prosperity through Government appropriations. The measures which have been suggested, and they are many, are in reality small-scale endeavors to restore confidence by passing laws. A restoration of more general prosperity is much more certain if the President will take the lead in bringing about the necessary action on the part of management and labor to induce price reductions. He has the prestige to insure proper cooperation between management and labor and he has the power, if need be, to knock heads together to guarantee cooperation.

COMMITTEE ON RULES

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged resolutions.

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

There was no objection.

PICTORIAL EXHIBIT OF SOVIET EMPIRE, 1917-58

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. FEIGHAN. Mr. Speaker, on Sunday I had the pleasure of seeing the pictorial exhibit of Soviet Empire, 1917-58 now on display in Washington's Union Station. This display has been sponsored by the American Federation of Labor and Congress of Industrial Organizations. A real public service has been performed by organized labor in the United States through its sponsorship of this timely and highly informative pictorial exhibit.

This year the Russian leaders are celebrating the 40th anniversary of the victory of communism in Russia. As usual, their worldwide propaganda network is making outlandish and unfounded claims of the triumphs in the name of socialism during these past 40 years. The unsuspecting people of the world are asked to believe, through the propaganda, that the Russian Communists have created a utopia on earth and that they want no more than to share this so-called utopia with all the people of the world. In the fairyland of life under communism presented by Moscow propagandists no mention is made of the frightening trail of inhumanities which so mark the 40 years which have elapsed since the Communists took over control of the Russian Federated Soviet Socialist Republic.

Organized labor in the United States, being keenly aware of the facts that surround the past 40 years of life behind the Iron Curtain, have determined that the truth be presented to the American people. That is the motive that lies behind the pictorial exhibit now on display in the Union Station. There the viewer finds a graphic picture of the realities of life under communism. There are appropriate quotes from the lips of Lenin, Stalin, and other Russian leaders which show the real intention of communism toward all the people of the world. These, of course, are quite the opposite to what Khrushchev and his crowd are now claiming as their intentions toward humanity as they press for an early and ill-prepared meeting at the summit, where they seek to compel the leaders of the West to agree to a Russian-dictated era of peaceful coexistence.

I feel the American people are indebted to organized labor in the United States for sponsoring the graphic presentation of the earmarks of communism and Russian imperialism. I urge all Members of the House who have not already seen this exhibit to do so at their earliest convenience.

THE LATE HONORABLE GEORGE S. LONG

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. LANE. Mr. Speaker, George Long was born in a log cabin.

At the time of his death, last Saturday, he was a Member of the Congress of the United States.

Only a few days before, he stopped to talk with me after the House had concluded its business for the day. I had no idea that the final adjournment was so near for him. From his manner, I do not believe he had any intimation that the end of his life was approaching so rapidly.

He was his usual cheerful self, interested as always in the welfare of others.

When I first came to Congress from Massachusetts, I did not know much about his native State except that the Long family was the most popular in Louisiana. George was a brother of Gov. Earl Long and the late Huey P. Long. He was also an uncle of Senator RUSSELL LONG.

But from my friendship with George, I learned how close he and his family were to the everyday problems of the people they represented. George worked night and day to make a success of his life; became a teacher, a dentist and a lawyer in turn, but he never lost that homespun, down-to-earth quality that endeared him to the folks back in the parishes of the Pelican State.

George had a great, big heart for the underdog.

He fought hard but clean for every constructive bill that was designed to help the aged, and the veterans.

Through him we came to know the people of Louisiana and their spirit, because he was so true to them.

The unknown thousands of people that he helped during his journey through life, stopped for a moment in silent prayer when they heard that their benefactor had passed on to his eternal reward.

The Congress of the United States joins with them in mourning the loss of our friend, and in the comforting words that we send to his widow, Mrs. Jewell Tyson Long, of Pineville, La.

GAMBLING—HYPOCRISY AND THE UNITED STATES SUPREME COURT

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. FINO. Mr. Speaker, last week's decision by the United States Supreme Court in a case regarding our gambling laws typifies the kind of hypocrisy we are engaged in.

While we are supposed to frown on gamblers and their unscrupulous activities, we find instead that we still continue to practice hypocrisy by all kinds of interpretations and circumventions of our laws.

Mr. Speaker, until this recent court ruling, only the Congress engaged in this game of deception. Since 1951, by law,

we have recognized this gigantic gambling industry by imposing a stamp tax of \$50 a year on gamblers as well as a 10-percent tax on gross receipts. Beyond that, hypocrisy came into play, and we closed our eyes to this huge gambling enterprise.

Last week, the Supreme Court joined our ranks with a further exhibition of hypocrisy. The highest court in the land, by a 9 to 0 decision, ruled that the gambling taxes we imposed had the effect of making a gambling enterprise "a business for Federal tax purposes," and as such it should be treated just like any other legitimate business.

In this case, the Court decided unanimously that gamblers have a right to deduct operating expenses for tax purposes even though the enterprise is illegal under the laws of their States.

Mr. Speaker, while the American people cry out for sorely needed tax relief, hypocrisy continues to ride high. Instead of banishing hypocrisy by legalizing a national lottery which would produce \$10 billion a year in revenue to our Government and a tax cut to our hard-pressed taxpayers, we stubbornly refuse to recognize the obvious.

As a result of the Supreme Court's decision, hypocrisy not only denies our taxpayers relief from the unconscionable tax burden, but rewards our gamblers with a tax cut for carrying on their illicit businesses.

What price hypocrisy.

THE STORY OF FREE ENTERPRISE

Mr. ALGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. ALGER. Mr. Speaker, lest we panic over this much-discussed recession, let us consider what we are receding from. A drop in the water to a few feet below flood stage does not constitute a drought.

By any normal standard our business and economic activities remain at a prosperous level, only a little below our all-time record highs. Consider the story of the hotel owner who was complaining worriedly about the turn his business had taken.

"Just how bad is it?" queried a friend. "Oh, we're still turning away 200 people a week," said the proprietor, "but last year it was over 300."

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1958

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 10881) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1544)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10881) "making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 12, 17, 41, 42, 44, 45, and 47.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 8, 13, 14, 21, 23, 24, 25, 26, 27, 28, 29, 31, 32, 33, 34, 36, 37, 39, and 40, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "\$6,250"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$2,350,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$75"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "none of which shall be for additional employees"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$6,200,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$56,950,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "\$5,920"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "Not to exceed \$1,100,000 of the funds previously appropriated under this head for the trade fair exhibit in Gorki Park, Moscow, may be used for the Universal and International Exhibition of Brussels, 1958, and the limitation thereon as contained in the Supplemental Appropriation Act, 1958, is increased from '\$7,045,000' to '\$8,145,000'; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree

to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"CHAPTER IX

"District of Columbia

"(Out of District of Columbia funds)

"Operating expenses

"Metropolitan Police

"For an additional amount for 'Metropolitan Police,' \$192,000, to be paid out of the general fund of the District of Columbia"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 5, 6, 9, 18, 20, 22, 35, 38, and 48.

CLARENCE CANNON,
ALBERT THOMAS,
JAMIE L. WHITTEN,
JOHN J. ROONEY,
JOHN TABER,
H. CARL ANDERSEN,
CLIFF CLEVENGER,

Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
WM. F. KNOWLAND,
MILTON R. YOUNG,

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. 10881) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Department of Agriculture
Agricultural Research Service

Amendments Nos. 1 and 2: Appropriate \$6,250 for research work on pear decline instead of \$12,500 as proposed by the Senate.

Soil Bank Programs

Amendment No. 3: Reimburses the Commodity Credit Corporation in the amount of \$567,500,000 as proposed by the Senate instead of \$489,500,000 as proposed by the House.

Amendment No. 4: Reported in disagreement.

Amendment No. 5: Reported in disagreement. While the managers on the part of the House will offer a motion to recede and concur in Senate Amendment No. 5, it is agreed by the conferees that funds from either this authorization or that contained in the regular 1958 Appropriation Act shall not be used to make payments on any contract on lands which were found to have been divided for the purpose of evading the limitation in the act making such authorization.

CHAPTER II

Department of Commerce
Maritime Activities

Amendment No. 6: Reported in disagreement.

National Bureau of Standards

Amendment No. 7: Strikes out the Senate proposal to appropriate an additional amount of \$112,000 for "Expenses."

CHAPTER III

Independent offices
Federal Power Commission

Amendment No. 8: Appropriates \$136,000 for "Salaries and expenses" as proposed by

the Senate instead of \$133,000 as proposed by the House.

Amendment No. 9: Reported in disagreement.

General Services Administration

Amendment No. 10: Appropriates \$2,350,000 for "Operating expenses, Public Buildings Service," instead of \$2 million as proposed by the House and \$2,700,000 as proposed by the Senate.

Amendment No. 11: Allows payment of not to exceed \$75 per diem instead of \$50 as proposed by the House and \$100 as proposed by the Senate.

Amendment No. 12: Appropriates \$75,000 for "Operating expenses, Transportation and Public Utilities Services," as proposed by the House instead of \$50,000 as proposed by the Senate.

The managers on the part of the House do not agree to the statement of policy in the Senate report regarding the role of this service.

Former Chairman Hyde of the Federal Communications Commission described the role the General Services Administration has in matters before the Commission as follows: "Our duty is to protect all users, private users, corporate users, Government users, when they appear before us in that capacity, to see that there are no discriminations favoring one class as against another; and we do endeavor to protect all; we will call them consumers in a collective way. That does not mean that any person who feels he has a view to urge should not seek to make a presentation in this kind of case. I believe that they (GSA) have a duty to watch out for their interests from their viewpoint, and that is not a duplication of our work."

The House managers are of the opinion GSA's responsibilities are clearly established by law in this matter.

The conferees expect the General Services Administration to act with good judgment and not enter into any harassing activities, to avoid trivialities, and protect the interest of the Government.

Housing and Home Finance Agency

Amendment No. 13: Strikes out the House provision relating to building permit requirements.

National Advisory Committee for Aeronautics

Amendment No. 14: Appropriates \$3,720,000 for "Salaries and expenses," as proposed by the Senate instead of \$3,500,000 as proposed by the House.

Amendment No. 15: Restores House limitation relating to personal services to prohibit the use of the appropriation carried in amendment No. 14 for additional employees.

Amendment No. 16: Appropriates \$6,200,000 for "Construction and equipment," instead of \$6 million as proposed by the House and \$6,780,000 as proposed by the Senate. The \$200,000 increase above the House figure is to be used for equipment and not construction.

National Science Foundation

Amendment No. 17: Appropriates \$8,750,000 for "Salaries and expenses," as proposed by the House instead of \$9,900,000 as proposed by the Senate. The amount approved by the conferees includes \$3,156,000 for basic research, \$2,367,000 for the fellowship programs, and \$2,367,000 for the institute for training of science teachers, the balance being minor items.

CHAPTER IV

National Capital Planning Commission
Amendment No. 18: Reported in disagreement.

CHAPTER V

Department of Health, Education, and Welfare

Office of Education

Amendment No. 19: Appropriates \$56,950,000 for "Assistance for school construction,"

instead of \$56,900,000 as proposed by the House and \$57 million as proposed by the Senate.

Amendment No. 20: Reported in disagreement.

CHAPTER VI

Legislative branch
Senate

Amendment No. 21: Inserts heading as proposed by the Senate.

Amendment No. 22: Reported in disagreement.

Amendments Nos. 23-29: Insert miscellaneous items for expenses of the Senate as proposed by the Senate.

Capitol Police

Amendment No. 30: Appropriates \$5,920 for general expenses instead of \$11,840 as proposed by the Senate.

CHAPTER VII

Public works

Bureau of Reclamation

Amendments Nos. 31 and 32: Strike out excess language as proposed by the Senate.

Amendment No. 33: Strikes out the House language which prohibits allocation of funds for use on contracts which were not in effect as of February 20, 1958. However, the conferees are in agreement that no new construction contracts under the upper Colorado River storage project shall be entered into for service facilities pending further review by the Committees on Appropriations.

Amendment No. 34: Includes clarifying language proposed by the Senate relating to funds for the Navaho unit.

Amendment No. 35: Reported in disagreement.

Amendments Nos. 36 and 37: Make perfecting language changes as proposed by the Senate.

Amendment No. 38: Reported in disagreement.

Amendment No. 39: Strikes out House language appropriating \$62,500 for general investigations. In lieu of the direct appropriation proposed by the House, planning on the following projects will be financed from available funds as follows: San Angelo, Tex., \$50,000; Canadian River, Tex., \$12,500; and Pecos River channelization and salinity control, New Mexico and Texas, \$35,000.

CHAPTER VIII

The judiciary

Amendment No. 40: Appropriates \$275,000 for salaries of judges as proposed by the Senate instead of \$300,000 as proposed by the House.

Amendment No. 41: Appropriates \$59,000 for travel and miscellaneous expenses as proposed by the House instead of \$70,500 as proposed by the Senate.

Amendment No. 42: Strikes out the Senate proposal to increase the amount available for payment of fees to attorneys.

President's special international program

Amendment No. 43: Provides \$1,100,000 by transfer for the Universal and International Exhibition at Brussels and deletes the House proviso which would have required that \$1 million be used on a public health service exhibit. The House proposal would have derived \$1 million by transfer as compared with the Senate's proposal to provide \$2,054,000 by direct appropriation.

Amendment No. 44: Provides not to exceed \$750,000 to be derived by transfer for use in connection with the international trade fair program as proposed by the House instead of the Senate proposal to provide the same amount by direct appropriation.

CHAPTER IX

Department of Defense

Amendment No. 45: Strikes out the proposal of the Senate to appropriate \$3,500,000 for the 1960 Olympic Winter Games.

CHAPTER IX

District of Columbia

Amendment No. 46: Appropriates \$192,000 for "Metropolitan Police," as proposed by the Senate.

CHAPTER X

Claims for damages, audited claims, and judgments

Amendment No. 47: Retains chapter number as proposed by the House.

Amendment No. 48: Reported in disagreement.

CLARENCE CANNON,

ALBERT THOMAS,

JAMIE L. WHITTEN,

JOHN J. ROONEY,

JOHN TABER,

H. CARL ANDERSEN,

CLIFF CLEVINGER,

Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, on this bill the budget estimates totaled \$2,874,144,080. The bill as it passed the House totaled \$2,857,882,907. The Senate increased it by \$11,523,556 to a total of \$2,869,406,463. The conference agreement is for a total of \$2,861,008,793. That of course is a compromise but it is a compromise in favor of the House position. It is \$3,125,886 above the House bill, but it is \$8,397,670 below the Senate total.

There are four principal questions involved, Mr. Speaker. One is the acceptance of the Senate language on the \$3,000 limitation on the amount to be paid any one participant under the additional authorization for the 1958 acreage-reserve program. That is a matter with which the House is quite familiar. To assure fair and equitable treatment to all participants in the 1958 program, we have agreed to language making the limitation established for the original authorization also applicable to the supplemental authorization.

We denied the full appropriation on the Brussels Fair. We recommend \$1,100,000, which is only \$100,000 above the House bill but substantially below the \$2,054,000 in the Senate bill.

We added \$50,000 of the \$60,000 inserted by the Senate for a District of Columbia mass transportation survey. There has been survey after survey made, and probably no local question has been more carefully considered than the question of transportation here in the District of Columbia. Appropriations have already been made to the extent of \$400,000. With \$400,000 we should have secured an adequate survey, but because of the congestion on the streets we agreed to go along an additional \$50,000.

Finally, we have allowed an additional \$192,000 inserted by the Senate, for District of Columbia police. There are so many young hoodlums in this town who prey upon old women and old men that we thought we were justified in making this additional allowance for police protection.

Now, Mr. Speaker, I ask unanimous consent to proceed out of order.

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

There was no objection.

Mr. CANNON. Mr. Speaker, the Congress and the country are today con-

fronted by many important questions, some of which affect directly the safety and perpetuity of the Republic. But a new question is being agitated, the most important question of them all, as to whether or not we will rebuild the east wall of the Capitol.

The front of the Capitol was built of crumbling sandstone. Like London Bridge, it is falling down, and like London Bridge it must be rebuilt. London Bridge was one of the most venerable structures in the British Empire, and yet it is not recorded that, when the time came to rebuild it, anybody said it was a national monument and exempt from the depredations of profane hand of modern progress. But, there are those who contend that the rebuilding of the front of the Capitol is a matter of such world-shaking importance that it has crowded national defense, tax adjustment and Drew Pearson revelations off the front page. The destinies of the Republic turn on the determination of this momentous question.

It is contended that the Capitol is a monument, a national museum; that it is as sacred and unapproachable as the Ark of the Covenant.

Mr. Speaker, this town is full of monuments and museums. The Capitol of the United States is not a monument. It is not a museum. It is a workshop. The business of the Congress is more important and more voluminous than that of any capitol in the world. We must have room in which to meet and facilities with which to transact it, unhampered by lovable and innocent old ladies and sentimental, emotional, sensation seeking flubadubbies adding to the burden of these critical days instead of helping carry the load.

Mr. Speaker, I was disconcerted when I entered the Capitol this morning to note the brilliant lights on every side. When the Capitol was built they established candelabra and used tallow candles. Some sacrilegious iconoclast has removed the candles and substituted electric lights.

We are informed that George Washington was accustomed to soak his aching feet in a wooden foot tub. I am told—I am not in a position to speak from firsthand knowledge as I have the constitutional aversion to bathtubs shared by other adversaries to the march of progress—that the Capitol is equipped with large porcelain bathtubs trimmed with glittering chrome fixtures.

And one of the most sacred traditions of Capitol Hill is that of Thomas Jefferson riding up to the east front, tying his horse to the hitch rack and going in to take the oath as President of the United States.

Mr. Speaker, where is that historic hitch rack?

I want to know who moved those hitching posts away from in front of the Capitol. I demand that they be returned or that somebody be impeached.

When Abraham Lincoln came here as a Member of this Congress, in order to make him feel at home, they took him out and showed him a rail fence around one corner of the Capitol "yard."

Some vandal has removed that rail fence.

Mr. Speaker, along with the rest of the sob sisters I demand the return of the ancient landmarks, the candelabra and the candles; throw out the chrome bathtubs and return George Washington's foot tub, Jefferson's hitching post, and Abraham Lincoln's rail fence.

And let the fragments of the east wall fall where they may.

In China, it is the custom to bury important men where the soothsayers indicate, sometimes in the middle of a field. Then for hundreds of years after they plow around those tombs.

We are not as Chinese as that. We have work to do and, at best, we have little enough space and little enough time in which to do it. We refuse to plow around the impedimenta of the past. We revere our ancient grandeur—at the proper time and in the proper place. But this is a practical, workaday world. General Prescott, at Bunker Hill, when gun wadding was exhausted in repelling the second charge of the British, himself gathered up the Bibles and hymn books in the little village church and passed them out to the minutemen.

Mr. Speaker, the east front was intended to be the front door of the Capitol and the city of Washington was to be built east of the plaza. It is now a storage room and a junk pile. Walk over there and try to find the columns Jefferson gave the Nation. Look for the cornerstone laid by Washington with such elaborate ceremonials. You will have difficulty locating them.

We need not only room and durable stone at the east front. We need to restore the beauty and dignity of the east front.

Mr. Speaker, I yield to the gentleman from New York [Mr. TABER] such time as he may require.

Mr. TABER. Mr. Speaker, this bill, like the rest of them that have been coming along, is away above what it ought to be. There is an increase of \$78 million in amendments 3 and 4, which is supposed to come out of the acreage reserve program for the fiscal year 1958 which otherwise would not be used. It is a situation that I do not believe is right because the funds that are involved in this thing are so much bigger than they ought to be that it is not right.

On the ordinary items which are in there I do not have very much to say. We did pretty fair in our dealings with the Senate. For that reason, I shall not try to oppose the conference report.

Mr. CANNON. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Speaker, I would like to ask the gentleman from Texas [Mr. THOMAS], chairman of the Independent Offices Subcommittee, a question.

I preface my question by stating that I spent the weekend at my home in Richmond, and, frankly, I was disturbed by the situation which I found there. It appears that the veterans' hospital in Richmond is turning down all applicants for admission except service connected and emergency cases, and their definition of emergency is a person who

cannot be moved to another hospital without endangering his life or his health.

I received numerous calls at my office and at my home from relatives and friends of veterans who had been refused admission. They informed me that they had been advised by the hospital that the reason for the refusal of admission was the failure of the Congress to provide sufficient funds.

I called the hospital, and the manager told me that was correct, that in the last few days they had been forced to change their policy and they were now admitting only service-connected and emergency cases. The reason for it was that they did not have sufficient funds to do otherwise.

May I ask the gentleman if there is anything in this bill to take care of that situation?

Mr. THOMAS. I will say to my friend from Virginia that I am at a loss to understand any such situation. In this bill they asked for \$6,032,000 and we gave them \$6 million for inpatient care. I am advised the administration sent up this morning another supplemental for about \$3 million for inpatient care, which the committee has not yet received. We will get busy on it immediately. But assuming the situation you describe is true, I cannot imagine the VA turning down any patients when only a \$3 million supplemental to a \$700 million appropriation is now being requested.

Mr. GARY. I would say further to the gentleman that it was explained to me that heretofore the companies writing hospitalization insurance have been reimbursing the Veterans' Administration Hospitals for the patients that have insurance, but many of them have stopped that now, and a deficit has been created by reason of that fact.

Mr. THOMAS. The gentleman is right. There is \$1,600,000 in the bill right now because of the decline in reimbursements.

Mr. GARY. Does the gentleman think that will take care of the situation?

Mr. THOMAS. Yes, I cannot believe there would be a situation where there would be any large closing of beds.

Mr. GARY. It is a serious situation in my district. I talked to the manager of the hospital 4 or 5 times over the week-end.

Mr. THOMAS. I think this will cure it. If not, we will be glad to cooperate with the gentleman.

Mr. GARY. I thank the gentleman.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Speaker, I take this time to ask the chairman of the committee about the language on page 4 of the bill. The statement of the managers on the part of the House states with reference to amendment No. 5, which was introduced by me, and which provided that no part of the amount made available for acreage reserve payments shall be used to authorize compensation to any one individual or corporate participant in excess of \$3,000, states that amendment No. 5 is reported in disagreement, and recommends the House recede from its posi-

tion. The language which reads as follows will be substituted:

Provided, That the same \$3,000 limitation which was applicable to the original \$500 million shall also apply to the additional \$250 million authorized herein.

When this second supplemental appropriation bill was on the floor of the House, we had considerable debate on the Laird amendment and the House decided that the limitation should provide that there would be no more than \$3,000 paid to any one individual or corporate participant. The language written into this bill by the other body provides that payment will be authorized as presently made according to the decision of the Comptroller General. Some payments are already programed for this year in excess of \$140,000 to one individual operation under the acreage reserve program, and certainly it seems to me that the Congress does not want to give its stamp of approval to such large payments out of this \$250 million which is made available in this second supplemental appropriation bill. The House accepted the opinion of the GAO on the original \$500 million acreage reserve payments. I see no reason why we must follow the same procedure on the additional \$250 million being made available today. I wonder if the gentleman from Mississippi could clarify this for me?

Mr. WHITTEN. May I say to the gentleman that the Subcommittee on Appropriations in bringing in the recommended \$250 million did so because the law provided that each farmer was to be provided a fair and equitable opportunity to participate. At the time our subcommittee acted on the additional funds, a great number of farmers who had gone to the right place at the right time had the door closed in their faces and they were not given their fair opportunity to participate. Our whole argument was that these farmers are entitled to be treated in the same way as those who had been permitted to sign up under the original program of the \$500 million. I am in thorough accord with the gentleman's views as to what we thought we had done last year in the conference report on the \$3,000 limitation. But, the Department, however, with the approval of the Comptroller General, held that this limitation did not apply to the point of paying any one person only \$3,000. In that connection, they left us this time, when we went to the other body, notwithstanding the House action, so that we would have had a \$250 million program for those who were not permitted to sign up in line with their rights under the law, they would be operating under one restriction and those in the original \$500 million would be under another restriction. I think that administratively it would have been untenable by the Department of Agriculture. We did the best we could. We provided in the report, and we had to put it in the report so that it would have application to both, because otherwise we could not amend last year's act by this year's action on the appropriation bill. So in the report itself, we provided that none of the money under either program, or at least this is our directive

to the Department, should be paid where they had divided lands for the purpose of defeating the limitation. This is not what the gentleman supported here. It is not the House action. But, if we are to treat all farmers alike, as the law, I think, contemplated, since the other limitation is beyond our reach, the only thing these conferees could do would be to bring the \$250 million into the same provision. We have tried to write this language to help to the degree that we thought we had the right to help.

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

Mr. LAIRD. I yield.

Mr. REUSS. Mr. Speaker, as the gentleman from Wisconsin knows, I vigorously supported his amendment and so did the great majority of the people here on the floor of the House.

After the Senate had acted to cut out the House language, I asked the Comptroller General for an opinion on whether the Secretary of Agriculture could not, in fact, live with and administer equally, with respect to both funds, the language which the House adopted. The Comptroller General on March 12 gave me a ruling that the Secretary of Agriculture, if he wanted to, certainly could administer both of the funds exactly alike, and treat all farmers fairly, and when this comes up later I will allude to it again.

The SPEAKER. The time of the gentleman has expired.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Speaker, the Appropriations Committee is to be congratulated on its action in deferring the appropriation of funds for the construction of four new Federal buildings in Washington. The only improvement in this decision would be to permanently withhold funds for the construction of any additional buildings in Washington or this immediate area.

For many years there has been talk of the desirability for decentralization of many of the ever-expanding agencies in the Capital. Everyone seems to be in agreement that some steps should be taken to accomplish this, but as far as I can observe, nothing is ever done about it.

More building inevitably means workers to occupy those buildings, and the population is further concentrated in an area, where traffic is becoming almost impossible, and getting worse each day.

There is no reason why many Government agencies should not be operating in some other sections of the country, just as they did during World War II. There is no reason why even other agencies should not be shifted to other sections of the country.

Predictions are being made now that there will continue to be a rise in Federal employment, and frankly we do not need any more of it in this area. It is time to call a halt to this trend, and the quicker the better.

It might also be mentioned in this connection that the Commissioners of the District of Columbia are adopting a new approach in their attempt to justify larger Federal contributions, and this

time they are suggesting that the contribution be based on the Government payroll in the area. Talk about eating your cake and having it too, this is the limit.

The Commissioners are complaining that the Government-held land and other nontaxable property now totals 52.8 percent of the city's area. What better time to stop this from increasing than now?

Until such time as the District Commissioners show some inclination to collect taxes from property owners in the District of Columbia on a basis comparable to the taxes paid in other areas of the country, and more specifically the 10th Congressional District in Missouri, I expect to oppose any increased Federal contribution.

It is time for Congress to initiate a survey to determine the number of Federal Government activities that can be carried on just as well—even better—outside of the immediate environs of the congested area surrounding the District of Columbia. Representatives of the North, the South, the East, the Midwest, and the Far West should consider the activities which might be carried on best in the areas which they represent.

The Appropriations Committee has made a start on what could develop into a real decentralization of our Government which would distribute some of the benefits which the residents of the District of Columbia apparently think of as a burden. Let us relieve them of this burden now.

Mr. CANNON. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I did not realize that we came in at 11 o'clock today. I rise to ask the chairman if there is additional money for the attendants, doctors, and nurses in the veterans' hospitals. The hospital in Bedford in my district informs me that they are having a very difficult time taking care of their patients, due to the shortage of funds.

Mr. THOMAS. There is \$6 million, the budget estimate, in this bill.

Mrs. ROGERS of Massachusetts. I think the Budget did not realize there would be a shortage. There was certain money they expected to come in that did not come in.

Mr. THOMAS. There is \$6 million in this bill.

Mrs. ROGERS of Massachusetts. They are asking for a deficiency appropriation because it is absolutely necessary.

Mr. THOMAS. Yes. I understand it came in this morning. It is around \$4 million. We will get busy tomorrow and bring it in.

Mrs. ROGERS of Massachusetts. I think the gentleman realizes, and every Member of the House realizes, that it does not make sense to dismiss hospital personnel and to make jobs for people somewhere else and not have enough money to take care of the men and women in the hospitals.

Mr. THOMAS. We will get around to it tomorrow.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. MORANO].

AMERICAN ART—BRUSSELS FAIR

Mr. MORANO. Mr. Speaker, last week, on this floor, I called attention to the very unfortunate choice of American art which will be shown in the United States Pavilion at the Brussels Fair. Since then, I have received a large number of letters and calls from citizens who expressed shock, indignation, and dismay over these disclosures.

I was happy to read Sunday that a few steps have been taken in recent days to strengthen the character of our art display but the basic weakness in the project still remains: The periods represented are too arbitrary, unrepresentative and irrelevant in the context of the whole sweep of American art history.

Many of my correspondents agreed that the fair offers a magnificent opportunity to reflect America's art at its best, to project the entire dynamic evolution of its great culture. A well-planned panorama of truly representative art would be one of the most dramatic ways I know of impressing on people of other lands the vitality, imagination, breadth, sensitivity—and good humor, too—of the American people from settlement days to the present.

Through this cavalcade of art, we would have a chance to show the development of the Republic, the lusty pioneers of the great West, the folklore and color of the various regions, the romantic and the realists, the throbbing impact of the historic tides of immigration and the growth of our great metropolitan centers, the modern influences and now, even, the new pioneers in the fields of impressionism and abstraction. Surely, as some of the recent excellent books on American art have shown, it is possible to assemble a striking, stirring story of America on canvas.

Such great names as Peale, Copley, Frederic Remington, Whistler and Sargent, Innes, Homer, Eakins, the Ashcan School artists, Wyeth, Bellows, Hopper—yes, and Grandma Moses—are but a scattering of some of our truly representative painters who could be represented.

Incidentally, I have written a letter today recommending to the United States Commissioner General of the Brussels Fair, Mr. Howard Cullman, requesting that he take corrective steps before it is too late, before we again blunder and lose an opportunity to put forth a real portrait, and not a misshapen caricature of America's face.

The letter follows:

MARCH 25, 1958.

Mr. HOWARD CULLMAN,
United States Commissioner General,
Brussels Fair, Brussels, Belgium.

DEAR MR. CULLMAN: Last week I took the floor of the House to voice my protest against the unrepresentative, inadequate art exhibit proposed to represent the United States in the Brussels Fair.

In the past week I have received hundreds of communications supporting my stand. In addition, the Nation's press and art critics have expressed alarm at the choice of paintings purported to display to the world America's best art.

It seems particularly important to me that the mounting protest comes not from art critics and connoisseurs alone, but from people in every walk of life, who, like myself, are at a loss to understand why the great names of American painting have been deliberately omitted from our display.

I see in the unfamiliar names listed for exhibit no Trumbull, no Peale, no Remington or Sargent, nor even Grandma Moses.

Perhaps these protests may be dismissed by your art consultants as the uninformed opinions of nonartists who just don't understand the finer qualities of the chosen works.

Well, it is my understanding that the fair will draw viewers from every walk of life from every part of the world. Art, like music and sunshine belongs to everyone. Its capacity for appreciation is not confined to the artist alone.

Furthermore, in this situation, the protest has been led by recognized artists and art critics.

I strongly urge you, Mr. Commissioner, to effect a review of the choice of paintings which is causing concern to the American public. I strongly urge that steps be taken at once to present a more typical and representative selection of American art to the world.

Sincerely,

ALBERT P. MORANO,
Member of Congress.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I oppose the adoption of this conference report for the reason that there is an item of \$3,000 included under amendments 8 and 9 agreed to by the House conferees. That item provides for the payment of a \$3,000 gratuity, and I use the word "gratuity" in its proper sense, a gift to Chairman Kuykendall, of the Federal Power Commission, allegedly for the period from the time of his appointment to the time of his confirmation. During that time he did no appreciable amount of work and his testimony, and the testimony of others at the hearing on his confirmation, so indicated. As a result of action on the Senate floor the conferees agreed to include in the conference report an item of \$3,000 to be paid to Mr. Kuykendall. I suppose it is put in as salary, but actually it is a gratuity, since he did practically nothing during this time. In the Senate the question was raised that this was legislation on an appropriation bill, but it was adopted in the Senate; they agreed they would allow it, when that question was referred to the Senate by the Chair.

So, Mr. Speaker, I strongly urge this House that this conference report not be adopted in the House, for it is wrong for us to set a policy of giving a \$3,000 gratuity to anyone, especially in the case of a person such as the present Chairman of the Federal Power Commission.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. I hope our friend from the great city of Detroit, whom we all like and admire very much, will not become too incensed over this little matter.

I know the gentleman is a big man. He is not only big in size but big in every way. He does a very fine job for his District and we are all proud of him.

But, after all, this Chairman over there is not a wealthy man. He makes less salary than the gentleman does. He has a family here. He was here all the time. Of course, he was not confirmed on that day, but let us be just a little bit generous. He has a wife and two or three children. He never did move out of the building. He was over there all the time and, as a matter of fact, I suspect that all of us called him two or three times and he responded. Do not be too small about this matter. He was here on the job and, as far as I know, was doing just about as much as if he had been the regularly appointed Chairman. He was ultimately appointed Chairman.

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

Mr. THOMAS. I yield to the gentleman from Michigan.

Mr. DINGELL. I would like to express my own personal affection and great respect for the distinguished gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. The gentleman really does not want to hurt that man, does he?

Mr. DINGELL. I would like to say to my very dear friend from Texas that it is not a question of hurting the man or not hurting the man, it is a simple question of right or wrong. Are we to be so free with the taxpayers' money?

Mr. THOMAS. He is not a rich man. Does the gentleman want him to sit around here for 6 or 7 weeks? And now we hit him over the head, and we are not going to let him eat? He makes less salary than the gentleman does.

Mr. DINGELL. The gentleman makes only a good humanitarian case for giving away the taxpayers' money.

Mr. THOMAS. No, I am not addicted to that. I believe my reputation here on the floor will bear that statement out.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Speaker, I rise in opposition to the motion to recede and concur in Senate amendment No. 5. After full debate on February 25, the House added a proviso to H. R. 10881, the second supplemental appropriations bill, declaring that no part of the \$250 million additional authorization for the Soil Bank acreage reserve "shall be used to authorize compensation to any one individual or corporate participant in excess of \$3,000."

Member after Member expressed his conviction that we should not pay more than \$3,000 to any one farm producer or participant, no matter how many farms he operates. Huge payments to corporate farms, such as the payment of \$318,734.29 to Garvey Farms of Colby, Kans., a firm which owns many farms throughout Colorado and Kansas and operates the farms itself, were referred to. Accordingly, the House proviso was expressly designed to limit payments to each participant, irrespective of the number of farms. It was overwhelmingly adopted, 137-17.

Now the other body has acted upon H. R. 10881 by deleting the House proviso and instead inserting language furnished by the Department of Agriculture—see hearings, Senate Commit-

tee on Appropriations, on H. R. 10881, page 409. The language accepted by the Senate reads:

Provided, That the same \$3,000 limitation which was applicable to the original \$500 million authorization shall also apply to the additional \$250 million authorized herein.

This language completely undoes the House amendment, the sole purpose of which was to prevent Soil Bank payments of more than \$3,000 to participants with multiple farms.

It must be emphasized that the Secretary of Agriculture has consistently opposed any limitations whatever on payments under the Soil Bank acreage reserve:

First. On March 14, 1957, I introduced H. R. 6002, which would amend the basic Soil Bank legislation so as to limit to \$5,000 payments made to any one producer under the acreage reserve in any year. Secretary of Agriculture Benson, in a letter of June 5, 1957, to the Honorable HAROLD D. COOLEY, chairman of the House Committee on Agriculture, opposed H. R. 6002, on the ground that it would discourage farm producers "having large acreages" from placing as much of their land in acreage reserve as they would if no limit were placed on the amount of money which Secretary Benson could pay them.

Second. Moreover, when the Congress put its \$3,000-per-producer limitation into the Agriculture Appropriation Act of 1958, the Department proceeded to manhandle the limitation.

On August 9, 1957, immediately after passage of the act, the Department of Agriculture wrote the Comptroller General urging the Comptroller General to agree with the Department of Agriculture's interpretation that the \$3,000 limitation did not mean what it said, but that it permitted the Secretary of Agriculture to pay huge sums, vastly in excess of \$3,000, to producers with multiple farms. The letter of August 9 gave the Department of Agriculture's position:

It is our view that the \$3,000 limitation should be applied to each producer's share of the compensation payable for all commodities with respect to a particular farming unit, i. e., farm—rather than to the compensation payable to him with respect to all farms in which he may have an interest.

Clearly the Department of Agriculture persuaded the Comptroller General to rubberstamp the Department's interpretation of the \$3,000 limitation. This was brought out at the hearings before the House Subcommittee on Appropriations on H. R. 10881 when the subcommittee chairman, the gentleman from Mississippi [Mr. WHITTEN], confronted Assistant Secretary of Agriculture McLain with the paragraph just quoted from the August 9, 1957, letter. Secretary McLain admitted that the Department of Agriculture had tried to persuade the Comptroller General to go along with its interpretation—hearings, House Committee on Appropriations, on H. R. 10881, pages 217-218:

Mr. McLAIN. Now, I would just like to say a word as to the \$3,000 limitation, Mr. WHITTEN, because we, after the act was passed, and after reading, and our General Counsel reading it carefully, and our Operating Division reading it carefully, the language of the

act, that is, and the wording that went out about it, were not sure what it did mean.

The fact is, I think, any fairminded person could read various passages of the statements made and could get two interpretations.

I did not want to proceed, and Mr. Farrington did not want to proceed, without knowing for sure what the Comptroller General meant, and so I think we did what you would expect us to do. Our General Counsel went to the Comptroller General for his clearance of what we thought was the proper interpretation of the language.

Mr. WHITTEN. Let us keep the record straight. I have asked that the findings on this point by our Appropriations Committee investigation last year and this year be incorporated in this record. The Department wanted to continue without limitation so that you could continue the program on an unlimited basis; is that not correct?

Mr. McLAIN. No, sir.

Mr. WHITTEN. You did not recommend any limitation or anything of that sort. The Congress has, in its wisdom, put a \$3,000 limit on it.

You immediately construed it, and asked the Comptroller General to go along with you, in such a way as to let you escape the \$3,000 limitation. In the face of the findings of our committee, of which you were advised, there was a request for the Comptroller General to go along with you, as I understand it.

Mr. McLAIN. Mr. WHITTEN, it was because of our desire to give an interpretation of what the act really meant that we went to the Comptroller General.

It was not for the purpose of trying to avoid and circumvent it or do anything else. I think it is not quite fair to say that we had any desire to do anything else than what the Congress wanted us to do.

Mr. WHITTEN. I do not mean to infer any ulterior motive. However, at the outset the Department let these tremendous sums be paid to certain people who in turn let production be encouraged in other areas.

One exaggerated case was Arizona, I believe, where several hundred thousand dollars was paid out and used by the farmer to grow cotton.

Mr. McLAIN. All I can say to you Congressman WHITTEN, is that it was our desire to find out what the Congress meant and, as is customary, we went to the Comptroller General.

Mr. WHITTEN. I have a copy of a letter here dated August 9, 1957, from you to the Comptroller General, in which you state: "It is our view that the \$3,000 limitation should be applied to each producer's share of the compensation payable for all commodities with respect to a particular farming unit—i. e., farm—rather than to the compensation payable to him with respect to all farms in which he may have an interest."

You construed it, and asked for approval, it appears to me.

Mr. McLAIN. That is the construction of our General Counsel, and I think you would say that before we went to the Comptroller General, we ought to put our own construction on it.

The Department of Agriculture's August 9, 1957, letter purported to recite the legislative history of the \$3,000 limitation. But that letter entirely omitted statements on the floor of the House and Senate by the gentleman from Virginia [Mr. ABBITT], the gentleman from Mississippi [Mr. WHITTEN], and the Senator from Georgia [Mr. RUSSELL], which clearly indicated that Congress wished to limit payments to \$3,000 per producer irrespective of the number of farms operated—see hearings, Senate Committee on Appropriations, on H. R. 10881,

pages 407-408. The Comptroller General, also without referring to this relevant legislative history, on August 26, 1957, issued an opinion apparently agreeing with the Department of Agriculture. From that time on, the Department of Agriculture has been purporting to proceed under the Comptroller General's opinion.

The recent debate in both House and Senate on H. R. 10881, incidentally, clearly indicates that Congress intended the original \$3,000-per-producer limitation to apply irrespective of the number of farms owned by a producer, despite the opinions of the Secretary of Agriculture and the Comptroller General. To this effect are statements on the floor of the House on February 25, 1958, by Representatives WHITTEN, BOYLE, HARRISON, HOLIFIELD, and REUSS—CONGRESSIONAL RECORD, pages 2751-2778. Similarly, in the Senate on March 10, 1958, Senators DOUGLAS—CONGRESSIONAL RECORD, page 3743—CARROLL—page 3744—and HUMPHREY—page 3748—also made the point that the Secretary of Agriculture and the Comptroller General were flouting the plain Congressional intent.

Third. Despite the great clarity of the House debate of February 25, 1958, to the effect that the House wanted the \$3,000 limitation applied to each participant, regardless of the number of farms he operated, Assistant Secretary of Agriculture McLain testified 2 days later, on February 27, 1958, that:

The intent of the House amendment establishing a \$3,000 payment limitation is not clear. Under any of the possible interpretations which may be made, serious administrative problems would be encountered. It is doubtful that the Department could successfully explain and administer a 1958 program at this time on a basis other than that which has been announced to the farmers. The spring planting season is almost here. Time would not permit, in our opinion, the promulgation of regulations or the dissemination of necessary information concerning a 1958 program on a different basis. We therefore urge that the limitation be amended or the sense of Congress be made clear that the \$3,000 limitation, as presently being interpreted and administered, is applicable to the expanded 1958 program (hearing, Senate Committee on Appropriations, on H. R. 10881, p. 268).

Apparently nothing that the House can do will deter the Department of Agriculture from its desire to enrich large multiple farms almost without limit. The Senate apparently accepted the Department of Agriculture's view, for it struck out the House proviso and instead inserted the language furnished by the Department of Agriculture.

I hope that the House will not recede from its position, and will insist on the proviso which it adopted on February 25. For it to do so will in no way create any hardship or administrative difficulty.

On March 11, 1958, I sent the following telegram to the Comptroller General:

MARCH 11, 1958.
The Honorable JOSEPH CAMPBELL,
Comptroller General of the United States, Washington, D. C.:

1. The House on February 25, 1958, by a vote of 137-17, amended the \$250 million Soil Bank acreage reserve authorization of

the second supplemental appropriation bill, 1958, by adding the following language: "Provided, That no part of this amount shall be used to authorize compensation to any one individual or corporate participant in excess of \$3,000."

2. The Senate has deleted this language. The bill will now go to conference.

3. In order that I may pass the information on to the House managers of the conference, I should appreciate your answering the following questions:

If the bill as ultimately passed includes the restored language of the House amendment of February 25, 1958, quoted above, cannot the Secretary of Agriculture by administrative discretion and with complete legality so administer the \$3,000 limitation on the \$500 million authorization of the Agriculture Appropriations Act, 1958, as to prohibit payments in excess of \$3,000 to any one producer or participant irrespective of the number of farms he operates, so that the administration is identical as to both the \$250 million and the \$500 million? Secondly, cannot the Secretary of Agriculture so apply the \$3,000 limitation that it may be enjoyed by any producer or participant, be he owner, tenant, or sharecropper (thus, if a corporation operates 100 farms, its overall limitation is \$3,000; if it lets out the farms to tenants or sharecroppers, each of the 100 tenants or sharecroppers is entitled to his \$3,000 limitation)? Thirdly, cannot the Secretary of Agriculture, by administrative discretion, pay out of the \$500 million fund sums in excess of \$3,000, based on multiple farms, to a single participant or producer, where that participant or producer has allowed the time for planting to elapse, and would thus suffer hardship if his over-\$3,000 payments were not honored? Winter wheat, of which the time for planting elapsed last fall, is an example.

4. I am under the impression that the Secretary of Agriculture may legally conduct himself administratively along the lines described in the event the House version of the \$3,000 limitation in the current supplemental appropriations bill is adopted. I should appreciate your prompt advice.

HENRY S. REUSS,
Member of Congress.

Under date of March 12, 1958, the Comptroller General replied as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, March 12, 1958.

HON. HENRY S. REUSS,
House of Representatives.

DEAR MR. REUSS: Your telefax of March 11, 1958, requests our advice on several questions concerning administration by the Department of Agriculture of the limitation on the appropriation of \$250 million for the acreage reserve program under the Soil Bank Act, contained in the second supplemental appropriation bill, 1958, as passed by the House. The language of the limitation reads:

"Provided, That no part of this amount shall be used to authorize compensation to any one individual or corporate participant in excess of \$3,000."

The Senate has deleted the quoted limitation language and the appropriation bill will now go to conference. Our response to the questions is desired so that you may pass the information on to the House managers of the conference. The questions presented are as follows:

1. "If the bill as ultimately passed includes the restored language of the House amendment of February 25, 1958, quoted above, cannot the Secretary of Agriculture by administrative discretion and with complete legality so administer the \$3,000 limitation on the \$500 million authorization of the Agriculture Appropriation Act, 1958, as to prohibit payments in excess of \$3,000 to

any one producer or participant irrespective of the number of farms he operates, so that the administration is identical as to both the \$250 million and the \$500 million."

2. "Cannot the Secretary of Agriculture so apply the \$3,000 limitation that it may be enjoyed by any producer or participant, be he owner, tenant, or sharecropper (thus, if a corporation operates 100 farms, its overall limitation is \$3,000; if it lets out the farms to tenants or sharecroppers, each of the 100 tenants or sharecroppers is entitled to his \$3,000 limitation)."

3. "Cannot the Secretary of Agriculture, by administrative discretion, pay out of the \$500 million fund sums in excess of \$3,000 based on multiple farms, to a single participant or producer, where that participant or producer has allowed the time for planting to elapse, and would thus suffer hardship if his over-\$3,000 payments were not honored. Winter wheat, of which the time for planting elapsed last fall, is an example."

The Soil Bank Act, approved May 28, 1956 (70 Stat. 188), grants to the Secretary of Agriculture broad discretionary authority in the formulation and administration of the acreage reserve program, participation in which is voluntary on the part of producers. The \$3,000 limitation provided for in the Department of Agriculture Appropriation Act, 1958, approved August 2, 1957 (71 Stat. 338), and applied by the Department on a per producer per farm basis, merely established a ceiling on the amount which could be paid and did not preclude the Department, in its discretion from paying lesser sums. Therefore, and in answer to the first question, the Secretary of Agriculture would be authorized to uniformly apply the \$3,000 per participant payment ceiling quoted above to the \$250 million appropriation and to the portion of the \$500 million appropriation contained in the Department of Agriculture Appropriation Act, 1958 (71 Stat. 338), that has not been obligated by firm agreements entered into between producers and the Department.

Regarding the second question, the Secretary of Agriculture can apply the \$3,000 per participant limitation to the \$250 million and the unobligated balance of the \$500 million appropriations, in the situation involving the corporation owning 100 farms which are owner operated or operated by 100 tenants or sharecroppers provided, of course, that the corporation and tenants both are agreeable to participate in the program on that basis.

In answer to the third question, valid agreements entered into and charged against the \$500 million appropriation are required to be paid therefrom even though, in endeavoring to apply the \$3,000 per participant limitation as to multiple farms with a single participant or producer, such limitation may be exceeded. We are unable to categorically answer your question as to whether a winter wheat farmer who has no written agreement but has allowed the time for planting to elapse without planting could be given the benefit of the \$3,000 limitation per farm, per producer. Such answer would appear to depend upon whether the facts and circumstances surrounding his failure to plant could be said to give rise to an implied contract and whether it would be fair and equitable to other types of farm participants. See section 104 of the act of May 28, 1956 (70 Stat. 190).

We have no information as to the administrative or accounting difficulties which would be involved as a result of applying a different and more restrictive treatment of the \$3,000 limitation to the unobligated balance of the \$500 million appropriation, and our answers to the foregoing questions are based solely on the legal authority of the Secretary of Agriculture to apply the above-quoted limitation, if enacted into law,

to the unobligated portion of the \$500 million.

Sincerely yours,

JOSEPH CAMPBELL,

Comptroller General of the United States.

This exchange makes it clear that the Secretary of Agriculture can live perfectly well with the House's proviso of February 25. By treating the \$500 million authorization voted last summer in the same way as the \$250 million authorization now being voted—by applying to both authorizations the \$3,000 limitation irrespective of the number of farms operated—the Secretary of Agriculture can provide perfect uniformity of treatment. True, he will have to suppress his desire to pay out sums vastly in excess of \$3,000 to one producer from the \$500 million authorization. In view of the need for economy in government, it is not too much to expect him to do so.

Equally clear from the exchange between the Comptroller General and myself is the fact that the \$3,000 maximum is available to a tenant or sharecropper, just as to an owner. There never was any intention to prevent each of 100 tenants of a single large landowner from claiming his \$3,000 maximum. The Comptroller General's reply makes clear that there is to be no discrimination against tenants or sharecroppers.

Finally, the exchange makes clear that the Secretary of Agriculture can, under the House proviso, prevent any genuine hardship. Where the time for planting has gone by, and a participant in the Soil Bank Acreage Reserve has "finalized" his participation, as in the case of winter wheat where the time to plant expired last fall, fairness requires that the Government proceed with the arrangement even in the case of over \$3,000 payments. But this applies only to the approximately \$78 million assigned to winter wheat. For all other crops in the acreage reserve, the planting times as set forth by the Department of Agriculture did not even start until March 1 and will continue for many weeks to come. As indicated by the Department of Agriculture's press release of March 21, 1958, acreage reserve applications have not yet even been accepted:

TWELVE AND TWO-TENTHS MILLION ACRES FOR 1958 ACREAGE RESERVE REPORTED THROUGH MARCH 14

Farmers have offered a total of 12,234,170 "allotment" acres of wheat, corn, cotton, rice, and tobacco for the 1958 acreage reserve of the Soil Bank on signed and filed applications, according to reports from State Agricultural Stabilization and Conservation (ASC) offices to the United States Department of Agriculture.

The latest State ASC reports, made as of March 14, reflect some slight adjustments from information on the program previously available. These reports are still subject to change on the basis of cancellations or adjustments of applications made by farmers or corrections made in county ASC reports.

Signup for the 1958 acreage reserve for spring planted crops closed February 20 for spring wheat, corn, and cotton and March 7 for rice and tobacco. For winter wheat, the program closed last fall when 3.9 million acres (included in the total above) were put in the program.

Corn, cotton, and spring wheat farmers still have until March 28 to cancel or adjust

downward any applications they have filed. In California and Texas, where rice acreage allotments are made on a producer basis, growers of that crop have until April 30 to come into the 1958 program.

By crops, and within fund allocations, farmers through March 14 had signed and filed applications for 3,093,832 acres of upland cotton, 4,018,504 acres of corn, 141,487 acres of rice, 94,313 acres of tobacco, and 4,886,034 acres of wheat (including 3.9 million acres of winter wheat and 986,000 acres of spring wheat). These acreages were covered by a total of 661,519 signed and filed applications. If the applications are accepted and farmers comply with the program, they could earn a maximum of \$469,344,373 on the over 12 million acres offered in signed applications.

In addition to the applications signed by farmers and filed with county ASC committees, other farmers have indicated they want to participate in the program if funds are available.

Applications for payments larger than \$3,000 per participant, except where the time to plant the crop has expired, should therefore be rejected. If this results in disappointment at being restricted to \$3,000 for a corporate applicant which operates 100 farms, and hoped to get \$300,000 from the Treasury, it is a disappointment that must be borne. I suspect it will be a smaller disappointment than that suffered by the taxpayers if they are told that they are going to have to pay the \$300,000.

Unless the House insists on its \$3,000-per-participant proviso, uncounted millions of taxpayers' dollars will be paid out of the Treasury to large farming organizations which neither need nor deserve the money.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, when the appropriation for the transportation and public utility section of the General Services Administration went over to the other body there was some language included in their report to the effect that GSA would not be permitted to appear before any of the regulatory agencies to protect the Federal Government against exorbitant rates.

I notice that the conferees have placed the following language in the report:

The managers on the part of the House do not agree to the statement of policy in the Senate report regarding the role of the service.

I should like to ask the gentleman from Texas [Mr. THOMAS], who was the conferee on that particular item, whether or not there was any agreement on the part of the conferees that the transportation and public utility section was to be permitted to represent the Government before regulatory agencies?

Mr. THOMAS. Of course, that is the very object of that agency. We did have an agreement with all the conferees that the action of the General Services was legal, proper, and desirable. I remember writing out some language myself to the effect we were positive that the General Services Administration would not carry on any delaying action or any dilatory action and I do not think they will.

Mr. YATES. But it was your intention and the intention on the part of the House that this unit do take action in order to protect the interests of the Federal Government as a rate payer. The gentleman does agree that it is the intention of the House that this unit do carry on its function to protect the Government of the United States as a rate payer?

Mr. THOMAS. By law, of course, it is.

Mr. YATES. I thank the gentleman.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, this has to do with the Soil Bank item, the increase for the acreage reserve program. I can fully appreciate the desires of my two friends from Wisconsin as well as the interests of numerous Members of the Congress in retaining the House provision on the \$3,000 limitation. But, may I say again that the conferees have gone as far as we could if we want to treat all farmers, those under the \$250 million that is announced here as well as those under the \$500 million program announced earlier. May I say in regard to the statement about the large sums that have been paid in some instances, that report comes from an investigation which I asked for on behalf of our subcommittee on appropriations. We are the ones that brought that information out. We did it because we thought it should be brought out, and we thought it should be stopped. And, we have, to the limit of our control. May I say to the Members of the House that unless we go along with this conference report, this program of taking care of these farmers who tried to sign up within the time limit will further be further extended, and we will, to a degree, be depriving them of a fair and equal opportunity to participate as they are entitled to under the law. I would like to say further insofar as the coming year is concerned, this program will be limited to the conservation reserve. Our subcommittee now—and I am not at liberty to disclose their official action, but as of now it is their intention to meet this problem every way we can. May I say again with reference to those folks who set out to get around the limitation that was in the bill last year, those who got more than \$3,000 each, my friends from Wisconsin may rest assured that that group got in on the first \$500 million program announced. They would have been the first there and the first in. Those who were left out, were the small farmers who were not as fast to jump to the office door as they would have had to do if they wanted to get in on the first program. So, I am saying that the position my friends take will not reach the people they wish to reach. They are already under the wire. It is essential that the position of the conferees be adopted if we want to treat everybody alike.

Mr. CANNON. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to revise and extend

my remarks and to include extraneous matter.

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

There was no objection.

Mr. ROONEY. Mr. Speaker, the conference committee on H. R. 10881, the Second Supplemental Appropriation Act, 1958, composed of nine Members of the Senate and seven Members of the House of Representatives, have agreed to recommend that an additional \$1,000,000 in funds previously appropriated for another purpose be made available for United States participation in the Universal and International Exhibition of Brussels. This will make a total of \$13,445,000 which has been appropriated for the United States participation in this exhibition. In providing the additional funds, it is with the understanding that the United States pavilion will be kept in full operation and open to the public the 13 hours per day, 7 days per week as authorized by the fair regulations.

Those of us of the House subcommittee on appropriations dealing with this item have at no time said what should or should not be exhibited at the fair. That function has been left to those specifically appointed for that purpose. However, the Senate-House conferees unanimously agreed that more care should be practiced in the choice of exhibits at the Universal and International Exhibition of Brussels, wherein the expenditure of taxpayers' funds is involved, than has been evidenced in some of the sample exhibits which have been given publicity in this country. I have been requested and commissioned by all of the conferees to bring to the attention of the House a proposed exhibit to be erected at a cost of \$25,600 of the Federal taxpayers' money which would refer to our segregation and slum problems. This exhibit was referred to in the following newspaper item from the New York Times of Tuesday, March 11, 1958:

FAIR GETS EXHIBIT ON UNITED STATES PROBLEMS—PRIVATE DISPLAY AT BRUSSELS DEALS WITH SEGREGATION, SLUMS, AND RESOURCES

Three architecturally symbolic buildings will house a report at the Brussels World's Fair on three of this Nation's big problems—segregation, the city, and nature.

When the fair opens next month visitors who have questions about segregation, slums, and overworked natural resources will find some of the answers in this side attraction.

The display, organized by Fortune magazine and designed by Leo Lionni, its art director, will consist of three multicolored pavilions raised on stilts and separated from the main United States pavilion. A suspended runway will pass through the center of its three sections. Each building will be 20 feet long, 12 feet high, and 12 feet wide.

In the first pavilion, a jumbled crystal shape, visitors will see a maze of enlarged newspaper clippings telling about southern school difficulties, bus boycotts, and discrimination in housing, and about slums and urban sprawl, floods and soil erosion.

Less chaotic walls in the second section will display photographs and charts documenting moves toward the improvement of the Negroes' status, toward the increase of private homes and elimination of slums, and toward the preservation of natural resources.

Captions in English, French, and Flemish will accompany this progress report.

The third building, constructed with simple, angled panels, will be calm in contrast. Inside, three large photographs will present the ideals that a sometimes slow democracy works toward. In one enlargement white, Negro, and Oriental children are playing together; a beautiful, balconied apartment building is shown in another; in the third, machines cultivate in contours broad rice fields in California.

The exhibit will be entitled "American Idealism in Action." Originating the idea, a conference at the Massachusetts Institute of Technology last year advised the State Department to play down at Brussels the self-righteousness and boastfulness often associated with the United States. Dr. Walt W. Rostow, an economist at Massachusetts Institute of Technology, suggested then that a candid report on unfinished business be presented at the fair.

My attention has been called to a proposal to publish a five-times-a-week bilingual newspaper at the fair by students of the Columbia University Graduate School of Journalism who have offered their services without pay. If the management of our exhibition at Brussels considers this a worthwhile undertaking, such a proposal could be financed within the total amount allowed by this conference report as well as travel and expenses of topnotch operatic and theatrical stars who are also willing to donate their services without pay.

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to consider en bloc those amendments in technical disagreement on which the House managers will offer a motion to recede and concur, as follows: Nos. 4, 5, 6, 9, 35, and 38.

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

There was no objection.

The Clerk read as follows:

Senate amendment No. 4: Page 2, line 20, insert "of which \$78 million shall be derived by transfer from the appropriation 'Acreage reserve program', fiscal year 1958."

Senate amendment No. 5: Page 4, line 9, after the colon strike out down to and including the figure "\$3,000" on line 11 and insert: "Provided, That the same \$3,000 limitation which was applicable to the original \$500 million authorization shall also apply to the additional \$250 million authorized herein."

Senate amendment No. 6: Page 5, line 17, insert:

"SALARIES AND EXPENSES"

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1958, on the amount available for 'Administrative expenses,' is increased from '\$7,045,000' to '\$7,057,800'; and the limitation thereunder on the amount available for 'Reserve fleet expenses,' is decreased from '\$6,850,000' to '\$6,837,200.'"

Senate amendment No. 9: Page 7, line 16, insert "of which \$3,000 shall be available for payment of compensation to the present incumbent of the position of Chairman of the Commission for the period June 23, 1957, to August 15, 1957, not heretofore paid."

Senate amendment No. 35: Page 19, line 7, insert "and the unobligated balance of the

\$6,100,000 previously appropriated for the Flaming Gorge unit."

Senate amendment No. 38: Page 19, line 11, insert "Provided, That the funds appropriated in this paragraph for the Trinity River Division of the Central Valley project shall be transferred to the appropriation entitled 'Construction and Rehabilitation, Bureau of Reclamation.'"

Mr. CANNON. Mr. Speaker, I move that the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 9, 35, and 38, and concur therein.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. REUSS) there were—ayes 69, noes 14.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 12, line 8, insert:

"INDEPENDENT OFFICES"

"NATIONAL CAPITAL PLANNING COMMISSION
"Salaries and expenses, Washington regional mass transportation survey

"For necessary expenses to enable the National Capital Planning Commission and the National Capital Regional Planning Council to jointly complete a survey of the present and future mass transportation needs of the National Capital region as defined in the National Capital Planning Act of 1952 (66 Stat. 781), and to report their findings and recommendations to the President, including transportation expenses and not to exceed \$15 per diem in lieu of subsistence, as authorized by section 5 of the act of August 2, 1946, as amended (5 U. S. C. 73b-2), for the members of the Commission and Council serving without compensation, \$60,000 to remain available until June 30, 1959: Provided, That the unobligated balance of \$400,000 of appropriations heretofore granted under this head shall remain available until said date and shall be merged with this appropriation."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment No. 18 with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 18, and concur therein with an amendment, as follows: "In lieu of the sum of '\$60,000' named in said amendment, insert '\$50,000.'"

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: On page 14, line 6, insert "of which \$100,000 shall be available for necessary expenses of technical services rendered by other agencies."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment, with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 20, and concur therein with an amendment, as follows: "In lieu of the sum of '\$100,000' named in said amendment, insert: '\$50,000.'"

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 15, line 16, insert: "For payment to Alberta R. Neely, widow of Matthew M. Neely, late a Senator from the State of West Virginia, \$22,500."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 22, and concur therein with an amendment, as follows: In addition to the matter inserted, add the following:

"HOUSE OF REPRESENTATIVES"

"For payment to Gladys S. Dempsey, widow of John J. Dempsey, late a Representative from the State of New Mexico, \$22,500."

"For payment to Jewell T. Long, widow of George S. Long, late a Representative from the State of Louisiana, \$22,500."

"SENATE"

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 48: On page 24, line 23, insert the following: "For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Document No. 80, 85th Congress, \$1,423,236, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by judgment, payment of interest wherever appropriated for herein shall not continue for more than 30 days after the date of approval of this act."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 48, and concur therein with an amendment, as follows: In line 5 of said amendment, delete the words "United States district courts and."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

REINVESTMENT BY AIR CARRIERS OF GAINS DERIVED FROM THE SALE OR OTHER DISPOSITION OF FLIGHT EQUIPMENT

Mr. ROBERTS submitted a conference report and statement on the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

COMMITTEE ON PUBLIC WORKS

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent that the Committee on Public Works be permitted to sit while the House is in session this afternoon during general debate.

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

There was no objection.

ADJUSTING BASIC PAY OF UNIFORMED SERVICES

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 507 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11470) to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and yield myself such time as I may require.

Mr. Speaker, this resolution makes in order the consideration of H. R. 11470, a bill to adjust the method of computing basic pay for officers and enlisted members of the uniformed services and to provide proficiency pay for enlisted members of the uniformed services. It provides for an open rule and 3 hours of general debate.

We are advised that the bill has been entirely written by the Committee on Armed Services, based upon certain recommendations submitted by the Department of Defense contained in the bill, H. R. 9979. The Department of Defense recommendations were in turn based partly on the report of the so-called Cordiner Committee, under the chairmanship of Mr. Ralph J. Cordiner, president of the General Electric Co.

The Cordiner Committee, in its analysis of the high turnover of skilled personnel in the Armed Services made several important recommendations. Basic to their concept of retaining skilled personnel in the enlisted grades, was a recommendation that some form of proficiency pay be instituted for enlisted personnel possessing military skills.

The Cordiner Committee also made strong recommendations with regard to the so-called compression in the officer pay scales. The compression to which

they refer is based upon their contention that the maximum pay of senior officers in the Armed Forces is inadequate to attract a bright young man on a career basis. In other words, young men with ambition and skill seek elsewhere for a career because even if they are the most successful officer in their particular service the maximum pay that they can attain is far below that which is paid for comparable responsibility in the civilian economy.

The Cordiner Committee, we are told, also objected to so-called pay inversions. That is, a system under which a junior in rank can draw more pay than his senior based simply upon his length of service.

We are also told that the retention rate of young officers, although better than that which existed in 1955, is still inadequate to meet the demands of a modern armed force which involves so many complex weapons. Only one officer in four stays on active duty beyond his obligated period of service. And the reenlistment rate of first-term enlistees is only 15 percent. The overall reenlistment rate for first-term enlistees and others who have reenlisted one or more times has increased from a low of 23 percent in 1954 to a present reenlistment rate of approximately 43 percent. Unfortunately, this does not properly reflect the lower reenlistment rate in the special skills among the enlisted personnel.

The Committee on Armed Services believes that they have attained all of the objectives sought by the Cordiner Committee, even though they have retained the traditional concept of longevity. In other words, the Committee on Armed Services has retained the concept that individuals should continue to draw increments in pay based upon their length of service, but they have reduced, to a large extent, the inversions condemned by the Cordiner Committee by eliminating increments in pay after an officer or an enlisted man has passed his normal promotion point.

The Committee on Armed Services, in its bill, authorizes the military services to use two forms of proficiency pay. As a result, the military services will be able to advance an enlisted man to a higher pay grade without changing his military rank and thus allow that individual to draw the increased pay of the higher grade without an insignia change; or in the alternative, the Services may use a straight proficiency pay system whereby they grant to outstanding enlisted personnel possessing military skills additional forms of money ranging from \$50 to \$150 a month depending upon the skill involved and the proficiency of the member who will qualify, for that additional pay.

The Committee does not claim that there will be any \$5 billion saved as a result of enacting this bill. Instead, they claim that combat efficiency will be increased and that while there will be savings reflected in future years in retraining costs, the real result will be found in the ability of the armed services to fulfill their assigned missions, utiliz-

ing the complex weapons that are rapidly becoming a part of our military arsenal.

The bill will cost \$668 million in fiscal 1959 and future costs will depend upon many factors: The size of the Armed Forces, the savings that may be effected, the promotion rate, and other factors.

I hope, Mr. Speaker, that the House will adopt the rule so that we may fully discuss the proposed legislation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, our able colleague, the gentleman from Texas, has explained the rule. I know of no one who objects to the rule. I do not expect to ask for a rollcall vote on the rule, but I must remind the membership of this body that there are \$668 million involved in this bill. When I say \$668 million, I mean that in the event this bill becomes a law, \$668 million of additional funds will go to the military and those of the military who have retired. It seems to me there seems to be some particular rush about this bill. It was reported by the Committee on Armed Services on March 20, and they immediately came over the same day to the Committee on Rules in a rush to get it through the Committee on Rules. Anyone who will even look at the bill itself and the report will, I am certain, be convinced that this is a complicated bill. They have charts and figures and ratios and so on, which are complicated and should be fully explained. I am pleased that the rule provides for 3 hours of debate. I hope those in charge of this bill will explain its provisions in order that the membership will better understand.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. Ford].

Mr. FORD. Mr. Speaker, I would like to say a word or two at this time because, unfortunately, while the bill is being considered in the Committee of the Whole, I will be in a military subcommittee on appropriations where we will be going into some of the costs of the Military Establishment which directly relate to the legislation before us. I will vote for this legislation, but I think it well that the House understand in dollars what may be involved not only in the fiscal year 1959, but in the years hereafter.

I would, for example, like to take one item in this bill which might be worthwhile discussing at this point, and that is the increase in costs for retired personnel. In the President's budget for the fiscal year 1959, which we are currently considering, there is a request for \$600 million. That figure has been going up in the last 6 years to my own knowledge at a very substantial rate as we have more people retiring and as we from year to year increase the payments under the basic law. I understand that in this bill there is a 6 percent increase in the payments made to retired personnel, which in the fiscal year 1959 will add \$36 million to the cost.

So in fiscal 1959, under retired pay alone, the Congress will have to appropriate \$636 million. The Committee on Appropriations can do nothing about such an item. It is forecast by people

who are competent that within a year or two the annual bill for retired personnel will be over a billion dollars.

As I said a few minutes ago, it is not going to get smaller. It is going to get bigger.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield.

Mr. SEELY-BROWN. Does that billion-dollar figure the gentleman spoke about refer to the retired personnel in the Armed Forces or all retired personnel in the Government service.

Mr. FORD. That refers to the Army, Navy, and Air Force retired personnel, and I believe people in the Public Health Service, as I recall.

I am completely cognizant of the necessity to make our Army, Navy, and Air Force a stable, career service. I am for that. I do not think anybody has worked harder trying to convince people that we should increase our reenlistment rate. Part of the reason why we want this legislation is so we can increase our reenlistment rate. However, the record should show we have done one thing after another to improve that situation during the past 4 or 5 years. We have provided a substantial increase in reenlistment bonuses. Does anybody know how much we are paying in fiscal 1958 for reenlistment bonuses? For the 3 services it will be approximately \$150 million. Under the increase for fiscal 1959 it will be \$45 million. So the bonus cost will be close to \$200 million in 1959.

Since the enactment of that law about 3 years ago, has there been any substantial increase in the reenlistment rate? The fact is, No. There has been very little change in the overall reenlistment rate from the time we initially set up the reenlistment bonus program.

We have done some other things that have been aimed at trying to keep people in the service. We have provided a dislocation allowance, which means that if an officer is moved from point X to point Y he gets about 50 percent of one month's pay in order to help pay the cost of that change of station.

The SPEAKER. The time of the gentleman from Michigan [Mr. Ford] has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 5 additional minutes.

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

Mr. FORD. I yield.

Mr. SPRINGER. If we have been spending \$135 million a year for reenlistment bonuses, why have we not increased the rate of reenlistment?

Mr. FORD. There are a great many theories on that. It is my judgment that it is not necessarily added financial payment in one form or another that results in an increase in the reenlistment rate. I will admit it helps some, but simply adding these various programs where Uncle Sam pays more money in one form or another does not always result in an increase in the reenlistment rate. I think if you will look at the record of the overall reenlistment rate

for the last 5 years, that will be shown to be true.

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

Mr. FORD. I yield.

Mr. FLOOD. The trouble with reenlistment is that the wrong category and the wrong type, sometimes the least desirable of the classifications, are reenlistments. What they want to do is to get a better selection of the more desirable classifications of reenlistments. We are getting too many chow hounds reenlisting, and not enough technicians.

Mr. FORD. Let me add a few more things that Congress has done. In my opinion the Congress has been very generous in this way. We have provided in the last 4 or 5 years many millions of dollars to increase family housing facilities at military installations. As a result, within the next year or two there will be no housing shortage at military installations. However, despite the improvement in that regard we do not see any discernible increase in reenlistment rates.

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

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman is raising some very pertinent questions. We still have no answer as to why enlistment bonuses, previously enacted, have not produced the results that were claimed for them when the House passed the legislation. What do the military leaders tell your committee on this subject?

Mr. FORD. You can always get the answer that if we had not done these things the reenlistment rates would have been worse than they have been.

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

Mr. FORD. I yield.

Mr. GAVIN. And the attractions on the outside, the opportunity to make more money and to have more desirable employment, are reasons why we are not getting reenlistments.

Mr. FORD. Let me just mention several other things the Congress has done in this area in the way of providing benefits and attractions. For example, there is the dependent medical care program that is currently costing a hundred million or so a year, which was announced 2 years ago by way of getting more personnel to reenlist. Then we made available Social Security coverage for personnel of the armed services several years ago. Since the enactment of this legislation we have not had any great upsurge of reenlistments.

I simply want to point out that although these benefits we have provided in the last few years will reflect substantially as an added cost to the taxpayers, we have not got the results that everybody said we were going to get. I am suspicious, frankly, of the Cordiner report as the complete solution. I know this bill is not exactly that report. I doubt if these proposals or this bill will have any substantial impact on the reenlistment rate; consequently, do not expect any overnight solution to this problem; do not expect a great change just because you enact this legislation. The

advantages offered in this bill are not the solution to this problem despite the fact that it will cost the taxpayers of this country, if enacted, almost \$700 million additional each year.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include related material.

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

There was no objection.

Mr. MEADER. Mr. Speaker, I am opposed to the bill and I am opposed to the rule. I intend to seek a rollcall on the rule. I think this legislation has no right to be before Congress at this time.

I wonder how short our memories are? Last September after Congress had adjourned, the Pentagon commenced a program of releasing Reserve officers who had served after World War II and after Korea and who were earning their retirement pensions.

The gentleman from Georgia [Mr. VINSON], chairman of the Armed Services Committee, and the gentleman from Louisiana [Mr. BROOKS], chairman of Subcommittee No. 1, were irate about this matter. They wrote to the Pentagon in early January urging a stop to the program because a great injustice was being done to a great number of Reserve officers.

According to testimony later taken by Subcommittee No. 1 of the Armed Services Committee the armed services needed to get rid of 17,000 officers. They proposed to get rid of 70 percent of them by normal attrition and by cutting inductions. They had to discharge 30 percent, or 5,000 officers, against their will.

I have received complaints from officers in my Congressional District and I daresay every Member of this House has received complaints from Reserve officers who had spent the best years of their lives in following a military career on the promise they would receive retirement benefits. Then 2 or 3 years short of their eligibility for a pension they were unceremoniously thrown out of the armed services and were compelled to start a civilian career at a time when they had acquired families and a standard of living which made a new start difficult. Five thousand of them received this treatment.

All that was on the present pay schedule. Are you going to tell us that it is impossible to recruit and retain officer personnel because of poor pay? Look at the officers who were being discharged—lieutenant commanders, majors, lieutenant colonels, commanders, colonels and captains who, under the Cordiner plan, were to get increases of 12 percent, 31 percent and 42 percent, respectively, in their pay.

The military clique wanted to get these Reserve officers out so that Regular officers, the Service Academy Protective Associations, could be promoted to the positions from which Reserve officers were being removed.

Mr. Speaker, I think this is a very unjust measure. We have no business considering it today at a time when there is unemployment and Government service is more attractive to people than it is in time of full employment. A case has not been made for the bill and I think both the rule and the bill should be defeated.

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

Mr. MEADER. I yield to the gentleman from Mississippi.

Mr. COLMER. This bill originally was supposed to be the answer to the Cordiner report. The Cordiner report was going to save the taxpayers some \$5 billion a year and at the same time improve the military setup. As I read the report and as I heard the testimony before the Committee on Rules, instead of saving \$5 billion a year, we are now going to spend \$660 million more a year, as I recall the figures. Is that correct?

Mr. MEADER. That is my understanding from the statements that have been made here today.

Mr. Speaker, I shall insert in the RECORD at this point the correspondence between the Armed Services Committee chairman and the chairman of the subcommittee and the Department of Defense.

I shall also insert excerpts from correspondence I have received which reflect the feeling of injustice done to thousands of Reserve officers:

THE SECRETARY OF DEFENSE,
Washington, January 18, 1958.

HON. CARL VINSON,
Chairman, Committee on Armed Services,
House of Representatives.

DEAR MR. CHAIRMAN: I have received your letter of January 10, 1958, recommending that the involuntary release of officers to effect a reduction in force be stopped.

The decision, and I believe it to be a correct one, to reduce the officer strength was made only after careful consideration. This decision has been implemented and many officers have already left the service. To stop action now would be manifestly unjust to officers already separated, would hurt many awaiting separation who have made job commitments, and would increase the uncertainty of those who have been notified but would be held over to some indefinite date for an unknown decision.

I assure you, Mr. Chairman, this is a problem which has sorely vexed me. Reductions in any force—military or civilian—are not easily made. I share with you the concern for those men who must leave the service but I must also be concerned with what I consider to be in the best interest of our Armed Forces and to the individuals who remain in them.

I believe we have done everything possible to ease the number of and the impact upon those involuntarily released. However, in the interest of fairness to all it is impracticable to stop the involuntary release of Reserve officers who have received their notification.

I appreciate your concern but I know you will understand our position.

Sincerely,

NEIL McELROY.

JANUARY 14, 1958.

HON. NEIL H. McELROY,
The Secretary of Defense,
Washington, D. C.

DEAR MR. SECRETARY: In view of the fact that you have taken the position that you cannot accede to the request of Mr. VINSON

and myself concerning the temporary retention on active duty of Reserve officers of the Air Force and Navy scheduled to be involuntarily released in the near future, it will be necessary for me to convene my subcommittee on Saturday morning at 10 a. m. in Room 313-A for the purpose of taking testimony on this matter.

The subcommittee would like to have your views on the reduction-in-force program and the reasons why you are of the opinion that a temporary delay in the release of these officers cannot be arranged.

I am most hopeful that you can arrange to be present at the appointed hour and be the first witness.

I regret the necessity of calling this meeting on short notice and on a Saturday, but I know you will recognize that since these Reserve officers are due to be released as early as the last day of the month it is imperative that the subcommittee take immediate action, particularly in view of the fact that our request for their retention has been denied.

Sincerely,

OVERTON BROOKS,
Chairman, Subcommittee No. 1.

JANUARY 10, 1958.

HON. NEIL H. McELROY,
The Secretary of Defense,
Washington, D. C.

DEAR MR. SECRETARY: I wish to acknowledge receipt of your letter of January 10 which was in response to ours of January 7 concerning the suspension of future action on the reduction-in-force programs of the military services.

Your letter states that, for the time being, no further notifications of release are to be issued to Reserve officers to effect reductions in force. However, it is not clear what will be done for those Reserve officers who have received such notifications but have not been released from active duty.

I wish to make it clear that our recommendation was that the reduction-in-force program should be stopped and that no more Reserve officers be involuntarily released in order to effect a reduction in force. This would mean that those Reserve officers who previously received a notification of release would have such notifications canceled and be retained on active duty until such time as Subcommittee No. 1 has an opportunity to review this program. Our recommendation concerned only those Reserve officers being released because of a reduction in force and was not intended to apply to the normal administrative release of officers for termination of contract, unsatisfactory service, disciplinary reasons, and similar types of releases.

Will you please advise your decision in the light of this clarification of our original letter.

Sincerely,

CARL VINSON, Chairman.

JANUARY 10, 1958.

HON. CARL VINSON,
Chairman, Committee on Armed Services,
House of Representatives.

DEAR MR. CHAIRMAN: In response to your letter of January 7, 1958, the Department of Defense does not plan at this time to issue any further notifications of release to Reserve officers to effect a reduction in force. The Secretaries of the military departments have been notified accordingly. However, the normal administrative release of officers for termination of contract, unsatisfactory service, disciplinary reasons, and similar types of releases will continue.

In connection with the foregoing, the Department of Defense will be glad to present any information which the Armed Services Committee may require.

Sincerely,

JANUARY 7, 1958.

HON. NEIL H. McELROY,
The Secretary of Defense,
Washington, D. C.

DEAR MR. SECRETARY: We have been concerned about the reduction-in-force programs recently implemented by the military services which have had the effect of involuntarily releasing many Reserve officers from active duty. In addition to those already returned to civilian life there are many more who have received notices of their separation from the service in the near future. Still others live and work from day to day not knowing when they will be notified that they also must be released.

We recognize that the Army has announced that no further reduction in Reserve officer personnel will take place in fiscal year 1958 but, to our knowledge, no such action has been taken by the Departments of Navy or Air Force.

This has caused a most unfortunate but understandable reaction among Reserve officers serving on active duty. Certainly, morale has suffered and the unsettled condition of their careers is having a markedly deleterious effect on the performance of duty of many of the Reserve officers still serving with the active forces.

We would remind you that these programs were initiated and implemented during the time that Congress was in adjournment. Furthermore, we are sure you have been advised that Subcommittee No. 1 has scheduled hearings in order to conduct an inquiry into the reduction-in-force programs, to begin just as soon as committee business will permit.

In view of the foregoing we believe that the best interests of the military services would be served if you would direct the Secretaries of the military services concerned to suspend any further action on the reduction-in-force programs, as it relates to Reserve officers, until such time as Subcommittee No. 1 has had an opportunity to review this matter and make such recommendations as may seem appropriate or advocate enactment of corrective legislation.

Sincerely,

CARL VINSON,
Chairman.

OVERTON BROOKS,
Chairman, Subcommittee No. 1.

Here is the service record of an Air Force major among those unjustifiably separated:

Fifteen years and eight months active duty, 6 years and 7 months of which were spent overseas. He has 3,624 hours of flying time. His awards include the Distinguished Flying Cross, the Air Medal with 3 oak leaf clusters, the European Theater Medal with 3 battle stars, to mention but a few of his valued decorations.

He wrote:

It would be enlightening to me to know where and how I have failed in relation to my fellow officers. If my performance of duty has been substandard at any time, this fact has never been brought to my attention by any of my commanders or superiors.

I sincerely feel that the service to my country has been devoted, honest, honorable, and, above reproach at all times. My record indicated that I have never committed an offense and have never been reprimanded for any acts or omissions in performance of duty.

As noted in my officer military record, a copy of which is enclosed, I am a combat veteran of World War II. At the end of my current tour, I will have completed 6 years and 7 months of service overseas.

It is most difficult to give up the years I have devoted to service for my country and not be eligible to continue on active duty

for retirement purposes. In April 1962, I would have completed 20 years of continuous active duty.

That is the case of a skilled pilot, trained at a cost of hundreds of thousands of dollars to American taxpayers, unwillingly and quietly separated from the Air Force on the one hand while his superiors were attempting to make a case for higher pay ostensibly to retain well-trained, qualified officer personnel.

Here are excerpts from a letter from the wife of an Army major, specialized in the field of Medical Corps administration:

I admit the logic of the reasons advanced for the cut—in Reserve personnel on active duty—but injustice is being done to some of the Reserves, as a result of which officer morale is at a new low among all except the mediocre Regulars who see better hopes of their promotion. Bright young lieutenants, like several my husband commands and whom the Army wishes to attract, are deciding against working for an organization which breaks promise after promise to men like him.

She wrote further:

If you think that the associates of my husband and other men like him are bitter, disgusted, and sick at heart at this reward for excellent and faithful service to their country, you are absolutely correct.

Here is what a lieutenant colonel wrote a distinguished constituent of mine:

To say that I am not bitter after 16½ years of service would be deceitful—I am. The Civil Service and General Motors have better personnel programs than the Army. At least, where qualified, the employees with long service can bump down and those with least service and experience leave first. They are not required to go all the way to the bottom and crawl back up again. However, I am not giving up and I am going to start over again as an enlisted man, in order to complete my time for retirement. The 16th of November is the date for the switchover and I will have 3½ years to go.

Is not that a fine reward for a distinguished officer having served his country for 16½ years?

He wrote further:

I have one consolation; the job that I am presently holding and my last one as an officer is considered one of the key spots in the service. My local commanding officer and my immediate superior were as shocked as I when the notice (of impending separation) came through.

They assured me that in the short time that I had been here I was their answer to a problem they had of locating an experienced terminal operator that knew the problems of discharging and loading oceangoing ships, documenting of cargo, and coordinating the land movement of freight to and from the port.

Even the Navy is not immune to handing out this sort of treatment. Several constituents wrote me concerning a young lieutenant, sent to college at Government expense—the equivalent of an Annapolis education, to other technical schools and then placed in charge of a coastal radar station so vital to our national defense.

He was told recently, too, his services no longer were needed after 16 years of both enlisted and commissioned service.

Here is what I wrote Secretary Gates:

Naturally, I would like a detailed report on the situation of my constituent. However, in the light of current proposals, I would like some kind of an explanation to satisfy constituents who have complained to me about the treatment being accorded competent military officers, its bearing upon attracting competent persons to a military career and how we can be going in both directions at the same time by claiming that the pay scale is so low as to be unattractive and at the same time discharge officers against their will.

Mr. Speaker, the whole foundation for this legislation is that increase pay is necessary to attract and retain capable personnel.

I say that no case has been made by the Pentagon for that request.

I want to call attention to some testimony given by senior officers before the Appropriations Committee in connection with the Department of Defense appropriation for fiscal year 1958.

On February 18, 1957, just a year ago, Admiral Beardsley testified before the Subcommittee on Defense Department Appropriations on the reasons given for voluntary separations from the service by both officer and enlisted personnel, and the reasons given for junior Reserve officers' recall to active duty at their own request.

It is apparent from the testimony, which I will include in full in my remarks, that of 211 officers who resigned on completion of their obligated service only 5 percent gave insufficient pay as the reason for leaving the service.

It is also apparent that retirement and other benefits were an incentive for those junior Reserve officers who returned to active duty voluntarily.

The pay incentive offered by this bill, especially to junior officers, in no way offsets the incalculable harm done to morale of reservists still on duty, to those already separated, and the reputation of the services for keeping faith with their personnel.

At this point I insert an excerpt from pages 851 and 852 of the hearings to which I have referred:

REASONS FOR LEAVING THE SERVICE

Admiral BEARDSLEY. I do not know if you want this in the record right now, but I have a report which was finished September of last year following an interview with young officers upon release from the service. This gives a breakdown of 12 reasons given by these officers upon release from service.

Mr. SHEPPARD. Very well. You may give that.

Admiral BEARDSLEY. The question was: "Why are officers leaving the Navy?" This investigation was conducted last September 1956. I will read the reason and then the percentage given on this interview.

Job dissatisfaction, 43 percent;
Limited homelife, 17 percent;
Instability of service as career, 8;
Unsatisfactory advancement, 5—I am rounding these off, sir;

Insufficient pay, 5;
Loss of officer prestige, 5;

Mr. MILLER. What was that, sir?

Admiral BEARDSLEY. Loss of officer prestige.

Mr. MILLER. Loss of officer prestige? I do not follow it. Are they not officers?

Admiral BEARDSLEY. These are officers. Perhaps I should say this off the record.

(Discussion off the record.)

Admiral BEARDSLEY. To continue:
Loss of traditional benefits, 4;

Family living conditions, $1\frac{1}{2}$;
Demands of Navy social life, $1\frac{1}{2}$; and
All other reasons, 10.
That adds up to 98 or 99 percent.
I have it for enlisted men.

Mr. SHEPPARD. We are interested in that.

Admiral BEARDSLEY. This is based on exit interviews with 11,000 enlisted men. That is the size of sample. It was made April to October 1956.

Better civilian job opportunities, 39; take advantage of educational opportunities, 34; general dissatisfaction with military life, 8; family demands, 5; extended fleet operations, 2; lack of advancement opportunity, $1\frac{1}{2}$; to enlist in another service, $1\frac{1}{2}$; poor leadership, 1; not recommended for advancement, 1; poor habitability, $\frac{1}{2}$ of 1 percent; no reason given in about 6 or 7 percent of the cases.

Mr. SHEPPARD. Taking the 2 tables that you have just given for the record in response to Mr. Riley's interrogation, was the report completed or finalized to the degree that it can be determined if the difficulties expressed in those 2 reports, are correctable within the Navy by regulatory concept as against that by legal requirements or an act of Congress?

Admiral BEARDSLEY. No, sir.

Mr. SHEPPARD. Do you think in order to complete that report you might have those percentages determined?

Admiral BEARDSLEY. I believe I would have to have the Bureau of Naval Personnel do that. I will have such an insert prepared.

Mr. SHEPPARD. I think it would be very interesting to have that added information at this point in the record. You may have it supplied by the Bureau of Naval Personnel if you wish.

Admiral BEARDSLEY. All right.

(The following information is furnished for the record by Vice Adm. J. L. Holloway, Jr., USN, the Chief of Naval Personnel:)

"Determination of valid percentages of categories requested is not feasible with the data available at present. The report referred to is a single sample, 211 officers, from a continuing series of officer surveys. The officers questioned in this sample were Reserves leaving the Navy upon completion of obligated service, the majority of whom had indicated on original commissioning that they had no serious thought of making the Navy a career.

"The individual reasons given for leaving the service were arbitrarily grouped to indicate a job dissatisfaction percentage which is not substantiated by the continuing survey. Study of the individual reasons given would appear to confirm the view that they do not voluntarily continue on active duty primarily because of long overseas deployments, rigorous duty demands and limited opportunity for family and home life.

"And in this connection, the Navy must, under the current international situation, maintain substantial forces deployed on distant station in a high and continued state of readiness. In general, our personnel accept and endure the rigors of Navy life with considerable pride.

"A similar sample questionnaire administered to some 400 junior reserve officers recalled to active duty at their own request indicates the chief reasons for returning were preference for Navy life, and retirement and similar benefits. Nevertheless, this group frankly stated their view that civilian life had considerable advantages in terms of financial gains, adequacy of housing, and family life. But they expressed the thought that they would be better off in the Navy for such things as medical and retirement benefits, enjoyment of work, and travel.

"And practically without exception they indicated that they had not fully appreciated the less tangible but nevertheless real challenges and satisfactions of Navy life until they had left the Navy for a while.

"The views of two groups of Reserve officers of approximately the same age, but at different stages of service association, would appear to justify caution in accepting validity of other than generally observed phenomena.

"The Chief of Naval Personnel believes that the fundamental reason for more reserve officers not desiring to continue on active duty can best be expressed in such general terms as the opportunity currently offered in civilian life for high financial return, and homelife as a private citizen, free from the rigors of Navy operations.

"The Chief of Naval Personnel looks forward to the opportunity to elaborate on the foregoing remarks in greater detail to meet the desires of the committee when he appears personally before it."

I would like during the debate to hear explained how the Pentagon can talk out of both sides of its mouth at the same time; that is, first firing qualified officers in an unjustified manner, then asserting that we have to raise the pay to get officers to remain in the military service.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, it is difficult for some of us who have never participated in military operations and who have never been privileged to become millionaires, to understand how you can cure a depression by raising the pay of certain groups of our Federal employees and raising the wages of certain groups that are employed in industrial plants.

Some of us have been told that inflation was caused by too much money being put in circulation. That inflation came when the money supply exceeded the real value of things for sale. The other day the House voted to raise the debt limit to \$280 billion dollars. A few more bills like this put into operation will require another raise in the national debt limit.

When I go to the market I do not see any drop in prices. When you go to the ordinary store you do not see any drop in prices. Yet along comes a bill like this one. We increase the pay of a certain group, and then comes another group. But, the gentleman from Michigan [Mr. MEADER] said it seems to some of us on the outside that we are playing favorites all the time here with those who were in the academies, just want to kick out others who entered the service when they thought there was necessity for their enlistment or their service, and the war is over and things settle down a little bit and we raise the compensation of another group of the professionals and kick out the other ones who left their homes and businesses and their families to serve. Apparently they were just as patriotic as those who graduated from the 2 academies—or 3 now. Well, as some of you have heard by the grapevine, once in a while I go fishing and hunting, yet I find that these fellows in the armed services, the aristocrats of the services, are usually ahead of me in being able to get there quickly without any expense to themselves, and they usually seem to have a sort of a preserve or refuge or something set off for their personal benefit where I cannot get on. It cannot be that this life in

the armed services is too terribly hard. They waste and misuse almost as much if not more of the tax dollars as do Members of Congress. I see my friend and guide, the gentleman from Georgia [Mr. VINSON], chairman of the committee. Of course, CARL, I realize that it is treason to vote against anything that you propose, and that you have the boys so frightened that every time you get a roll call they all have to go along. For example, my colleague, the gentleman from Michigan [Mr. FORD], he does not like this bill, so he said, but he said he would vote for it. Sure. You whip all into line. I would not compare your operations with those carried on in Russia, but they are just about as effective. Of course, you salve and kid us along. I do not believe there was anyone who ever opposed a bill that you brought to this floor that you just did not slap down with flattery. Now, we cannot resist that; I cannot personally always resist, and others cannot.

The SPEAKER pro tempore (Mr. McCormack). The time of the gentleman from Michigan has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HOFFMAN. That makes me think, noting our distinguished colleague in the chair, about this spending business. You noticed the other day we appropriated billions of dollars of additional funds. I almost wish I had gone along with Dr. Townsend or Walter Reuther who said that all the people lack is purchasing power. Somebody suggested that we print the money. After the House appropriated additional billions of dollars to aid in lessening or ending unemployment, along comes the efficient, astute, political gentleman from the majority side [Mr. McCormack] and he says in substance, "Come on, boys; let us go back and join Eisenhower. Our divorce was only temporary. We commend him." Of course, he, incidentally, claims all the credit for your side. "And," he added, "hurry up the spending of this money." Get rid of it before it rusts. Does that make sense? Honestly, all joking aside, can you cure a depression by just putting more money into circulation? Do not prices go up as the volume of money given to the people is increased? Years ago I remember some financial experts telling us that that was it, and I think our expert from Texas [Mr. PATMAN] said—and I think that is still his theory—"Just print it." Well, if that is the answer then, of course, there is no use fussing around as we have been doing; let us print it and be done with it and give everybody all the paper money he wants. But, unfortunately, after that happens things break down, and by decreasing the number of those who work and earn and practice a little thrift and save, their ability to pay in tax dollars will be exhausted. Meanwhile the added dollars buy ever less. Of course, I would rather give it, as the gentleman from Georgia suggests and the gentleman from Texas [Mr. KILDAY]—I would rather give it to those in the armed services than waste it abroad. I have a grandson.

Neither inflation nor unemployment can be prevented or ended by indiscriminate spending.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. BROWNSON].

Mr. BROWNSON. Mr. Speaker, at the outset, let me make my position clear. I am in favor of a strong and well-paid Military Establishment. As a personnel staff officer in World War II, I realize the importance of maintaining high morale and the necessity of attracting sufficient numbers of capable and skilled personnel to lifetime careers in the armed services.

In recent years, Congress has done much to improve the opportunities of our citizens in the armed services. The Career Incentive Act of 1955 provided pay increases and, among other things, a dislocation allowance on permanent change of station. I supported this measure. Later on that year Congress passed the Dependent's Assistance Act which I supported and the Survivor's Benefits Act, for which I also voted. These bills improved the conditions of service personnel, provided their dependents with medical attention and included military personnel under the provisions and protection of social security.

We are now asked to consider a bill to raise the pay of members of the armed services once again and to provide proficiency pay for enlisted members of the Military Establishments. Most of us are prepared to accept the fact that a carefully considered increase in pay can contribute toward an increase in the reenlistment rate and the officer retention rate.

Needless to say there are many factors, other than rate of pay, which affect the individual's decision as to whether or not to remain in the armed services. Enlightened personnel procedures, reasonable respect for the personal problems of the individual military man or woman and exercise of intelligent leadership certainly contribute to the happiness and satisfaction of military personnel. Every member of this body has, in his own office files instance after instance of cases where poor administration and lack of exercise of basic commonsense has turned individuals so violently against the service that no amount of incentive pay would ever attract them back to a nightmare of misclassification, petty harassment or lack of effective leadership. Fortunately, these cases are the exception rather than the rule.

This bill, which is before us today, seeks to adjust the basic pay of the officers and enlisted members of the uniformed services and to provide proficiency pay for enlisted members of these uniformed services. That is a sugar-coated way of describing another pay-raise bill, and that is essentially what we have before us right now.

Once this legislation was described as an economy bill but that concept has been pretty thoroughly discredited by the great Committee on Armed Services which notes on page 2 of its report:

In an effort to impress upon the American public the necessity for adequate pay adjust-

ments for members of the armed services, considerable publicity has been given to the Cordiner report. In essence, the public has been led to believe that adoption of the Cordiner report after it has been in effect for several years, would lead to an actual savings of \$5 billion annually in defense appropriations. In addition, the American public has been advised of the necessity for the adoption of a merit promotion system for members of the armed services. The facts in connection with these two points must be fully explained. The Secretary of Defense in testifying before the Committee on Armed Services, stated in connection with the proposed \$5 billion savings:

"In fact, one thing we have been trying to get away from ever since I have been down here is that commitment to save \$5 billion a year. We would like to save \$5 billion a year, and like it very much, but the savings, the potential savings here, are dependent upon quite a good many contingent benefits * * * and we just feel that we would like to forget that that figure was ever mentioned."

No person in any position of responsibility in the Department of Defense has agreed that the adoption of the so-called Cordiner report would actually result in a \$5 billion annual saving. The information submitted by the Department of Defense indicates that by 1962 actual savings of \$100 million a year will be effected.

If this is essentially a pay-raise bill for the uniformed services, we must ask ourselves how much study the bill has received in subcommittee, how much time was spent on the bill in full committee, and whether, as a result of these deliberations, a bill has evolved which will accomplish the purpose the Committee on Armed Services outlines on page 3 of its report:

The Committee on Armed Services is of the opinion that adoption of the proposed legislation will serve to further increase the reenlistment rate particularly in the so-called hard skill area among enlisted personnel, as well as the officer retention rate.

May I ask either the chairman of the great Committee on Armed Services or the distinguished gentleman from Texas [Mr. KILDAY], the chairman of the subcommittee which originated this legislation, how much time the Committee on Armed Services, itself, spent on this bill?

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

Mr. BROWNSON. I yield to the gentleman from Texas.

Mr. KILDAY. The subcommittee in charge of this bill held open hearings 5 days a week, sometimes both morning and afternoon, for 4 consecutive weeks. It took 514 pages of testimony, which are available here. We then spent practically 1 week in executive session marking up the bill. I will say that we considered it in the subcommittee for 5 weeks.

Mr. BROWNSON. I congratulate the gentleman from Texas on the thoroughness of the consideration by the subcommittee, but, when the bill came before the full committee?

Mr. KILDAY. The bill was completed by the subcommittee on Monday afternoon. The same afternoon I offered a clean bill which was available in the document room on Tuesday morning. It came before the full committee on Thursday morning when it was considered during the entire morning session of that day.

Mr. BROWNSON. I thank the gentleman.

Mr. KILDAY. I might state for the information of the gentleman that I have never known of a bill before a committee which was handled by a subcommittee that consumed more than one session in connection with it.

Mr. BROWNSON. In other words this bill was considered by the full Committee on Armed Services for approximately 2 hours; is that right, sir?

Mr. KILDAY. That is substantially correct.

Mr. BROWNSON. Mr. Speaker, this bill involves an increased expenditure at this time of well over a half a billion dollars in the next year alone. Under this legislation it is possible for enlisted personnel with hazard pay to receive as much as \$8,304 a year or \$7,044 a year without hazard pay. A 4-star general with hazard pay will receive \$29,304 a year or \$27,324 without hazard pay.

This legislation increases the overall pay of 4-star generals by 36 percent; of lieutenant generals by 31 percent; of major generals by 23 percent, and of brigadier generals by 20 percent. The overall pay of colonels or captains in the Navy will be increased by 18 percent, majors by 11 percent, captains by 11 percent, first lieutenants by 8 percent, and second lieutenants by 4 percent. The overall pay of master sergeants will be increased by 12 percent. The overall pay of sergeants first class will be increased by 7 percent. Sergeants second class will receive a 10 percent pay boost and corporals will receive 8 percent.

Under this legislation a 4-star general will receive an increase of 47 percent on his basic pay which represents a raise of \$7,188 a year. I wonder if this is necessary, in order to keep our four-star generals happy. I have not heard of many of them leaving the service except to retire at 50 or 55. How does the company grade officer make out? He is the one with the wife and youngsters who is often attracted to civilian life by increased earning possibilities. He gets an increase which amounts to only 15 percent of his basic pay or an additional \$68 a month; \$816 a year.

The sergeant first class rates an increase of only 11 percent basic pay which amounts to almost \$29 a month or \$332 a year. Are we saying to him, "This bill is a great thing for you. You are not going to get very much now. Your 11-percent increase on your basic pay doesn't compare with the 47 percent increase we gave your four-star general, but then, your morale should be improved because when you get to be an Army commander, you'll get your \$27,324 a year too."

There is much merit in this legislation. The armed services has been in a turmoil for over a year as the much publicized and propagandized findings of the Cordiner Commission were dangled in front of their eyes. I hope, however, we can defeat the rule on this bill today. This would have the effect of sending it back to the committee for reworking. I want our generals and admirals to be paid well, to live well and

to be appreciated. I also want our non-commissioned officers, our enlisted technicians and our company grade officers to get a well-deserved break during the years they are raising families. They are the ones who are most tempted to leave the service, not our top-ranking officers.

May I suggest that the tremendous increases in pay for the top-level general officers may not take fully into account the fringe benefits they already receive? Few corporation officials have access to the yachts, airplanes, staffs, and other perquisites which are quite properly a part of their life. I do not begrudge them these privileges. I only say that when their salaries are compared with those of their civilian counterparts these fringe benefits, together with comparatively liberal retirement, medical attention, and career security must be taken into consideration. A 47-percent increase is quite a boost in a period of insecurity in civilian employment opportunities.

It is difficult to explain this bill to the reservist who served in World War II, and who was called back into the Korean conflict, only to be read out of the Army, Navy, or Air Force this year in the interests of economy.

I favor a more equitable distribution of pay increases. If the motion on the rule is carried, I will reluctantly vote for the bill, hoping that as it goes through the balance of the legislative process it will improve.

SOIL BANK CONTRACTS

Mr. ALBERT submitted a conference report and statement on the bill (H. R. 10843) to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments.

ADJUSTING BASIC PAY OF UNIFORMED SERVICES

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. MEADER) there were—ayes 82, noes 6.

Mr. MEADER. 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 pro tempore. 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 382, nays 5, not voting 42, as follows:

[Roll No. 29]

YEAS—382

Abbott	Anderson,	Baker
Abernethy	Mont.	Baldwin
Adair	Andrews	Baring
Addonizio	Anfuso	Bass, N. H.
Albert	Arends	Bass, Tenn.
Alexander	Ashley	Bates
Alger	Ashmore	Baumhart
Allen, Calif.	Aspinall	Beamer
Allen, Ill.	Avery	Becker
Andersen,	Ayres	Beckworth
H. Carl	Bailey	Belcher

Bennett, Fla.	Griffin	Montoya
Bennett, Mich.	Griffiths	Moore
Berry	Gross	Morgan
Betts	Gubser	Morgan
Blatnik	Hagen	Morris
Boggs	Hale	Moss
Boland	Haley	Moulder
Bolling	Halleck	Multer
Bolton	Harden	Mumma
Bonner	Hardy	Murray
Bosch	Harris	Natcher
Bow	Harrison, Nebr.	Neal
Boyle	Harrison, Va.	Nicholson
Bray	Harvey	Nimtz
Breeding	Hays, Ark.	Norblad
Brooks, La.	Hays, Ohio	Norrell
Brooks, Tex.	Healey	O'Brien, Ill.
Broomfield	Hemphill	O'Brien, N. Y.
Brown, Ga.	Henderson	O'Hara, Ill.
Brown, Mo.	Herlong	O'Hara, Minn.
Brown, Ohio	Heseltun	O'Konski
Broyhill	Hess	O'Neill
Budge	Hiestand	Osmer
Burleson	Hill	Ostertag
Bush	Hillings	Passman
Byrne, Ill.	Hoeven	Patman
Byrne, Pa.	Hoffman	Patterson
Byrnes, Wis.	Hollifield	Pelly
Cannon	Holland	Perkins
Carnahan	Holmes	Pfost
Carrigg	Holt	Philbin
Cederberg	Holtzman	Pilcher
Chamberlain	Hosmer	Pillion
Chelf	Huddleston	Poage
Chenoweth	Hull	Poff
Christopher	Hyde	Polk
Church	Ikard	Porter
Clark	Jackson	Powell
Clevenger	Jarman	Preston
Coad	Jenkins	Price
Coffin	Jennings	Prouty
Collier	Jensen	Quile
Colmer	Johansen	Rabaut
Corbett	Johnson	Ray
Coudert	Jonas	Reece, Tenn.
Cramer	Jones, Ala.	Reed
Cretella	Jones, Mo.	Rees, Kans.
Cunningham,	Judd	Reuss
Iowa	Karsten	Rhodes, Ariz.
Cunningham,	Kearney	Rhodes, Pa.
Nebr.	Kearns	Riehlman
Curtin	Keating	Riley
Curtis, Mass.	Kee	Rivers
Curtis, Mo.	Kelly, N. Y.	Roberts
Dague	Keogh	Robeson, Va.
Davis, Ga.	Kilburn	Robison, Ky.
Dawson, Ill.	Kilday	Rodino
Dawson, Utah	Kilgore	Rogers, Colo.
Delaney	King	Rogers, Fla.
Dellay	Kirwan	Rogers, Mass.
Dennison	Kitchin	Rogers, Tex.
Dent	Knox	Rooney
Denton	Knutson	Roosevelt
Derounian	Krueger	Rutherford
Devereux	Lafore	Sadiak
Dingell	Laird	Santangelo
Dixon	Landrum	Saund
Dollinger	Lane	Saylor
Donohue	Lankford	Schenck
Dooley	Latham	Scherer
Dorn, N. Y.	LeCompte	Schwengel
Dorn, S. C.	Lennon	Scott, N. C.
Dowdy	Lesinski	Scott, Pa.
Doyle	Libonati	Scrivner
Durham	Lipscomb	Scudder
Dwyer	Loser	Seely-Brown
Eberhart	McCarmy	Selden
Edmondson	McCormack	Sheehan
Elliott	McCulloch	Shelley
Everett	McDonough	Sheppard
Evins	McGovern	Sikes
Fallon	McGregor	Siler
Farbstein	McIntire	Simpson, Ill.
Fascell	McIntosh	Simpson, Pa.
Feighan	McVey	Sisk
Fenton	Macdonald	Smith, Calif.
Fino	Machrowicz	Smith, Kans.
Fisher	Mack, Ill.	Smith, Miss.
Flood	Mack, Wash.	Spence
Flynt	Madden	Springer
Pogarty	Magnuson	Stauffer
Ford	Mahon	Steed
Forrester	Mailliard	Sullivan
Frazier	Marshall	Taber
Frelinghuysen	Martin	Talle
Friedel	Matthews	Teague, Calif.
Fulton	May	Teague, Tex.
Garmatz	Morrow	Teller
Gary	Metcalf	Tewes
Gathings	Michel	Thomas
Gavin	Miller, Calif.	Thompson, La.
George	Miller, Md.	Thompson, N. J.
Glenn	Miller, Nebr.	Thompson, Tex.
Gray	Miller, N. Y.	Thomson, Wyo.
Green, Oreg.	Minshall	Thornberry
Gregory	Mitchell	Tollefson

Trimble	Walter
Tuck	Watts
Udall	Weaver
Ullman	Westland
Utt	Wharton
Vanik	Whitener
Van Pelt	Whitten
Van Zandt	Widnall
Vinson	Wigglesworth
Vorys	Williams, Miss.
Vursell	Williams, N. Y.
Wainwright	Willis

NAYS—5

Bentley	Mason	Wier
Brownson	Meader	

NOT VOTING—42

Auchincloss	Diggs	Kluczynski
Barden	Engle	McFall
Barrett	Forand	McMillan
Blitch	Fountain	Mills
Boykin	Gordon	Morrison
Buckley	Granahan	Radwan
Burdick	Grant	Rains
Byrd	Green, Pa.	Robison, N. Y.
Canfield	Gwinn	St. George
Celler	Haskell	Shuford
Chipfield	Hébert	Sieminski
Cooley	Horan	Smith, Va.
Davis, Tenn.	James	Stagers
Dies	Kean	Taylor

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Canfield.
Mr. Boykin with Mr. Kean.
Mr. Buckley with Mr. Auchincloss.
Mr. Gordon with Mrs. St. George.
Mr. Engle with Mr. Taylor.
Mr. Dies with Mr. Gwinn.
Mr. Sieminski with Mr. James.
Mr. Green of Pennsylvania with Mr. Chipfield.
Mr. Staggers with Mr. Horan.
Mr. Rains with Mr. Haskell.
Mr. Barrett with Mr. O'Konski.
Mr. Forand with Mr. Robison of New York.
Mr. Fountain with Mr. Radwan.
Mr. Shuford with Mr. Burdick.

Mr. KNOX changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed the following resolution:

Senate Resolution 280

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. GEORGE S. LONG, late a Representative from the State of Louisiana.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate, at the conclusion of its business today, take a recess until 11 o'clock antemeridian tomorrow.

The message also announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 11086. An act to amend the Agricultural Adjustment Act of 1938, as amended, with respect to wheat acreage history.

The message also announced that the Senate agrees to the report of the com-

mittee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10843) entitled "An act to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments."

The message also announced that the Secretary of the Senate requests the House of Representatives to return to the Senate the bill (S. 1538) entitled "An act to provide for the adjustment of the legislative jurisdiction exercised by the United States over land in the several States used for Federal purposes, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10881) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes."

The message further announced that the Senate agrees to the amendments of the House to Senate amendments numbered 18, 20, 22, and 48 to the above-entitled bill.

ADJUSTING BASIC PAY OF UNIFORMED SERVICES

Mr. KILDAY. 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. 11470) to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11470), with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KILDAY. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, for quite some time now there has been a realization in the country that a difficulty exists in connection with our armed services. I am sure that we are all quite familiar with the articles that have been published in national magazines over a period of months as to the conditions existing and the fact that we are failing to retain the highly skilled personnel necessary in modernized warfare, and that we are unable to retain the highly competent and qualified younger officers in the services. These officers, and the enlisted men as well, cost tremendous amounts of money to train, and we are constantly retraining while those men go into industry. We should bear in mind at the outset that our training costs in the armed services at the present time run to \$4 billion a year. Four billion dollars a year is expended in training personnel of the Armed Forces, and it is a continuing drain upon us because we are so rapidly losing the trained members of our armed services.

So we have a problem, and it is my purpose today to discuss the problem which exists and point out what I believe to be the cause of that problem and the remedy which is suggested by the bill which has been brought to you by the committee.

I should like for just a moment to state to you that in my service in this House I have never known of a bill which received the careful, the protracted consideration that this bill received. For 4 straight weeks the subcommittee of the Committee on Armed Services received testimony on this bill. We received it from all of the services concerned. We received it from every individual who asked to be heard and had any legitimate excuse to be heard. No one has complained that he was denied an opportunity to appear. I am very considerably surprised to find that there is any contention that this bill has been rushed. I assure you that had you participated in these subcommittee hearings and knew the number of hours involved in the consideration of this bill you could take no part in the complaint that has been made to that effect.

Now what is our situation? We are attempting to maintain an armed force of, recently, 2,750,000, now being reduced to 2,605,000. In order to do that we must attract men on a career basis which is, of course, at the present time supplemented by the draft. We have over 65,000 new members entering the armed services each month at the present time. More than 65,000 persons are entering each month.

In fiscal 1959 it is anticipated that of 2,300,000 enlisted personnel there will be approximately 241,000 inductees and 1,297,000 enlisted men in their first enlistment, leaving only 765,000 trained and experienced personnel to perform the multitudinous tasks required in our present Armed Forces.

In the electronics field, in 1957, only 13 percent of the eligible first-time enlistees reenlisted. In other technical fields only 12.8 percent of the eligible enlistees reenlisted. In fiscal 1957, in the Air Force alone, enlistments of 22,000 airmen in 28 highly technical fields expired. Of those 22,000 only 5,500 reenlisted. This resulted in a loss of 16,500 experienced personnel, and, according to the Air Force, a replacement training cost of over \$60 million.

Of 12,000 ROTC officers and aviation cadets who entered the Air Force on active duty in 1953 only 4,000 remain on active duty at this time. In the Navy in fiscal 1957 the first term reenlistment rate was 15 percent. According to the Chief of Naval Operations the Navy operated, in 1957, with a shortage of 3,000 line lieutenants, in their surface ships. In addition, the Navy is retaining only 2 out of every 7 naval aviators beyond their period of obligated service.

In the Army, in 1957, the retention rate of young officers after their 2 years' obligated tour of duty, according to the testimony of the Chief of Staff of the Army, was about 17 percent. So far in 1958 the rate is running at about 16 percent. The requirements for such officers are closer to 35 percent.

Let us now see what is happening to the graduates of our service academies. Of the class which graduated in 1950 from the United States Military Academy, 14.5 percent have resigned. From the United States Naval Academy, 30.7 percent have resigned. From those graduates of the Military Academy who were assigned to the Air Force, 18 percent have resigned, and of those graduates of the Naval Academy assigned to the Air Force 30 percent have resigned since they graduated in 1950.

Of those graduated from the Military Academy in 1951, 21.5 percent have resigned; from the Naval Academy, 21.5 percent; of those assigned to the Air Force from the Military Academy, 19 percent; and of those from the Naval Academy assigned to the Air Force, 29 percent.

Of those graduating in 1952, from the Military Academy, 25.8 percent; from the Naval Academy, 18.8 percent; from the Military Academy assigned to the Air Force, 20 percent; and from the Naval Academy assigned to the Air Force, 28 percent.

The class of 1953, from the Military Academy, 24.6 percent; from the Naval Academy, 13.8 percent; from the Military Academy assigned to the Air Force, 17.5 percent; and from the Naval Academy assigned to the Air Force, 15 percent.

Of the class that graduated in 1954 from the Military Academy, where 3 years of service is required of a graduate, 21.3 percent have already resigned. They resigned at the very first opportunity they could resign after their obligated service. It is expected that the resignation rate of the Military Academy class of 1954 will reach 27 percent by June 1959, a higher 5-year rate than any other in the history of the Military Academy.

From among regular officers we have had resignations, since Korea, in the fiscal year 1955, 791 officers; in the fiscal year 1956, 624; fiscal year 1957, 563; and for the first half of the fiscal year 1958, 265. This is the situation which confronts us.

What is the cause of this situation? It was stated here that pay is not the only cause. With that I agree. I agree wholeheartedly that pay is but one of the causes, although a very important cause. The causes are many and they are varied. I should like to take a minute or two to point out this fact.

There has been in the last 20 years a change in our social structure in this country. Twenty years ago the married individual in a college or university was practically unknown, unheard of. Today a very high percentage of all of the college students are married.

Let us go back to just before the mobilization incident to World War II. The enlisted men of the regular services were not permitted to marry without the permission of their commanding officer. That permission was invariably denied to enlisted men unless they were serving in 1 of the 3 top grades of noncommissioned officers. Those were the three grades in which we provided quarters allowances. Any enlisted man below the

first three grades who married without permission was immediately discharged.

Just before that mobilization the Congress passed a law to require that all commissions issued to graduates of the service academies be provisional and that they be provisional for a period of 2 years, for the express purpose of adopting a regulation to prohibit the new commissioned officer from marrying during his first 2 years, and if he did marry he would be discharged from the service. But mobilization came along and that was never placed into effect.

What is the situation today? As the testimony before our committee shows, the vast majority of the career people in the Military Establishment are married. They have families. It is in accord with the change in the social structure of our Nation. Let me give you a little personal experience. When I came to the Congress and brought my 2 little daughters with me, there were not more than 4 small children in the Texas delegation and no more than 10 children of any age, of all Members of the Texas delegation. Last week a member of our delegation counted up and there are now more than 50 children in the Texas delegation. The situation has changed. The families are larger; and in professional groups, I believe, the families are also larger. Let us understand this. There are still in the armed services senior officers who go back to the good old days in their thinking when they had nothing but unmarried enlisted men and when a high percentage of their noncommissioned officers lived in the barracks. They slept in the barracks and they ate with the troops. That removed tremendous difficulties of administration. Those bachelors were ready to be transferred anywhere at any time without this question of moving their dependents. These senior officers still long for those good old days. It is my definite opinion that if more consideration were given in personnel management in all of the military establishments to the dislocations involved in moving these family people, part of our difficulty would be removed. There is neither rhyme nor reason for sending a man with a large family into an area where housing and school facilities are nonexistent or in such short supply that they cannot be accommodated. With their IBM machines they could pull out every man in that organization in a matter of minutes, if not in a matter of seconds. Too frequent change of station is involved here. The idea of a man having a permanent change of station, perhaps as often as once every year, is totally inexcusable. A little long-range personnel planning will overcome a great deal of that difficulty. There are many other things that can be done administratively. But, here as in every other phase of governmental operation, the Congress cannot control the administration of the law. I hope there is no disposition here to penalize the members of the armed services who are subjected to these inconveniences and dislocations, but who have no responsibility for creating them or maintaining them. We have heard in recent days,

even in this House, severe disagreement with some of the policies in the executive branch of the Government, but no action was taken to penalize those persons who are entitled to the service or the benefits of the administration of those departments. Rather, there has been an attempt to protect them and to change the administration in the department. I can assure you that this is not the first time that this has been mentioned in our committee, and it will not be the last time that every pressure possible will be brought upon the Department to see to it that better personnel management is provided.

Now what can we do to remedy this? Much consideration has been given to this. About a year and a half ago when Mr. Wilson was the Secretary of Defense, he appointed a committee to examine into this problem. The committee was headed by Mr. Ralph J. Cordiner, president of the General Electric Co. It has generally become known as the Cordiner Committee. That Committee was composed of both civilians and military men. They worked diligently on this problem for a very long period of time. As I stated, Mr. Cordiner was Chairman of that Committee. The other members were: Mr. Carter Burgess, at that time Assistant Secretary of Defense for Manpower and Personnel; Dr. John A. Hanna, president of Michigan State University and at one time the Assistant Secretary of Defense for Manpower and Personnel; Mr. Charles A. Hook, industrialist and president of Armco Steel Co., who headed up the commission upon which the pay bill of 1949 was based; H. Lee White, former Assistant Secretary of Air; Hugh Milton II, present Assistant Secretary of the Army; Albert Pratt, former Assistant Secretary of the Navy; David S. Smith, present Assistant Secretary of the Air Force; Admiral Fechtler, for more than 40 years a member of the United States Navy and now retired, and a former Chief of Naval Operations and at one time Deputy Chief of Staff for Personnel; Lt. Gen. Richard E. Nugent of the Air Force, now retired; and Brig. Gen. Charles H. Hayes of the Marine Corps. They made their report May 7, 1957, and is has been very widely publicized.

Mr. Cordiner and his Committee are entitled to the gratitude of the Nation as a whole for the service they have rendered. In addition to his work of the Committee, Mr. Cordiner pursued his interest in this question and, most commendably, alerted the American people to the necessities of our armed services.

There has been a great deal of misunderstanding with reference to the Cordiner report. The one outstanding thing that that Committee recommended was the proficiency pay system. When Mr. Cordiner appeared before our committee he was asked, "If you can get only one of the things you have recommended, what one would you take?" He said, "Proficiency pay, by all means." This proficiency pay applies only to enlisted men. I hope that will be remembered, because if it is not, it will cause difficulty. We must be realistic. In these times the Military Establishment is highly technical. No longer do they op-

erate with just guns and bayonets. Every new type of electronic equipment, radar, radio, and everything that has been developed in recent years is used by our Military Establishment, and many, many thousands of men are required in connection with the operation and maintenance of this equipment. During this second industrial revolution that is going on in the country there is extreme need for these same people in industry, and we are losing these trained, efficient men to industry just as rapidly as we can train them, after their enlistment or their obligated tour expires. They are going into industry.

The idea of proficiency pay is that we pay a man because he is proficient in a skill. It is not intended to apply only to the technicians. It is proficiency pay for all men. The most important man you have in the service is still the fellow who is fighting. He is still the fellow who goes out and contacts the enemy. The most important proficiency you can have is combat proficiency, and this proficiency provision covers that. Proficiency pay was recommended by the Cordiner Committee, but legislation for proficiency pay was not recommended by the Cordiner Committee nor the Department of Defense. It was recommended that it be done administratively.

I hope you will believe me to be realistic enough to know that I never had any idea of bringing this bill before you without the words "proficiency pay" in it somewhere, after all the publicity that has been given to it. It is included in the bill two ways. This is where this bill should properly turn. We are in competition with industry for men whom we are training. I do not say it is unfair competition to which we are subjected, but it is certainly not equal competition. We do not compete with them on an equal basis. Why? Because in industry they have industrywide bargaining. The rate is the same in each of the companies using these technical personnel.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. KILDAY. Mr. Chairman, I yield myself 15 additional minutes.

They may not be so anxious to solicit personnel from one company on a higher rate of pay if that just meant the other company was going to raise it a little higher, and they would have to go still a little higher. You would have a constant leapfrogging operation, but when it comes to dealing with this competition on the part of the armed services, where do we stand? We have a positive provision of law that there shall be seven enlisted grades, E-1 through E-7, and that they shall draw a fixed number of dollars, depending upon the years of service they have had in the Military Establishment.

There is no possibility under the present system of giving to that technician that you need any additional pay so that you can be competitive with industry. That is provided by this bill. This bill provides a system under which industry understands that if they up the pay the military can up its pay and become competitive. As a result, that will not have to be done; but we are also in

a position to pay a man what he is actually entitled to receive. Here is a full-page ad from a service publication that went to every one of the military services under date of January 11, 1958:

A successful company offers the best opportunity for a successful career.

That is the type of competition we face. That cannot be eliminated; we cannot keep them from advertising, but we can certainly be so highly competitive that they cannot appeal to our technicians and take them away from us.

The bill which came to us from the Department and the Cordiner Committee recommended that junior officers, second lieutenants, first lieutenants, and captains, receive practically no increase—almost no increase in pay whatsoever. Captains received almost nothing, a 1-percent increase. Under the Department bill a man who had served 14 years and was then promoted to major in the Army, or lieutenant commander in the Navy, would have received the great additional sum of \$14 a month.

We have changed that situation in this bill. There are over 370 individual pay scales in the bill. They have all received very careful consideration by your subcommittee. Obviously, it is not possible to discuss each one of them here. They are in the first part of the bill, and if you will take the report on the bill and turn to pages 38 and 40 you will find a chart showing the present pay of each and every grade of each and every year of service, the amount by which the pay would be increased by this bill, and the percentage of the increase. I refer you to those tables in case you wish to discuss them.

Another recommendation of the Cordiner Committee was that we create two new officer grades—that we create two new officer grades, not new officers; I hope that is understood. That would be the grades involving the 3- and 4-star officers. They would be known as O-9 and O-10. Every one of those officers exists and is on duty in the service today, right this minute. Therefore we are not creating any new officers.

The situation is that at the beginning of the mobilization for World War II Malin Craig was Chief of Staff, a major general. He wore two stars. At that time George Marshall was Deputy Chief of Staff, a brigadier general. He wore one star. And those were the highest grades that existed in the service. During the war and since there have been 3- and 4-star officers and there were those outstanding leaders in World War II who wore 5 stars. The 3- and 4-star officers have held a permanent military grade, but not a permanent pay grade; so when these men retired they reverted to the pay of 2-star officers and lost any benefit of the money allowance given them while on active duty as 3- and 4-star officers. Included in this number, of course, are some of the most outstanding heroes of World War II and Korea. So these pay grades become applicable to those presently retired in those grades.

We have created in accordance with the Cordiner Committee recommenda-

tion two new enlisted pay grades. Heretofore they have run, as I say, from 1 to 7, inclusive; this will create 8 and 9. This gives more latitude to meet the competitive situation by inaugurating proficiency pay and it also gives an opportunity for career enlisted men and noncommissioned officers to be promoted.

We in the committee felt strongly that these two new grades should be reserved exclusively for career enlisted men. So thus we have in the bill a provision that to qualify for the enlisted rates 8 and 9, you must have 8 and 10 years' service, respectively, as an enlisted man in order to qualify for those two new ratings.

The Cordiner Committee recommended the total abolition of longevity pay. That system has been in existence for many, many years. As a matter of fact, the Navy went to it in 1899. The Navy abolished a form of the system that the Cordiner Committee recommended be instituted at this time because the committee of Congress handling the bill found in 1899 that the system was an antiquated system but it was sought to be brought back again.

We have recommended a continuation of the longevity system, with modifications. Formerly we have permitted a man to continue to accumulate more pay by the number of years he served, sometimes all the way across the board to 30 years. In this bill we cut off increments at definite periods. If you will turn to the report again, page 33, you will find a chart with a line drawn across it showing the point in the service when additional pay is cut off unless the man is promoted to the next higher grade. This is a much better system than that suggested by the Cordiner Committee, because under that proposal an individual was moved up on the steps depending on the certification of his superiors. That was not satisfactory to us. I do not believe you can have a successful military pay system that leaves any opportunity for favoritism or any suspicion on the part of the military that favoritism does exist. Whether it would be true or not, there would be a very strong feeling on the part of many that the apple polisher and the boot licker was always satisfactory and efficient in his whereas the other was not. The young combat commanders opposed that provision very bitterly, because the man in command, the lieutenant colonel in the field commanding a battalion, realizes there are thousands of times during the day when he could mess himself up, when his record could look bad; but the fellow at headquarters, always under supervision, does not have many opportunities to ruin his record, and it will look good. We have adopted a provision to take care of that and I think takes care of it adequately.

As to the retired personnel, from as far back as there is any record in pay bills, or increases in the pay scales for the active duty personnel, those persons previously retired have been permitted to compute their pay upon the new rates. That had been the situation in the past. We have heard comment in debate here today as to what our retirement costs are running. The figures

quoted by the gentleman from Michigan [Mr. Ford] are exactly correct. I do not believe that I would have to say or do anything to convince the retired personnel that I have always attempted to represent their best interests. If I have to convince them of that fact at this time, I believe it is a little bit late to try to convince them. The bill sent over by the Department of Defense gave them absolutely nothing. The tradition has always been that they participated to the extent that the new pay scales were included.

This is not essentially a pay increase bill. This bill, essentially, as its title states, is to adjust the method of computing base pay. It is an attempt to attract men to the services as a career. Do not forget that retirement is one of the greatest incentives you can have for a man staying in the military service 30 years or more, and the fact that at the end of that time he will not be faced with a less dollar and a less purchasing power. So the fact his pay can be increased after he retires is as great an incentive as the rest of it is.

The bill as it came from the Department allowed a 6 percent cost-of-living increase for active duty personnel. We are in the process of increasing the postal employees and the civil-service employees to take care of the cost of living. The new rates in this bill provide about 6 percent for the lowest increase. And, we have included 6 percent for those presently retired. It is to cover their increased cost of living, and is a practical limitation. Oh, I know most of you have had letters from people presently retired asking you to increase their retirement pay. They have no idea that there will be objection on the floor of this House to give them anything. I think you will find, if you continue to take an interest in the retired personnel, that you will have to be very vigilant for them. You are going to have to do what is right and best for them, whether they feel it is right and best for them or not. They are not always realistic when it comes to matters of this kind.

There was a proposal in the bill for Reserve officers on active duty for less than 30 days. That has been removed. This applies to the Reserve as it applies to the Regular personnel. There was a provision with respect to doctors to revise somewhat the Doctors Pay Act. That was taken out. And, all of those who wrote about Kings Point Merchant Marine Academy, that has been taken out of the bill. That is no longer here to haunt you.

The cost of the bill is \$668 million. Now, what would the bill cost as it was sent here by the Department of Defense? It is most difficult to calculate just what it would have cost, because it had some very peculiar provisions in it; one, for instance, that you would now raise the pay of those to be increased, but they would not get it for a period of 4 years; you would phase a part of it over a period of 4 years. Well, we never had a pay bill that lasted 4 years, and I do not know why the Department thought it was a good plan to put something in requiring 4 years for its implementation.

So that it was almost impossible to figure the cost of that bill. Their stated cost was \$485 million, but when you take that 4-year phase-in out, which they knew could never be put in effect, you would add \$110 million the first year and then the 6 percent for retired would add another \$36 million. After we got the publicity out in the field through the hearings, practically a revolution took place when they found out for the first time that the Cordiner Committee and the Defense Department did not intend to give the lieutenants and captains anything, and some enlisted received little or nothing, and increases for future entrants; then the Department came over and said, "Yes, you will have to do something for them." That is another \$85 million. So, their bill could run somewhere in the neighborhood of \$716 million.

This morning at about a quarter to 11 Mr. Ralph J. Cordiner telephoned me to state that he had now had an opportunity to study in detail, and thoroughly, the bill which the committee has reported, and he gave me his estimate of it. I asked him if I was at liberty to quote him. He not only gave me permission to quote him but specifically asked that I quote him to the effect that this is excellent legislation. He thinks it is fine and he hopes that it passes. That is from Mr. Cordiner, the Chairman of that Committee.

Upon my own responsibility I state that this bill is thoroughly acceptable to the military departments. I state that on my own responsibility. I do that because it is not possible in the present circumstances for the military departments to express any opinion with reference to this bill. The committee in the other body is now considering the same proposal, the same bills that were considered by our committee. If they had reported it first and the departments had all endorsed their bill before we had a chance to look at it, I am afraid that they would have had some hard dealings with me, and I think if they had endorsed the House committee bill ahead of the Senate action, it would have been highly improper. At least, I can say no one in the military departments has expressed any opposition to the bill, and on my own responsibility, as I said, I can tell you that it is satisfactory to them.

I can tell you that it is endorsed by the National Guard Association of the United States, by the American Legion, by the Navy League of the United States, the Regular Veterans Association, the Reserve Officers Association, and others, and representatives of 163 industrial firms who were in session under the auspices of the association of the United States Army at Fort Benning, Ga.

Mr. KILDAY. We have worked diligently, faithfully, and quite hard, I assure you. We did not have complete agreement within the various military departments. We have had a great deal of disagreement come to us individually. Our sole purpose has been to be fair, just, and equitable to all of the departments, and we have achieved that in this bill.

It costs money; yes. I do not represent that it is going to save \$5 billion. Somebody gave that figure to Mr. Cordiner, and Mr. Cordiner believed the statement that he got. He stated it came to him from the military departments, but nobody in the military departments is claiming it. I do not represent that this will save any finite number of dollars. I do say to you that, in my opinion, my sincere opinion, it will increase the efficiency and the stability of your Military Establishment; that you will have a more effective and a more efficient Military Establishment; that you are going to get more for what you spend, and by as much as you can increase the stability and the efficiency of your Military Establishment you will have saved money. And when we are spending the kind of money that is being spent on the Military Establishment today, that can, and I am sure will, be a very substantial amount of money.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. First, I want to congratulate the gentleman on the very splendid statement that he has made, and I am sure many of my colleagues will agree with his views. Can the gentleman advise me, first, Is there any change in the so-called hazard pay which is presently in force in the service?

Mr. KILDAY. No; hazard pay remains the same as it has been. There was a recommendation for an adjustment, but the committee did not accept it.

Mr. SEELY-BROWN. Am I correct in my understanding from the title of the bill, where you use the term "uniformed services" that that includes the Coast Guard?

Mr. KILDAY. That includes the Army, the Navy, the Air Force, the Coast Guard, the Marine Corps, the Coast and Geodetic Survey, and the Public Health Service.

Mr. SEELY-BROWN. Would the gentleman find it possible to describe very briefly, to supplement what is already in the printed report which I have read, the reasons why the committee did not consider the question of those at the Kings Points Academy, the merchant-marine officers?

Mr. KILDAY. The faculty and others at the Merchant Marine Academy are paid, although they are not members of the Military Establishment, under the military pay rates. There is some hassle going on between the faculty and the staff at Kings Point and the Department of Commerce about what pay rates they should be under. There was a provision put in, apparently by the Bureau of the Budget, repealing that provision requiring that they be paid under the Career Compensation Act, and that they be paid such amounts as the Secretary of Commerce would want to pay. There has been litigation on it, there is legislation pending now before the Committee on Merchant Marine and Fisheries, and we left it to that committee to handle and took it out of the bill entirely.

Mr. SEELY-BROWN. Without prejudicing the point of view of anybody on that matter.

Mr. KILDAY. That is right. We just left it as it is; let them fight it out in the proper forum.

Mr. SEELY-BROWN. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Iowa.

Mr. GROSS. Earlier in the gentleman's remarks he displayed an advertisement of some concern that was apparently in the nature of trying to induce men to go into private employment. Could the gentleman tell us what company that is?

Mr. KILDAY. I doubt that I should do that. The point is, there have been many, many companies that have been doing that. I happen to have one in this ad here, but I do not believe they should be pointed out particularly in that connection.

Mr. GROSS. May I ask the gentleman this question, Was it an aircraft enterprise?

Mr. KILDAY. No; it was not an aircraft enterprise.

Mr. GROSS. Of course I am sure the gentleman is well aware of the fact that aircraft plants, some of them subsidized 99 percent by cost-plus-fixed-fee Government contracts, have been engaged in that business of raiding the Armed Forces.

Mr. KILDAY. I am sure that is true. I think we point out here that the only way you can meet that situation is to be competitive in your pay with private industry. We provide a system under which it can be competitive.

Mr. GROSS. Does the gentleman in all reason think that the Federal Government is ever going to be able to pay the salaries paid by private industry that are operating under cost-plus-fixed-fee contracts?

Mr. KILDAY. I would say yes. I think now our pay of military people under this bill will be pretty much in line. Of course, the men in the services do not know that.

When they go out on the hourly rate and they are subject to closings for retooling and new designs, they do not get that. But we have provided here a system that will for the first time put ours on a competitive basis with industry.

It has been said that a GI under this bill—I saw a headline about it—could draw \$10,000. Of course, that may be possible if quite a few things coincide. But I doubt if any GI is going to get \$10,000 under this bill.

There is something I want to mention with reference to the senior officers of the service and what they should be paid. I agree that you are not going to attract the bright, very intelligent, perceptive young man you want in the service unless you can show him that if he is the very best in the service he is going to have an adequate and rewarding career from every standpoint.

The Cordiner Committee recommended \$2,000 a month as top pay. We have

put it at \$1,875. We are going to pay him just what we pay you and me. The man is not going to get it the day after he comes in, he is going to get it after he has been in the service not less than 26 years. If you ever start to write a pay bill you will learn you do not start out with how much you are going to give at the bottom and go on up, because you are going to go out the roof. When you first start it you decide on the ultimate rate you are going to pay the topmost man and then come down according to differentials between ranks and the various years of service. When we put this on the basis of what we pay ourselves for the man who has reached the highest, I think we are reasonable. In all of the services, what you pay the generals does not make a substantial difference in this bill. Out of \$668 million not \$6 million of that increase goes to the generals. There are just a few of them. There are only 1,287 star officers in all of the services combined. The amount of pay here for them is inconsequential when considered with reference to the amount of money involved in the bill.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from New York.

Mr. WAINWRIGHT. May I pursue the question asked by the gentleman from Connecticut [Mr. SEELY-BROWN] in regard to the hazard pay. Does the gentleman feel at liberty to discuss the committee's views as to why paratroopers, airborne personnel, and the submarine people were not granted pay equivalent to the Air Force? I feel that he who stands in the door or he who goes below the sea deserves, if anything, more than a flier. Frankly, I must put in a special bill for this pay.

Mr. KILDAY. We did not touch any of the hazard incentive pays at all. There was a recommendation for an adjustment of the flight hazard pay, which we did not accept. We left the matter just exactly as it is.

I want to say to you about these special pays that those have not been instituted in the first place by pay legislation. Those have come up under special legislation for that special purpose. Just before mobilization for World War II, when we provided jump pay of \$50 and \$100 a month, it was special legislation. The same was true of special pay for doctors and medical technicians. That was always considered in separate legislation. We did not feel that should be disturbed at this time.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Arizona.

Mr. UDALL. I should like to congratulate the gentleman from Texas for the very masterful job he has done in presenting a very intricate piece of legislation. As one of the two Members who were original sponsors in this body of the Cordiner legislation, I think he has done a very skillful job of working out the differences between this and the Defense Department bill, and I feel pretty satisfied that the bill will pass.

Mr. KILDAY. I hope the bill will pass. I assure you there is good reason for every provision in it if we are given an opportunity we will explain every provision you may want explained.

Mr. GAVIN. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, it is my great privilege to serve as ranking minority member of Subcommittee No. 2 of the House Committee on Armed Services, the subcommittee responsible for the legislation now under consideration.

I am proud to be a member of this subcommittee under the leadership of the distinguished and outstanding gentleman from Texas [Mr. KILDAY].

The bill before the House today represents a great deal of hard and diligent work on the part of your subcommittee.

We were seeking to solve the problem of retaining skilled personnel on active duty in our Armed Forces. While the bill is based upon certain principles recommended by the so-called Cordiner Committee, it should be clearly understood that the bill before the House represents the recommendations of the Committee on Armed Services. It is the work of the Kilday Subcommittee.

I, for one, believe that it is the responsibility of the Congress of the United States to provide adequate pay scales for members of the armed services. It is the responsibility of the Committee on Armed Services to write these pay scales and recommend them to the House. And while I appreciate the vast amount of work performed by the Cordiner Committee, nevertheless I feel that the Congress is better able to understand the needs of the armed services, particularly those needs that have to do with the pay they should receive for the work they are performing.

The country has been besieged with editorials and newspaper articles about the alleged savings of \$5 billion annually in defense appropriations if the Cordiner report is adopted. We could find no evidence of these savings and we do not propose to attempt to pass this bill in the House on the basis of savings that cannot be substantiated.

The bill will, of course, increase our combat efficiency. It will increase our retention of skilled personnel. But the public must not be disillusioned about a potential \$5 billion savings because it simply cannot result from the enactment of any pay legislation. In fact, here is what the Secretary of Defense said about those alleged savings:

In fact, one thing we have been trying to get away from ever since I have been down here is that commitment to save \$5 billion a year. We would like to save \$5 billion a year, and like it very much, but the savings, the potential savings here, are dependent upon quite a good many contingent benefits * * * and we just feel that we would like to forget that that figure was ever mentioned.

Mr. Chairman, no person in any position of responsibility in the Department of Defense has stated that adoption of the Cordiner report will actually result in an annual reduction of \$5 billion in defense spending. The information submitted by the Department of Defense indicates that by fiscal 1962 there will be

an estimated savings of \$100 million a year as a result of reduced training costs, uniforms, and other factors.

Now let us examine the committee bill compared to the Department of Defense recommendation. You will be interested to know that under the bill submitted by the Department of Defense, the average second lieutenant of the future would have received a 3-percent reduction in pay. Under the bill, H. R. 11470, the average second lieutenant will receive a 2-percent pay increase. Under the Department of Defense proposal, the junior officers—that is, the typical captain and major—whom the services seek to retain on a career basis, would have received a 1 percent and 12 percent increase, respectively; while the typical lieutenant colonel and colonel would have received a 31 percent and 42 percent increase in pay, respectively. The committee bill, H. R. 11470, made a substantial change in this area so that the typical captain receives a 12-percent increase in pay, the typical major a 15-percent increase in pay, the typical lieutenant colonel an 18-percent increase in pay, and the typical colonel a 23-percent increase in pay. Frankly, I wanted to provide greater increases for the junior officers, but I realize that this would have increased the cost to an unacceptable amount because of the large numbers of personnel in these grades.

Under the Department of Defense proposal, an enlisted man in the grade of E-7 going to the grade of E-9 would have received a 25-percent increase in pay. Under H. R. 11470 the typical E-9 will receive a 44-percent increase in pay. The typical E-8 under the committee bill will receive a 28-percent increase in pay, compared with a 15-percent increase recommended by the Department of Defense. The typical E-7, today's master sergeant, received a 14-percent increase under the Department's proposal. Under the committee's proposal, the typical E-7 will receive a 17-percent increase.

Under the Department of Defense proposal, the average E-4, E-3, E-2, and E-1 of the future would have received reductions in pay ranging from 2 to 8 percent. Under H. R. 11470 the average enlisted man in the lowest four enlisted grades receives a pay increase, if he has over 2 years of service.

The increased pay for enlisted personnel is of course costly and represents a substantial portion of the \$668 million increased cost contemplated by the proposed legislation.

The proposed legislation contains a 6-percent increase for retired personnel. The Department of Defense proposal contained no provision for retired personnel. The Cordiner Committee recommended that retired personnel receive retired pay under the new pay scales.

Now I would like to turn to another point: In writing a pay bill which is so badly needed, the committee had to provide for, and in some cases reconcile, the different requirements of the individual services. Basic to any pay plan must be an overall equality of opportunity so that one service or part of a service does not offer such disproportionate rewards as to create inequities. At the same time the

requirements and the operational demands on each service are so different that to insist upon absolute uniformity would be to fly in the face of reality. Therefore, where possible, the compensation plan must be flexible enough to permit each service to adapt it to its own particular needs.

The basic purpose of the proposed legislation is to provide pay methods and rates which will help attract the proper quality of personnel in the needed numbers to make a career of the military service. It will do this by providing more attractive pay rates for all who have reached the career stage and by holding out greater financial incentives for proficiency and outstanding performance in any field.

The proposed legislation will achieve these purposes for all services and at the same time will be flexible enough to cover the differences between the services. For example, promotions are faster in some services than in others and even among the different specialties in the same service, because some skill areas are more crowded than others. For those who are promoted at a normal frequency or faster, a pay system which provides increases in grade only would be a fine system, but there are some specialties where the promotion rate has been slowed down. To provide adequately for these it has been necessary to retain the system of longevity based upon years of total service. Therefore, to adequately provide for all the services and for all groups within a single service the committee has prepared pay tables which provide appropriate incentives for those progressing at accelerated speeds, and at the same time protect the vast majority—80 percent—of individuals who advance in rank at the normal rate. At the same time it brings to an end the system which gave pay increases to the individual who does not deserve promotion.

In the past all services have experienced great difficulty in retaining adequate numbers of enlisted personnel in the critical skills, and particularly in the technical skills. To correct this situation we recommend rewarding these individuals who possess special skills with proficiency pay as an added incentive to make the military profession a career, and at the same time to attract personnel into these specialties from other less critical skills.

But different requirements among the services presented problems as to how best to accomplish this purpose in an equitable manner. The different services require differing balances between technical skills and those skills involved in combat leadership. Variations in rank structure also require different approaches to the problem. To offer special proficiency pay to the technicians only would be an obvious inequity, and at the same time a dangerous precedent. We must never forget that the primary function of the armed services is to fight.

To meet the situation for all services the proposed legislation provides for proficiency pay for those enlisted personnel who have been designated as possessing special proficiency in any military skill,

technical or otherwise. It permits a system of proficiency pay tied to advances in pay grade or to a system of flat sums, at the choice of each service Secretary, depending upon which method will best fit the needs of the individual service.

These examples I have just cited to you serve to demonstrate some of the ways in which the committee worked to formulate a military compensation plan which is tailored to meet the needs of all the services on as flexible and equitable a basis as possible.

Now, I would like to speak briefly on one final aspect of this bill which I consider to be one of its best features—a proper incentive for the outstanding young enlisted man or woman to compete for promotion to officer grade.

It is one of this Nation's proudest boasts that there is equal opportunity for all. But it requires the constant vigilance of everyone, and the Members of Congress particularly, to insure that this maxim has real meaning. One of its practical applications is in the principle that the road to the top, however difficult, should be open always to everyone—regardless of the fact that he may not have had the privilege of higher education.

It was to implement this principle that the Congress has provided by statute that a specified number of appointments to the service academies should be reserved for enlisted personnel of the various services. It was for this reason that Congress provided for warrant officers, for limited duty officers, and for other officer appointments directly from the enlisted ranks.

It is to the groups other than those going to the academies or other college training programs to which I address myself. I speak now of the men and women who did not have educational opportunities but who, once they are in the service a few years, show by their outstanding performance and their efforts at self-education that they are worthy of a chance to compete for and to go up the ladder of the officer ranks.

Success in their efforts of course is their main reward, for the road is hard; but a proper pay system should make it financially attractive for them to pursue this route. At the very least we should not ask such outstanding and ambitious young people to accept a pay reduction for the harder path they have chosen.

It was on this point that the committee differed from the viewpoint of the Cordiner group and the Department of Defense. The Cordiner group felt that a second lieutenant or ensign should be paid as such regardless of his background. But the backgrounds are not the same, and that is just the point. The typical enlisted man today who might be selected for a commission has about 6 years' service, has a wife and children, and has demonstrated his ability. His family obligations are such that he would be financially unable to accept a commission if it meant a pay reduction. Thus we would be in the position of claiming to hold the door of opportunity open to him, but under such conditions that there would be no real opportunity at all—only an illusion. The

college graduate is in an entirely different situation. He is younger and in most cases has not yet assumed his family obligations.

To provide adequately for the enlisted man who wants to step up to officer grade the bill before you contains a special pay table applicable to officers who have had more than four years prior enlisted service. This table extends through the lower three officer pay grades and provides a continuation of longevity increases beyond the point where the regular pay table levels off. The resultant combination of pay tables is such that an enlisted man who is good enough to advance will better himself financially by becoming a warrant officer, but if he desires to become a commissioned officer he will do even better.

In this way the opportunity for unlimited advancement for those qualified enlisted men with high ambition is preserved and enhanced in such a way that the individual can better provide for his family as he himself reaps the satisfaction of success on the harder road.

Mr. Chairman, I am conscious of the fact that this bill will cost \$668,000,000 in fiscal 1959.

I am conscious of the fact that there are 5,000,000 unemployed.

I realize the perils of inflation.

But, I am also acutely aware of the fact that we cannot be the second strongest military force in the world and expect to survive.

We must retain our skilled personnel; we must attract, on a career basis, our outstanding young men and women; we must reduce the high turnover of high quality personnel. In short, we must develop and maintain the most highly skilled armed force in the world.

Our national survival is the issue. The proposed legislation, in my opinion, will go far toward resolving the issue in our favor.

Let us not forget the fact that after World War I we sunk our battleships, we destroyed our fortifications, we put our trust in treaties with people we thought were as right-minded as ourselves. The result was that we got the Lenin's, the Trotsky's, the Stalin's, the Hitler's, the Himmler's, the Goering's, the Mussolini's, the Ciano's. We were going complacently along the pathway of pacifistic peace. Then, suddenly, we woke to find ourselves embroiled in World War II, totally unprepared to meet the demands that were then made upon us.

What happened? We went all out and in that fine American spirit we moved forward to victory. We brought a war-torn world to peace and stability. So ended World War II.

What did we do after that? We skeltonized our Army, our Navy, and our Air Force and Marine Corps. We had not learned the hard, practical, realistic lessons of war. Suddenly we were precipitated into the Korean war. We had to call back the Reserves, the boys that carried on the fight in World War II. We moved them into Korea. What did we have? We had a few obsolete tanks, a few bazookas in Japan. The result

was that we were nearly pushed back into the sea at Pusan, the most humiliating incident that ever occurred in the history of our Nation.

Let us build a national defense, a strong national defense to meet any needs and demands that may be made upon us in a critical and chaotic world. To do that you must have a military pay bill here as an incentive to keep and to retain these experienced and able men in all branches of the armed services. Why, it cost us \$100,000 to train an average flier, it cost us \$600,000 to train a B-52 flier. After we educate and train them they should be retained in the service and paid commensurate with the importance of the various assignments. This bill here, therefore, is going to correct a lot of inequities which now exist and will be an incentive to retain our skilled and technical men in the service.

I sincerely hope the legislation will receive the overwhelming support of the Members of this House.

Mr. CUNNINGHAM of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM of Iowa. Mr. Chairman, I wish to congratulate the gentleman on his excellent presentation of the contents of this bill and what it will mean to the servicemen and to the security of our Nation. I also wish to congratulate him for his remarks in regard to previous wars and what we have done, and also for the work that he has accomplished as the ranking minority member of the subcommittee and the efforts he has put forth on this piece of legislation. May I also congratulate the chairman, the gentleman from Texas [Mr. KILDAY] for the work he did as chairman of the committee and for the excellent presentation he made on the floor of the House here today.

There is no reason why this bill should not receive the overwhelming support of every Member of the House. I marvel at the fact the bill is as good as it is. If the committee had worked the balance of the year I do not believe they could have done any better. It is one of the finest pieces of legislation that has been brought forth in many years and I thank every member of the committee who had anything to do with it.

Mr. GAVIN. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. GAVIN. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, I rise in support of H. R. 11470.

On May 15, 1957, I introduced a bill which would have implemented the recommendations of the so-called Cordiner Committee. Last year we were concerned about economy, but on October 4, 1957, sputnik rose into the skies, and we again became conscious of national security. Every once in a while some dramatic incident comes along to save us from a withering away of our Armed Forces.

Now we are all conscious of new weapons—missiles, Polaris submarines, pow-

er, space ships, outer space, fantastic communications equipment, improved submarine detection devices, complex radar, and all of the other fantastic weapons and countermeasures of national defense. We are willing to spend billions of dollars to produce these fantastic weapons; I hope we are not going to be foolish enough to spend billions for new weapons and refuse to spend \$668 million a year in additional pay to provide for the personnel necessary to man these weapons.

I would like to pay tribute to Mr. Ralph Cordiner, president of the General Electric Co., who was the chairman of the Cordiner Committee, as well as the other members of that Committee. Many of them have had long years of experience in military affairs, and I have particular reference to Adm. William Fichteler, former Chief of Naval Operations. That Committee made many splendid recommendations to the Secretary of Defense, and I believe they are entitled to full credit for arousing the Nation to the need for a revised pay system in our armed services.

The Cordiner recommendations would have initiated an in-grade increase system. They recommended the implementation of a proficiency pay system. They recommended the elimination of the compression that now exists in our pay scales whereby a young officer who aspires to a career in the armed services is better advised to look elsewhere because the maximum pay that he may achieve, even if he should become a general officer, is less than the amount that he would receive if he becomes even partially successful in any business enterprise.

I believe, after studying H. R. 11470, that it will accomplish the objectives sought by the Cordiner Committee and for that reason I support H. R. 11470 wholeheartedly.

By eliminating increments in pay beyond normal promotion points it will hereafter be impossible for an individual to draw additional pay when not progressing in grade or rank.

By establishing two methods of paying proficiency pay to enlisted personnel, the services are given the flexibility necessary to meet the needs of each service, particularly in those cases where one service has a greater need for technological experts compared with the combat experts needed in another service.

The pay recommended for general officers will, in my opinion, give every young officer an adequate goal to which he may aspire. The average officer who enters the armed services today can expect to reach the grade of colonel if he performs well. The pay recommended for colonels, while less than that recommended by the Cordiner Committee, or that recommended by the Department of Defense, nevertheless represents a substantial increase over that which now exists and should provide an adequate career incentive for young officers.

The committee has made considerable improvements in the pay scales for the more junior officers, particularly in the

grades of captain and major. And likewise, it has made considerable improvement in the pay scales for enlisted personnel.

The bill creates two new officer grades and two new enlisted grades. I am convinced that enactment of the proposed legislation will lead to a higher percentage of professional soldiers, sailors, marines, and airmen than we have ever had in our Military Establishment.

While I do not believe for one moment that enactment of the proposed legislation will eliminate the necessity for the draft, nevertheless I am convinced that it will result in the retention of a greater number of experienced and skilled personnel and this in turn will improve the proficiency of our Armed Forces considerably.

There used to be a day when all a man had to know was squads right, squads left, and how to load and fire his musket. World War II brought about radar, and the development of the atomic bomb. Today the complexities of modern warfare make the weapons of World War II comparable to the long bow and spears of the 11th century.

We can continue to maintain a large standing force through the operation of the draft law, but unless we take the positive action recommended in the proposed legislation to improve the quality of our military personnel, we may end up with a stockpile of the most highly developed, most complex weapons ever developed by man, and no skilled military hands available to use them.

I strongly urge the enactment of the proposed legislation.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. Surely.

Mr. KEATING. I intend to support this measure, and I congratulate the committee on bringing it out. I know of the hard work which was done in the preparation of the bill by the members of the committee, including the gentleman now addressing us. I have had some communications about the treatment of junior officers under this measure and some complaint voiced that there was not enough increase for junior officers to cause them to have incentive to stay in the service. The tenor of these letters is that it is there where the attrition is taking place and that after they have gotten up to lieutenant colonel or colonel, perhaps they are going to stay in anyway and that there should be more incentive to the young men to stay in. Would the gentleman address himself to that question?

Mr. VAN ZANDT. If the gentleman from New York does not object, I am going to ask the chairman of the subcommittee, the gentleman from Texas [Mr. KILDAY], to answer that question.

Mr. KILDAY. Mr. Chairman, it is true that there are heavier increases in the higher grades. Of course, it is understood, I am sure, that in the higher grades you do not move nearly as rapidly as you do in the lower grades, so that you are a whole lot longer waiting for those higher increases. I will give you the percentage increases recommended by

the Department of Defense and the percentage that we have included in this bill.

For a second lieutenant, the Department of Defense recommended 3 percent. The bill before us provides 6 percent.

For a first lieutenant the Department recommended 3 percent. We provide 11 percent.

For captain the Department recommended 1 percent, and we have recommended 15 percent. For a major the Department recommended 12 percent. We made it 15 percent. For a lieutenant colonel the Department recommended 31 percent. We have provided 18 percent. For a colonel the Department recommended 42 percent. We have recommended 23 percent.

I am sure the gentleman also understands from his service in the military that these have to be typical points in the careers of these men because pay is based upon years of total military service, so that you cannot say that all colonels or all lieutenant colonels or captains get a certain percentage. But this is about as typical as you can make it by percentage.

Mr. KEATING. I thank the gentleman from Texas. I think perhaps the letters which I have received on the subject were written based upon either the recommendations of the Department of Defense or the Cordiner report and not the recommendations of the committee as in this bill.

Mr. KILDAY. That is undoubtedly true. The point was argued to the subcommittee that the junior officer was not interested in what he is getting now, that he was only interested in what he was going to get when he was promoted. I do not suppose anyone would be a Member of Congress very long if he did not understand human nature any better than that.

Mr. KEATING. I can assure the gentleman from Texas that I appreciate that; I know that he knows it and we all know it. Mr. Chairman, I thank the gentleman.

Mr. Chairman, as mentioned previously, I am in full accord with this bill and hope it will receive the unanimous approval of this body.

Mr. GAVIN. Mr. Chairman, I yield such time as he may require to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Chairman, I rise in support of this bill. It has been suggested here today, particularly when we were in the House, that his bill was ill and perhaps hastily conceived. I want to give this committee the full assurance that this bill has been considered for a long time by many, many people. The Cordiner Committee was established back in 1956; and, in the ensuing months, day after day, it studied this particular proposal.

It was then submitted to the Department of Defense who considered it thoroughly. I can assure the committee that our own subcommittee in 5 weeks of close scrutiny followed all the details of this bill. This bill does not represent the Cordiner report in toto. But I do believe, as has been suggested by the chairman of the subcommittee, that it

is in accordance with the general philosophy as expressed in the Cordiner report.

Mr. Chairman, I would like to say, too, that our very able chairman of the subcommittee, the gentleman from Texas [Mr. KILDAY], is better versed in the subject of personnel matters than any man here in Washington or anywhere else, perhaps with the exception of our very distinguished counsel of the committee, John Russell Blandford, to whom we are all deeply indebted for the tremendous amount of time and detail which he has put into the study of this particular subject. I would also like to commend the gentleman from Pennsylvania [Mr. GAVIN] for his outstanding contributions.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. BATES. I am glad to yield to the gentleman from Virginia.

Mr. HARDY. Mr. Chairman, I concur in the remarks the gentleman has made. He and I are somewhat junior members of the subcommittee and we have worked diligently on this matter. But I do want to express a word of commendation particularly of our chairman, the gentleman from Texas [Mr. KILDAY], and the counsel of our subcommittee, who have worked so hard and handled so many of the details. The rest of us did the best we could to support them, and to understand what was happening. As a result I am convinced that we came up with a very fine bill.

Mr. BATES. I should just like to say to those who indicated that our full committee spent only 2 hours on this bill that, speaking for myself, and recognizing the amount of time spent on this bill and the experience and ability of the gentleman from Texas [Mr. KILDAY] and Mr. Blandford, if only those two considered this bill and recommended it I would vote for it. I have that much confidence in them.

Mr. Chairman, the people in this country are not a military people at heart. The forebears of most of us came to this country to avoid military conscription. As a result it is impossible for this Nation ever to get on active duty voluntarily the number of people that our force requirements suggest. At the present time we have about 2,650,000 people in our Armed Forces, but without the draft we would get only approximately 1,400,000. So the question is, Where will the rest of these people come from?

Today approximately 500,000 men and women leave our service annually. What a tremendous waste of effort and training and money this has been to the people of the United States. The purpose of this bill is to attract and retain good people. The purpose of the bill is to provide an incentive for people to remain on active duty so that we can get a good portion of our money back in services rendered.

There are those who say that if military people were more dedicated to the service that the great attractions of outside life would not have such great appeal. This is certainly an oversimplification because military people, like all

people, are simultaneously dedicated to more than one facet of their lives.

Dedications to military service complements, rather than substitutes for, the innate qualities which require dedication to family obligations. Both are important and both are separate.

Mr. Chairman, down through the years our subcommittee and our full committee have passed many bills which have had beneficial effect upon the morale of the Armed Forces. The contingency pay bill, the reenlistment bonus, the survival bill, the continuance of military housing almost from month to month, to mention but a few, all of these have been important in gaining better efficiency in the armed services. In 1954, before we gave the doctors in the Medical Corps special benefits, approximately 15 percent were resigning each year. Today, instead of 15 percent, in the Naval Medical Corps only 1.8 percent of these people are resigning.

We hope this bill will be helpful in making more people stay on active duty. I think all of us realize that military life cannot have the amenities, the emoluments, or the comforts which we find in civilian life, but I believe this bill goes a long way down the road toward helping us keep in the armed services efficient people who are interested in making the military service a career.

While I do not believe, as has been contended, that this measure will save \$5 billion per year, I am convinced that great savings will be accomplished and that through greater efficiency and increased skills our beloved Nation will be better prepared to defend herself against any foe that might assail her.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I think it should be pointed out that the immediate impetus behind this bill is the growing realization that the Armed Forces are fast approaching a personnel crisis in that they do not have a corps of career officers and enlisted personnel of the numbers needed.

The effects of this situation have already been felt sharply in reduced operational effectiveness, in accident rates and in excessive costs in training and personnel turnover. There is no problem as to total numbers. The services can attain the required size by additional numbers of personnel serving their few years of obligated service. They put in their time and then just at the point where they have the experience to be effective they go home. And the retraining process must start over again. Meanwhile, the combat effectiveness suffers.

In the technical specialties among the enlisted groups the situation is just as bad. In the electronic specialties the services are getting no more than 25 to 35 percent of the numbers needed as a corps of career specialists. Actually, it is only in the nonskilled areas that reenlistment rates are up to or above that desired.

Today, technical training requires such long periods that most of the first enlistment is taken up with learning the business and relatively little of it is returned in the way of effective contribu-

tion. Not only is this wasteful, but without a satisfactory number in the second or subsequent enlistments there is a great lack of supervisory personnel to oversee the work of those who are newly trained in the particular line of work. The net result of this situation is appalling amounts of very expensive equipment in an inoperative status—equipment that could add much to the overall defense of this country if it were in working order.

In the officer group the shortage of career officers has resulted in an experience gap of from 3 to the 13 years of service experience. This is the gap where we are getting about half as many officers as are needed. In addition, the shortage of applicants means that the services cannot be selective as to the caliber of those they do accept. For the moment the shortage can be compensated for by the reservoir of World War II officers. But this group is growing older and replacement must come from better rates of retention among the junior officers. Unless some way is found to improve this situation the career officer structure will, in several more years, become seriously out of balance, with operational efficiency deeply eroded and the future leadership of the Armed Forces jeopardized in a way that will require a generation to correct.

The bill before the House for consideration is aimed directly at a correction of those defects I have just recited. We recognize of course that pay cannot solve everything. We must have a devoted body of patriotic men and women to start with. But pay is an important consideration in this day and age and it must at the very least attract rather than repel. We need to be able to retain career personnel: by this we mean personnel who stay beyond their first enlistment or obligated service. Therefore, the various benefits provided by this bill are designed to accrue to the individual at that point where he must make the decision to stay in or get out. The bill provides no pay increase for personnel with less than 2 years of service. In the next 2 years there will, for most personnel, be only a cost of living increase. It is after the 4-year point is reached that the monetary benefits start increasing more sharply, with the pay increases rising more steeply as the top is approached. The overall effect is pay raises for career personnel only and added promotional incentives for those individuals who decide to make the service a career.

At the same time the individual is given an incentive to aspire to the top in his particular field. There is an additional financial reward for those enlisted men who seek and gain warrant officer rank and an even greater one for those who are good enough to be selected for commissioned officer status.

This bill also establishes a special proficiency pay for those enlisted personnel designated as possessing special proficiency in a military skill. Although this provision is written so as to permit great flexibility in application, depending upon the differing requirements of the several services, it is envisioned that

it will be so administered as to benefit only career personnel. This too will be used effectively as a career incentive.

These two aspects, the arrangement of the pay tables and proficiency pay, together with the increased retirement benefits which are inherent in any pay increase, create three powerful career incentives, and will go a long way, in our estimation, in helping to create the necessary body of career personnel our armed services and our country so badly needs.

Now, I should like to comment on what I feel is one of the most important attributes of this bill, namely, the manner in which it establishes a system of military pay that is geared to the career pattern that is being experienced by the members of today's Armed Forces.

Any pay system must naturally reward the proficient and provide an incentive to advance. But it is not enough to merely take care of the job being done. That we must do, of course, but in addition due consideration must be given to the problem of the speed of promotion being enjoyed at the moment, or the lack of it being suffered.

In the days before World War II many officers and men, particularly in the Army, spent many years in the same junior rank because there simply wasn't any opportunity for promotion. Fifteen years in the rank of first lieutenant was not at all uncommon. Under those conditions the pay system had to be geared to meet this problem; hence it provided increases based largely on years of service rather than promotion. Today, that same sort of promotion stagnation does not exist. Under the statutory controls provided by the Congress the services are enabled to guarantee opportunity for reasonably frequent promotions to those who can demonstrate their ability to earn it. Therefore, what is now needed is a pay system which will fit today's career pattern and which will offer adequate incentives and rewards under the circumstances.

The bill before the House for consideration does just that. It provides incentive to advance from the lowest enlisted to the highest officer ranks. Within each rank it provides pay increases to reflect the increased experience and effectiveness for each 2 years of additional service, but only up to that point where the normal officer, under today's career pattern, can reasonably expect a promotion if his performance has been of such caliber as to earn it. But no more than that. There is no reward for the time server. His pay increases in that rank are cut off at that point so that he will not be in the position, in later years, of drawing more pay than younger men who were good enough to be promoted above him. Thus, to a large measure, it avoids the so-called pay inversions which is one of the criticisms leveled at the present pay system.

Although it is essential that we not reward the time server we must at the same time provide sufficient flexibility to provide justice and incentive to those groups whose career pattern varies from the standard. This includes, among others, outstanding enlisted men who

are promoted to officer rank after a number of years of enlisted service. There are also specialties and services where the promotion opportunities are not as great as the average. To take care of this group the bill provides for pay based on total years of service rather than on years in each pay grade.

However, for the average officer, who follows the average career pattern, the result will be exactly the same. The bill will take care of the groups who are exceptions to the pattern, but without aiding the officer who is not good enough to be promoted.

Although hewing to the career pattern in the military, we did not lose sight of the need for some relationship to the patterns of compensation followed in industry. Today's young men are largely serving only the length of time necessary to complete their obligated service. These young men are naturally comparing their service careers with the career prospects in civilian life. Therefore, it was essential that some thought be given to constructing a system that would bear a reasonable comparison with the pattern of compensation common to industry.

We cannot expect to bid competitively on a dollar basis only. Actually, it would be foolish to attempt it because we are all aware that pay alone is not sufficient to attract the type of person we want in the armed services. Without a motivation of basic patriotism there can be no Armed Forces worthy of the name; but we should remove financial penalties for patriotism. Today's military pay structure is characterized by a great compression between the pay of the top and bottom ranks. There is no relation between the amount of pay of our very top military leaders and the vast responsibilities they must shoulder. The bill before you restores more adequate rewards for achievement and great responsibility. The young man who aspires to the top can see adequate compensation as the reward for success.

Mr. Chairman, in my opinion, the proposed legislation will go far toward solving our most serious problem in the armed services—the higher turnover of skilled personnel.

I urge its enactment.

Mr. GAVIN. Mr. Chairman, I yield 5 minutes to my good friend and colleague, the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Chairman, earlier this afternoon the gentleman from Texas apparently deemed it impolite to name the company which sponsored an advertisement in the Army Times attempting to raid the Armed Forces of some of their skilled people. I understand that advertisement may have originated with a certain soap manufacturer in this country. I intend to get a copy of the advertisement and I tell you I am not going to be a bit squeamish about reprinting it in the CONGRESSIONAL RECORD together with appropriate remarks, if what I understand is true. I do not know why we should be squeamish here this afternoon in identifying that kind of business because this bill, if it has a real purpose, is to retain the

skilled people in the armed services. If some of those who are most responsible for this program are engaged in taking these people out of the services, I think the Members of the House and the people of the country ought to know about it.

I wish the distinguished chairman of the House Committee on Armed Services had brought before the House prior to this legislation, the legislation which he and other members of his committee are proposing, to remove at least a small layer of the fat in the Pentagon. I want at this time to commend the chairman of the House Committee on Armed Services and the members of that committee for not feeling it necessary to order out a couple of planes and take their wives to Puerto Rico—to Raimy Air Force Base to work out their version of a reorganization in the Pentagon. We are all waiting, I am sure, for that long-promised reorganization plan at the Pentagon which was supposed to be the product of the Secretary of Defense, some of his secretaries and advisers who found it necessary to take their wives and fly down to warm, sun-baked Puerto Rico so they could properly consult on the matter. That was about a month ago. Perhaps another trip to Puerto Rico for a long weekend will be necessary before the Secretary of Defense can determine whether there should be any removal of fat in the Pentagon.

The chairman of the House committee, without a trip to sunny Puerto Rico, says 14 secretaries of one description or another can be eliminated along with some 1,800 other personnel. That is at least a start.

I might say in passing that I was astounded to learn that when the Secretary of Defense and other pooh-bahs who flew down to Puerto Rico ostensibly to study reorganization of the Defense Department, newspapermen were barred from the air base, and told they were persona non grata when they presented themselves for admission. Why this un-American secrecy? There could be no possible reason why any newspaperman, who made the trip down there to cover this publicly announced so-called conference by the Secretary of Defense, should not have been permitted to report what he saw and heard.

Mr. Chairman, I wish this legislation had given some attention to a situation on which I have been trying to get action on for a long time. That is the extension of the obligated service of graduates of the various service academies. I wonder if the distinguished chairman of the subcommittee would agree to an amendment, which I might propose at a later time, to extend the obligated service of those in the service academies to 7 years. I wonder if the chairman would be opposed to that?

Mr. KILDAY. I do not believe the amendment would be germane if offered to this bill. In addition to that, of course the gentleman has a bill pending to increase that obligation, and it has been referred to our committee and we are going to hold hearings on it. I do not know that it could ever be extended as far as 10 years.

Mr. GROSS. My bill provides for 10 years. I might settle for 7.

Mr. KILDAY. I agree that a person who attends one of the service academies should be required to serve a proper length of time. I do not know that you are increasing the character of the young men you get if you require service for too long a period of time. I think perhaps 3 or 4 years is not adequate, as now required, but perhaps it should not go as far as 10 years. If you could have it 3 or 4 years, you would have to convince me that is what a career man would want. You had better get rid of him in 2 or 3 years rather than have him dissatisfied for 6 or 7 years.

Mr. GROSS. I notice that one of the members of the Joint Chiefs of Staff said that the present obligation is for 8 years, 4 years while in an academy and 4 years thereafter.

There is no obligation for service upon a man while he is still in West Point, Annapolis, or the Air Force Academy. He can resign at any time.

Is that not correct?

Mr. KILDAY. Until he is commissioned, he can resign at any time. I think you will find that the resignations at either academy are practically nonexistent.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. GAVIN. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. GROSS. I thank the gentleman. Did I understand the gentleman to say that there would be hearings upon my bill?

Mr. KILDAY. The chairman of the full committee is here. He has told me he would have hearings.

Mr. GROSS. I would like very much to find out.

Mr. VINSON. The efforts of the gentleman have certainly fallen on fertile soil, and as soon as we can possibly do so we will have a hearing.

Mr. GROSS. The gentleman is more than generous, and I thank him.

This bill ought to contain some provision with respect to flight pay. It does not seem right to me that a general officer, far beyond the age of combat flying, should receive flight pay. I wonder if the committee is giving any attention to that, or proposes to do so?

Mr. KILDAY. Is the gentleman directing his question to me?

Mr. GROSS. Yes; I would be glad to have the gentleman answer.

Mr. KILDAY. This matter has been considered many many times. The gentleman has referred specifically to generals. We have, of course, reduced the generals' flight pay very materially; we did in 1949. As colonel he draws \$245 a month, but when he became a general he drops to \$165 a month.

I cannot subscribe to the statement that no generals actually fly or fly under combat conditions; a great many of them do. The division commanders who will have to lead their commands in the event of combat are regular pilots who fly constantly. The matter is not so simple as just cutting off their flight pay. It is a question also of whether we are going to permit a man to be directing people in flight who does not himself fly

or undergo the hazards of flight, a man who is directing people must participate in flight in all kinds of weather and under all kinds of conditions. He should be under the same obligation himself.

Mr. GROSS. The gentleman is not saying, I am sure, that they are flying combat missions now or have been flying combat missions recently.

Mr. KILDAY. Of course there are no combat missions now, but they must be able to fly combat missions when required.

Mr. GROSS. In the event of hostilities, but we are not in hostilities.

Mr. KILDAY. Surely the gentleman does not think he can teach a general to fly after hostilities have started.

Mr. GROSS. I would assume the general had learned to fly long before he attained that rank.

Mr. KILDAY. How is he going to keep up his proficiency in the interim? Is he expected to have no flying experience in the interim and retain his skill or regain it the minute hostilities break out?

Mr. GROSS. What I am trying to get at are the abuses in the name of flight pay.

Mr. KILDAY. We are constantly trying to combat abuses. No matter what law we pass there will be abuses. The law provides there shall be long and frequent flights, but, of course, the law must be administered; and there are regulations which state there must be night-time flight, instrument flight, landings, and so forth. If it is not adequately administered, under our constitutional system, that is the responsibility of the other branch of government.

Mr. GAVIN. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, I was not on the subcommittee that considered this bill. I do, however, want to express my confidence in this subcommittee. I do not know of two more interested, hard-working men in this body than the chairman and ranking minority member of the committee, the gentleman from Texas [Mr. KILDAY] and the gentleman from Pennsylvania [Mr. GAVIN]; and I am certain that no committee of Congress has any more capable or hard-working counsel than the counsel of this subcommittee, Mr. Blandford.

Five of us, however, did vote in the full committee to put this bill over until yesterday or today in order that we could have time to read it and study it. It is not that I have any lack of confidence in the subcommittee, but I would like to know what I vote for in the full committee. Over the weekend I did study this bill. First, I want to say I think it is absolutely necessary that we do everything reasonable within our power to increase the morale of the armed services. I believe the last pay bill we enacted did a great deal of good in that direction. It was an incentive-pay bill, and did increase reenlistments to a very material extent. The records show that.

I will not have time to go into the various things Congress has done to increase and encourage reenlistments in the service within recent years. Incidentally, there have been more homes

built for families of military personnel in the last 2 years than have been built in the last 150 years.

Because of the complicated equipment we have today and the great time necessary in training our servicemen in the operating of this equipment, it is necessary today that we keep men longer in the service than we are doing at the present time. Money alone will not do that. Regardless of how much money we appropriate we must improve our leadership to keep men in the service. I trust that this bill will contribute to that end.

All of us would like to make the services more popular. We are looking forward to the day that we can stop the draft.

But there are things in this bill, Mr. Chairman, that, very frankly, I do not like. We have increased the pay of the lower-grade enlisted men, the lieutenants, and captains a very small amount. We have increased the higher grades to a great degree. This is a very complicated bill, and I do not believe it could be successfully amended on the floor.

This committee had a great problem before it. Such a bill is very difficult to work out. I do not think any member of the Kilday committee would say that this bill is perfect. I do not believe it meets 100 percent the desire of any member of the subcommittee. I certainly disagree with several provisions of this bill.

I should like to point out some things this bill does very well, in my opinion. One of the greatest problems we have had is to keep our best technicians in the enlisted grades. As a personal illustration, I remember in World War II we had great difficulty in a battalion in keeping the communication sergeants, the man who kept your radios in shape and generally supervised communication. As soon as he got to the point where he was really doing a good job he made application for officer-training school, and that was the end of him, as far as that job was concerned.

There are provided in this bill two additional grades in the noncommissioned officer structure for the services. These grades, if properly administered, will be of immense good to the services. This bill should help materially in keeping those men who make up the hard corps of our combat forces. It will do a great deal of good in that regard. Another matter that I would like to call to the attention of this body is that the retired personnel is only increased 6 percent. However, Mr. Cordiner opposed giving them any increase.

I should like to refer to stories you have been reading in the paper that this bill would save the American taxpayers \$5 billion. There are no facts to support such a statement, and I do not believe that any well-trained military man who understood the situation would make such a representation. This bill may result in our being able to keep our key enlisted men and officers that we otherwise would be losing. Many of these men have cost hundreds of thousands of dollars to train. It might contribute materially to keeping them in the service. We hope so. If it does, it may pay for itself in the end.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. GAVIN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BRAY. Mr. Chairman, I hope that this bill by keeping those individuals in the service we need will justify its passage and the money that it will cost the taxpayers. I believe it is necessary to get some sort of bill through in the very near future. The rather extravagant stories that we have been reading in the press over a period of months has caused a great unrest in the service. I think we must bring some bill out in the near future so as to quiet their fears and let them know exactly where they stand.

As I said earlier, I do not believe this bill could be successfully amended on the floor. It is similar to a tax bill in that respect. My main objection to it is that we have made too great a difference in the percent of pay raise between the lower ranks and the higher ranks. This bill may tend to give us a higher grade of generals. I remember a couple or 3 years ago when the Congressional pay raise came before the House it was said that by giving a material increase it would increase the caliber of the Members of Congress. I voted against the bill. Whether that increase has increased the caliber of Congress is a matter that we are not capable of judging. The public as a whole should judge that. I am in no way trying to attack the armed services. I think we have a fine armed service, and I do think that they are justified in getting an increase. I do object, as I stated, to certain parts of the bill, but if it does encourage the retention of the people we really need in the services, it will be more than justified. I intend to vote for the bill, but I believe that this body is entitled to know the questionable provisions of the bill as well as the good provisions.

Mr. GAVIN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, our people, perhaps because of their previous experience, have always been afraid of a military government. Perhaps that fear is unjustified, but those who wrote the Constitution, who laid down the principles which should govern us, seemed to think it was necessary to guard against a dictator.

From the debate today it seems that the principal complaint is that talented people, educated people, in the service can get more money in industry; that is to say, they can get higher compensation, outside of the armed services than they can within it, and that therefore it is necessary that the pay be increased. That may be true, but if it is true, it seems to carry the implication that no longer do individuals go into the armed services because they wish to defend their country. Boiled

down—I assume from the argument—they go into the military service because of the pay, because they think they can get more money there than they can outside. The argument seems to indicate they do not go in because of a desire to serve their country or because they love the service. That I find difficulty in believing. No doubt we all realize that the men who are trained in the academies—and someone said some years ago it cost approximately \$25,000 to put a young man through—that after they are trained there they go out before the Government has had anywhere near service enough to compensate for that training. If that be true, at least in times when we have what is called a depression, when we have unemployment, it would seem that the answer to that argument would be, instead of increasing the pay to write into the law a provision that they be required to devote a certain number of years to the service of their country; that is, instead of being permitted to leave when their education or their diploma has been granted at one of the academies, to require them to stay in for the benefit of those who paid for their education and give a few years of useful service. That may not be practical. I do not know. I do know that one group should not be asked to pay the cost of educating experts for the benefit of other groups.

Then there is another thing that irks the people, the average citizen, and that is the way the military people, some of them, altogether too many, conduct themselves. A little earlier in the day reference was made to the fact that they take special privileges at Government expense. Thinking back over the situation, it seems to me that the military people unjustifiably spend almost as much money—if the gentleman from Georgia [Mr. VINSON] will listen—that they spend unnecessarily and waste almost as much money as do the Members of Congress. And, you and I know something about that, because we see it all the time. Now, I have been criticized because something was said about the way they have taken special privileges for their own personal benefit, and I must admit that the time is long past due when we should do a little policing of our own committees, perhaps of our own personal activities in some cases. I am like the revivalist who was against sin and wanted everybody to reform but was a little slow on the pickup himself. And, I am not the only one in the Congress who has that feeling. It is all right to talk about defending our country. There is a limit to what can be done. There is ample room as to where and how the defense should be prepared.

It is all right to talk about paying the men in the service more money, but is not the basic trouble due to the fact that we are trying to defend all the world? Our front is too long. How many military establishments have we outside of continental United States? Is not the number 900? I ask the question of the chairman of the committee.

Mr. VINSON. I am sorry I cannot give the exact number, but I will say it

is a large number of military establishments.

Mr. HOFFMAN. Something over 900, I think.

Mr. VINSON. I do not know how many.

Mr. HOFFMAN. I sent down a privileged resolution some time ago, because there was talk about there being 300 and my recollection is the Department on February 11, 1955, came back with an answer that there were approximately 950 military installations outside the United States. I doubt there is a man in the service who has been in it for 10 years who will contend that in the event of war we can defend more than two-thirds of our bases.

Then we get letters from people in Germany. Just this last week a young woman over there who says she is a teacher wrote saying she wants better schools. They want school facilities in Germany equal to those we have here.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GAVIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HOFFMAN. Mr. Chairman, I should apologize for taking that time because I have not prepared any remarks on this bill and am not familiar with all of its provisions. I do know that it will cost \$668 million a year and that inflation is not prevented by adding millions to the circulation. The people we draft or who enlist and are sent abroad—there are some 240,000 or 250,000 of them in Germany, call for funds which are a grievous burden upon those here at home. Think of the cost. How far can we go? This depression does not worry me overly much. We are tough enough, we have enough courage and endurance to live through it all right even if we do not have all the former luxuries—now termed necessities—we now have. We will get along. A little hardship now—security later—is better than inflation. But one thing seems absolutely certain and that is that, unless we cut down on appropriations, we are going to be in serious trouble. If we continue to appropriate billions of dollars to be spent not only abroad but here at home, the dollar will be worth even less, and it is becoming worth less all the time. Our resources are melting away. Just the other day I paid another insurance premium. I should have died long ago if I wanted my children to make any profit out of that policy. But when my heirs get that small sum that is called for by my insurance—and I have paid premiums for more than 50 years—what will the dollar buy? Almost nothing. The home cost me \$1,100, basement, foundation and all, and the lot another \$100. And my wife and I live in it today when home. Not long ago I built a boathouse, just an ordinary boathouse for a couple of rowboats down on the river past my son's house, and that cost \$1,200—the price I paid for my home—why? Inflation. Don't you see where that money has gone, the value of it, down, down all the time? Of course, you can turn that into an argument for an increase in pay for the armed services, but my

point is that as a nation we are going to get no better just as long as we continue to increase appropriations far beyond our ability to pay.

As was said earlier in the day we have increased the limit on the national debt. We borrow more and more money for things we never should do; things desirable but not necessary when the money is needed to prevent war. We should not borrow money unless it is absolutely necessary, because that interest keeps piling up.

When we pay interest, unless we can put the money where it is earning something and can produce a profit, it is A B C in the alphabet that it is unsound, harmful, and a ruinous policy unless it must be spent to prevent dire want. Let us avoid becoming economic slaves by following ideal.

FREEDOM—WHERE IS IT?

Restlessness may prevent stagnation. May also bring accomplishment. It does not necessarily follow that just doing something is the wise or beneficial thing to do.

Freedom Wall, which it is proposed to erect near the Arlington National Cemetery to inspire freedom in the youth of the land, to be built and paid for by the schoolchildren, is, in the opinion of many, just the result of someone's patriotic thought and a lack of ideas which might result in more beneficial accomplishment.

The youth of the land can learn patriotism and the necessity therefor from the early history of this country. From the wars it has fought.

That our people desire that others throughout the world shall also benefit from the creation of freedom in their homelands can be learned if we read the record of expenditures which we have made to help other nations—\$160 billion.

The futility of much of that spending will also be realized if some of the reports of Congressional investigations and a reading of the daily press is followed.

And as for our freedom here at home, the current hearings before a Senate committee show how completely freedom has been denied whole segments of our population.

Those hearings have spread upon the record a most amazing tale—long known to those who read the press—which should shock into action every patriotic American who cherishes our form of government, has concern for the future of our Nation.

Yet, notwithstanding that record, which is open to all, we find a tendency through public statements officially printed condemning those hearings.

Certain individuals in high office characterize them as an assault upon the freedom of the workers—as though practically all of us did not work most of the time.

Perhaps the condemnation in those hearings, of the trend of some to rush to the defense of individuals and organizations who disregard the law, accomplish their will by beatings and the destruction of property, the creation of fear, can be better understood if the contributions of some organizations toward the election of officials who appear

willing to suppress truth-disclosing investigations will be understood if we remember that hundreds of thousands of dollars are spent not only at election time, but throughout the year for propaganda, much of which, under the guise of education and humanitarian programs, preach class hatred, tend to create civil strife.

If one is interested in the thousands of dollars admittedly paid toward helping the election of some individuals, he need but turn to a statement by David Lawrence which shows the payment of \$198,747 to a few individuals whom he characterizes as men of integrity, as they undoubtedly are. It has been said that 160 or 176 individuals elected to high Federal office have received contributions from the CIO and AFL to further their political views.

A certain group of so-called liberals are continually yelling to high heaven because men of wealth, presumably patriotic and sincere, have over the years contributed to the election of the candidates of a political party.

It is probable that neither group is entirely free from the thought that by such contributions legislation which they favor can be enacted. That may be proper—it can also have its influence.

However, it is another thing—a decidedly different principle is involved—when any group, any organization, or any individual actively participates or even stands idly by when, over a period of years, the law is openly violated, its enforcement by force prevented.

A battle between right and wrong, obedience or disregard of the law, is now being fought. Unless the battle for obedience to the law is won, our country will shortly find itself in the grasp of a political power which will use the resources of the country, the earnings of the individual for the advancement of its own policies, the domination of our people by a dictator.

Let us take a look at what occurred recently.

YOUR FIGHT AND MINE

A recent paper carries a cartoon captioned "Sweetiepie, Tell Us Little Old Judges in Your Own Words What a Scoundrel That Reuther Is." It depicts caricatures of Senators GOLDWATER and MUNDT, cuddling up to and apparently soliciting favors from a supposedly beautiful and attractive lady labeled "Kohler Co."

Presumably, the cartoonist thinks the gentleman should be soliciting favors from Walter Reuther. Beyond question, if they wish political support, are ready to surrender their independence, that is just what they should be doing, for Reuther has it in plenty when misusing—some think embezzling—the dues of hard-working union men and women who have contributed out of their earnings assessments which are presumably made for union purposes.

He diverts union funds to the support of his political favorites, endeavoring to elect those who, he thinks, will do his bidding when they attain office. He is actively engaged in a political campaign.

Official records show that the CIO under Reuther has spent thousands of dol-

lars paid in as dues toward the support of political candidates.

If Reuther succeeds, his Democratic sponsors will find themselves his stooges.

Apparently, some are either so blind or so biased that they are thoroughly convinced that it is not only morally but legally wrong—criminally so—for a bank or a corporation or a wealthy industrialist to contribute to make effective his ideas—supporting a candidate of his choice—but it is all right to take the money which a man or a woman must pay in order to hold a job in many industries and use it in support of politicians and candidates that the worker never did and never would support, but who will be expected to do Reuther's bidding.

Last week, an effort was made by me during an hour and a half, or, perhaps, more—and I did not get half through—to place on the record facts which show beyond doubt that Walter Reuther has for years advocated a policy of violence in defiance of the law and court decrees in order to make effective the demands of the UAW and the UAW-CIO. A course of conduct through which, for the past 4 years, he has endeavored—again, through the use of goons and hired thugs who invaded Wisconsin from other States and in defiance of the law—to force the Kohler Co., as he has forced others, to do his will.

Critical questions have been asked Kohler witnesses and law-enforcing officers as to why they did not, on specific occasions, arrest the offenders.

Perhaps the officers have been at fault. Perhaps they have learned through personal experience or through reliable sources of information, including photographs, that, unless they are adequately supported in the beginning of a strike where there is violence, they just risk a beating when they later attempt to enforce the law after a mob has collected.

It is apparent that some who criticize local officers for not making arrests, or obtaining evidence which would justify convictions, have no personal knowledge of what would happen if such an attempt was made after union goons have assumed control of a particular situation. A little personal experience on the part of some critics might be helpful in arriving at an accurate conclusion.

The failure to prevent violence, beatings, destruction of property, in many instances grows out of the fact that the law violators have been supported by higher officials who do not wish to politically offend those who are guilty, nor to later prosecute them.

A glance at some of the photographs which have been presented by me, many of which came from court records, others from the press, shows an established custom of goons—many times imported—beating would-be workers who wanted to go through a gate to their work—sometimes the beating of police officers who tried to assist them.

Again, the Kohler Co. is criticized because it hired undercover agents in an effort to learn what directors of union goons were doing or were about to do that was unlawful.

That criticism apparently proceeds on the theory that, if there is an unlawful organized conspiracy to assault my employees, destroy their property or mine, or ruin my business, I have no right to take means to ascertain who is responsible for the coming violations of the law—to learn who has been guilty of those violations—who have injured or destroyed my property.

Such an assumption ignores my right to security, to property—my right to be left alone—not beaten.

In truth and in fact, the issue presented by the Kohler strike is a very, very simple one.

Shall my natural right, my constitutional right, my civil right, to be secure in my property, in my person, be protected? Or does the public welfare demand that Walter Reuther be encouraged in his effort, through the use of violence, to destroy private enterprise, make ineffective our form of government?

Many laws have been written by the Congress, not only to protect the rights of employees, but to grant them special privileges.

The foundation of this Government rests upon the fundamental principle that every individual has the right to personal safety, to the ownership of property, to protection from those who willfully violate our written laws.

I know nothing of the merits of the original demand of the union as made upon the Kohler Co. I do know this—and there can be no successful denial of the statements that—

First. The Kohler Co. owns property.

Second. The Kohler Co. has a right to operate its business in any manner which it may choose as long as it does not violate the law—moral, local, State, or national.

Third. Those individuals owning and operating the Kohler property have the inherent and the constitutional right, when assailed, to protect that property and themselves as well as their employees from violence.

Will those who deny that right, who criticize the methods which were used by the company, kindly put on the record just what they would do if similarly assailed?

Will the champions of law-violating officials of union organizations—or their spokesmen—those who apparently condone the violence of union goons, who assail not only nonunion but union employees who desire to work—put on the record the justification of Reuther, Emil Mazey, Jess Ferrazza, and hundreds of other violators of the law in the name of unionism?

The Kohler Co. has fought your battle and mine—yet those who condone violence, a section of the press, criticize the company because it attempted, when law-enforcement officers failed, or were unable, to protect its property, its employees, to defend its property, its employees, and their homes.

The friends and admirers of Walter Reuther may take him to the White House—they may kiss him on both cheeks, pat him on the back—they may applaud his violations of the law—his

assaults upon constitutional freedom, his misuse of union funds—but the record shows that he is what he is—no respecter of the rights of others, an advocate of violence.

You and I are not too greatly interested as long as his goons confine their activities to the destruction of the property of someone else—to the beating of some other individual—do not directly beat us or destroy our property.

One thing worth a thought, however, is the fact that, when a large enough group of people are trampled upon by a would-be dictator—when they do not receive adequate protection even when police officers stand behind them—sometimes as in the early days of the Far West, or more recently in 1937, as at Monroe in Michigan, the people, outraged beyond endurance, rise in resentment and, sworn in as police officers, or called upon under the Riot Act, have, and may again, rise in their wrath and protect themselves.

That is a situation which should not be permitted to come about. But one thing is sure—if people are not given protection and if enough of them are imposed upon, beaten, and outraged, Reuther and his ilk may find that a dose of their own medicine will at least discourage some of them.

Just in passing, I have been wondering where the advocates of civil rights are hiding. Where are those who made so much noise when the bill was before Congress? Troops were sent to Little Rock so that pupils might attend school—but law-abiding American citizens who may desire to go to their places of work have their right to work taken from them by the politically powerful, campaign-contributing Walter Reuther, using money which did not belong to him—and the so-called liberals cheer.

Lincoln could get along without a formal education, but he did have to eat.

Mr. KILDAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I shall not go into the details or the technicalities of this bill. I think they have been well explained. I am very happy to have been a member of the subcommittee that served under the gentleman from Texas [Mr. KILDAY] and to have been associated with our very fine counsel, Mr. Blandford, during the period we have considered this bill.

While we are passing out the bouquets to these people, I think it is fitting we recognize the fact that the man who selected them, and who directs the overall affairs of the committee, Mr. VINSON, should come in for his share of credit for this bill.

Those of us who associate the uniformed services as ramrod-straight soldiers swinging by in parade formation, with rifles and sidearms shining in the sun are not familiar with modern warfare.

The men who fight today's wars and who will fight the wars of the future do not necessarily have to be proficient in close-order drill. Many of them may

not ever be called upon to use a rifle. Do not get me wrong. There is a very definite place for the man on the ground with the gun. He is just as important now as he ever has been. It is not inconsistent with pushbutton warfare to still need men who live in the mud, the sweat, and soggy uniforms and on short cold rations.

We do need the ground soldier and the sailor but they are only a part of the team. In a missile firing center or in the control room of a rocket ship, you will find young men who must be trained, and well trained, to interpret what they see on radar screens and to maintain those screens and to safely care for the missiles and the rockets and to operate the intricate instruments that send an ICBM on its way. These are the men, the highly technically trained men, who are in such a demand and the ones whom we seek to retain in the services. The men who may be most at home in the field of intricate complex instruments would not make the best squad leaders. Their jobs are different, but each is just as important in today's involved system of warfare. We need skilled, expensively trained men in the Air Force. We have been educated to their need. It is obvious. The man who flies a jet plane at mach 2 or the pilot who has to refuel a B-47 in the air must be well trained. That training is long and hazardous. But what applies in the Air Force today applies in other branches of the service, too. I am sure if you visit a missile firing center as many members of this committee have, and I know that my good friend, the gentleman from Pennsylvania [Mr. GAVIN] was at one last year because I followed him there by a few weeks, you will see a number of vans or semitrailers lined up. You walk into them and on the sides and along the walls are cases with electric panels and gadgets that mean, perhaps, nothing to the layman. These are the guidance instruments, the computers and check controls, the men who operate them are the keymen. They are for the most part enlisted men and it is these people that we are fighting to retain in the services. The cost of training these people is great. Part of the savings of this bill will come by reducing the training load that is put on the services by the continual shifting of manpower. I want to say that serving on this committee has been an inspiration. I know of no committee in the House that has ever had a more imposing array of witnesses before it. There has been no committee that at one time has ever seen the four Chiefs of Staff as the panel being interrogated by the committee. The instant bill does not square with the Cordiner report, and I am inclined to agree with the gentleman from Indiana [Mr. BRAY] that there are things in it that some of us would like to see changed. But, out of the great wealth of information we obtained, the committee under the leadership of the gentleman from Texas [Mr. KILDAY] and the gentleman from Pennsylvania [Mr. GAVIN] came out with what no doubt is the best possible bill. It represents a compromise and, I think, the best solu-

tion that can be found for this complex subject today.

Mr. GAVIN. Mr. Chairman, I yield such time as he may require to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, as a former member of the Committee on Post Office and Civil Service, I have had numerous experiences with pay raise hearings and pay raise bills. I can well remember the tremendous amount of pressure that was exerted against us as members of the committee. I can well remember some of the unpleasantness and even some of the political threats which were leveled in our direction. I am happy to say that my experience as a member of the Kilday subcommittee in the consideration of and writing of this legislation has been a most refreshing and welcome contrast to my earlier experience.

I would like to pay tribute to the men and women of the armed services who have been content to express their views in gentlemanly and ladylike fashion and without the use of pressure and abuse have allowed us to use our consciences and ability to write suitable legislation.

I would also like to compliment our distinguished chairman, the gentleman from Texas [Mr. KILDAY], and our counsel, Mr. Blandford, for the tremendous job which they did and the many, many hours of work that they have put in on this piece of legislation. They were extremely tolerant of those of us who were newer and less informed members of the committee. I would like to express my appreciation for that tolerance at this time. In my brief experience I do not profess to be an expert on military pay, but it does appear to me that, thanks to the leadership of the gentleman from Texas [Mr. KILDAY], we have taken a great many points of view, molded them together, and brought out a very worthwhile piece of legislation, without an ounce of politics in it, and which is designed for the good of these United States.

The CHAIRMAN. The time of the gentleman from California [Mr. GUBSER] has expired.

Mr. KILDAY. Mr. Chairman, I yield 7 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, as has been previously expressed by other Members, it has been a real pleasure to serve on this committee. I think everyone in the House appreciates the great wisdom and the kindness of our chairman, the gentleman from Texas [Mr. KILDAY], and the leader on the minority side, the gentleman from Pennsylvania [Mr. GAVIN], and also realizes the same fine spirits in our general counsel, Mr. Russ Blandford. I am happy to say also that it is a great privilege to serve on the House Armed Services Committee under the leadership of my friend, Congressman CARL VINSON, who, in my opinion, has contributed more to the national defense of our country than any man living today.

Mr. Chairman, many of you have probably received letters on the subject

of longevity and on various substitute proposals for steps in pay.

I should like in the minutes allotted to me to attempt to clarify the committee's viewpoint on what was undoubtedly the most controversial problem that had to be faced in attempting to arrive at a solution that would do the job intended and at the same time be fair to all groups. The solution offered in the draft presented by the Department of Defense and originated by the Cordiner Committee was the abandonment of longevity in years of service as a pay step method and the substitution of a pure step-in-grade system.

The system presently in effect is one which has been used ever since military pay was formally established with definite tables—that of successive pay increases based on total years of service. As presently set up, it has several defects. The main defect is that it gives undue benefit to the time server only.

An individual who does not get promoted goes on drawing pay raises every 2 years so that after several years he may be drawing more money than some of the younger men who were good enough to be promoted over him. This is the so-called pay inversion—the junior drawing more pay than his senior. This is undesirable and I think no one will dispute it. It cuts down on the incentive to advance or to shift to one of the critical skills where advancement could be faster. It discourages the ambitious individual who sees that his hard work gets him very little more money than the man next to him who is just going along for the ride.

The Cordiner Committee came up with the concept, which the Department of Defense accepted in toto, that in order to provide the proper incentive to advance in rank and to train in those specialties where the greatest shortages exist, there should be no such thing as pay inversions, except that there should be, in consonance with industry practice, an overlap between the highest enlisted grades and the lower officer grades, and similarly with the warrant officer structure.

They believed that within each of these three major groups the highest pay of anyone in a lower grade should invariably be less than the lowest pay of the next higher grade. Consequently, the pay tables which were proposed to the Armed Services Committee called for a step-in-grade system, with the step increases dependent on the number of years in that grade only, but in no case extending beyond the number of years normal for anyone to be in that grade. After that number of years had been reached the individual had to be promoted or receive no further pay raises.

Now there is no question but that this step-in-grade system would have solved the problem of the time served, and in theory it was supposed to have provided adequate incentive and reward for advancement. But it also created some new problems at the same time that it attempted to solve some of the old ones.

A system that has stood the test of time for over a century may be outdated

in some respects and need modernizing, but it is obvious that it also contains a great deal of wisdom.

We on the committee felt that the proponents of the Cordiner plan failed to give sufficient consideration to some of the basic differences between industry and the armed services.

In wartime, especially, but even today, the services take appreciable numbers of their officers from the enlisted ranks. The present pay system gives them a considerable pay incentive to make this step-up; the step-in-grade system does not. Perhaps you might say: If they are second lieutenants, pay them as second lieutenants. But their situation is not the same as the college graduate. They are generally older; they have families; they are immediately of greater value to the service. In fairness to their families they cannot afford to accept a commission if there are greater monetary rewards available to them over the next few years if they remain in an enlisted status.

The services have not said that they are no longer interested in these people, and in fact all of the services specifically asked that special provision be made for them when this defect was pointed out.

I am afraid that in the general enthusiasm for the overall plan the Department of Defense had failed to give adequate consideration to this problem.

A similar problem exists in those enlisted specialties where, because of numbers in that specialty, promotion is limited. Retrain them in another, more critical specialty, said Mr. Cordiner. But in actuality only a few of these men can be retrained and yet the services, in most cases, cannot afford to lose them.

Thus the longevity system is ideally designed to take care of situations of limited promotional opportunities, and there is no way in peacetime to insure that none will exist in any area or specialty.

The committee felt that a pay system had to be devised which would retain the advantages of both types without the one major disadvantage. After a great deal of study and consideration we have proposed pay tables which retain the basic concepts of the longevity system, but avoid its major defect, by cutting off longevity pay increases in any one pay grade shortly beyond that point at which an average individual under today's conditions can expect to be promoted to the next higher pay grade. This removes pay inversions for the great majority of cases and cuts off the time server at the point where he should be cut off. It is more liberal in the enlisted table because it is here that there are some areas of promotional stagnation.

In the officer table the elimination of longevity increases lies, as I have said, immediately after that point where the average officer following the normal career pattern should reasonably expect to be promoted to the next higher grade. To take care of the individual who goes from an enlisted to officer status we have included a separate pay table for those officers who have had at least 4 years of prior enlisted service. The effect of this

table is to take the basic officer grades and extend the longevity increases for those grades for several years past the cutoff date applicable for the officer with no prior service.

And, finally, it should be noted that the Department of Defense-Cordiner proposal for in-grade increases could have resulted in substantial pay increases for those who have already received accelerated promotions, while at the same time limiting pay increases to a much lesser amount for those who hereafter can only anticipate normal promotional opportunities.

We are convinced that the pay scales we have submitted for your consideration represent the best possible compromise which will solve most of the deficiencies now existing without creating new problems.

It has been said that the committee reported this unanimously. The subcommittee did report this bill unanimously. As far as I personally am concerned I think that all the provisions of this bill are good, but there are some things which would have added to its effectiveness if they could have been included in this bill. However, we cannot get everything exactly as we desire. I hope very much that this bill will unanimously pass today.

Mr. KILDAY. Mr. Chairman, I yield 7 minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, at the outset let me say that I personally feel that the members of our subcommittee, the members of the House Committee on Armed Services, and I know the Members of this entire body owe to the gentleman from Texas, chairman of our subcommittee [Mr. KILDAY], and the gentleman from Pennsylvania [Mr. GAVIN], their undying gratitude for the outstanding qualities of leadership which they displayed in the drafting of this very important legislation. I also take this opportunity to pay tribute to my friend, the gentleman from Georgia, Congressman CARL VINSON, under whose great leadership an outstanding record of sound legislation has been enacted through his years of service.

Mr. Chairman, as a member of the subcommittee, I rise in support of H. R. 11470, and urge its enactment.

H. R. 11470 is not a Department of Defense measure. It is not an advisory commission measure. On the contrary, it is a measure written by the Committee on Armed Services, and its provisions are the end product of the comprehensive knowledge in the fields of military pay and personnel management which that committee has acquired through many years of intensive specialization in these complex and difficult fields.

Let me concentrate on one of the provisions of H. R. 11470, which is the direct result of your committee's work and which reflects the solid common sense and wisdom of its distinguished chairman.

H. R. 9979, the Department of Defense proposal, contained a complicated temporary 6-percent cost-of-living increase

for members who would not otherwise benefit in the other provisions of that proposal.

Mr. Chairman, I will not weary you by attempting to unravel this provision in detail. I wish to state, however, what the final result of this provision would have been with regard to enlisted personnel.

At the end of 3 or 4 years enlisted personnel in the 4 lower pay grades who had either entered the service after the enactment of the Department of Defense proposal or who had completed 2 years of service after enactment would have been paid about \$98 million less annually than they would have received under the present pay scales.

In other words, the Department of Defense proposal expected to attract and maintain a better quality of enlisted personnel by lowering pay in the crucial early stages of their career—in fact, Mr. Chairman, at the very time of decision as to the desirability of pursuing a service career.

Needless to say, the subcommittee flatly rejected that concept. On the contrary Mr. Chairman, the committee in H. R. 11470 has recommended a pay scale which not only precludes any such possibility in the three lower grades but which also provides sufficient increases in the higher pay grades to insure that an enlisted career in the armed services of the United States will once more be financially more nearly comparable with one in civilian life.

For example, where the Department of Defense proposal would have cut the average pay of the future E-1's, E-2's, and E-3's, 4.6 percent, 4.3 percent, and 8.1 percent, respectively, H. R. 11470 provides for an average raise of 1 percent in the grade of E-1, 1 percent in the grade of E-2, and 3 percent in the grade of E-3.

These apparently low percentages result from the fact that H. R. 11470 maintains the principle inaugurated in the Career Incentive Act of 1955 that career pay should be confined to those who are serving beyond the period of obligated service imposed by the Selective Service Act.

Actually, under H. R. 11470, no individual enlisted man with over 2 years of service will receive, now or in the future, an increase of less than 6 percent.

For example, under the Department of Defense proposal, in the future an average E-4—corporal in the Army, or petty officer third class in the Navy—would have lost 1.9 percent in his basic pay; under H. R. 11470, he will receive an increase of 7 percent.

An average E-5—sergeant in the Army, petty officer second class in the Navy—would have received an increase of 9.3 percent under the Department of Defense proposal; under H. R. 11470, he will receive an increase of 12 percent.

An average E-6—staff sergeant in the Army, petty officer, first class, in the Navy—would have received a 10.7 percent increase under the Department of Defense proposal; under H. R. 11470, he will receive a 12-percent increase.

An average E-7—master sergeant in the Army, chief petty officer in the Navy—would have received an 8.7-percent increase in the Department's proposal; under H. R. 11470, he will receive a 16-percent increase.

An E-8, one of the two new grades created by this legislation, under the Department of Defense proposal would have received an increase of 18.7 percent over the present pay of an E-7; under H. R. 11470, he will receive an increase of 28 percent, which more adequately reflects the rigorous selective process he would have undergone to attain this grade.

And, finally, the E-9, the top new enlisted grade created by this legislation, the pinnacle of the enlisted career attainable by only 1 percent of all enlisted personnel, would have received under the Department of Defense proposal a 34.5-percent increase over the present E-7 pay scale. Under the proposed legislation, H. R. 11470, this outstanding man will receive a 48-percent increase. This, it should be noticed, is the highest percentage increase granted to any officer or enlisted man under this legislation.

Thus, the subcommittee has submitted for approval of the Congress a pay scale which provides an orderly progression upward with the highest rewards available to those who achieve the most.

The subcommittee scale accomplishes this desired result; moreover, without penalizing any group of enlisted personnel.

Mr. Chairman, I believe that the enactment of this beneficial scale will have far-reaching and salutary results. I believe it will do much to stimulate enlistments and an abiding interest in the service as a career.

I urge the enactment of H. R. 11470.

Mr. GAVIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, after many years of service on the Military Affairs Committee and the Committee on Armed Services, we have many times come before this body with legislation that has been difficult to deal with, and today we again find ourselves in a similar situation. This matter before us is very involved, very technical. But, again your House Committee on Armed Services has objectively brought before the House a constructive solution of this problem, a bill which we feel will fit the situation and prove to be in the best interests of the armed services of this country. While there may be points in this bill which everyone is not in total agreement I am convinced that in the overall we have done a constructive piece of work in presenting this piece of legislation for the consideration of the House. I am hopeful that this bill will pass overwhelmingly, because I think our Committee on Armed Services, particularly the subcommittee headed by the gentleman from Texas [Mr. KILDAY], having dealt with this problem for many, many days, have done an exceedingly good job, and that they have in fact followed the recommendations of the Cordiner Committee as well as the Department of Defense in their recommen-

dations. I want to compliment the subcommittee and the staff counsel, including every Member on both sides of the political aisle, and the gentleman on this side of the aisle [Mr. GAVIN] for the fine work they have done, the intensive thought and study they have given to the matter, all with the purpose that they bring to this floor a constructive piece of legislation. The problem of these men on the committee has been much more intricate than it has been in the past. The members of the services must be proficient individuals; they must be almost learned individuals in some respects to handle the equipment of war that we now deal with in these very troublesome times. So I want to say in behalf of the subcommittee and the full Committee on Armed Services that I think the subcommittee has done an outstanding job, and I sincerely hope that the House will overwhelmingly accept the recommendations of this committee.

Mr. GAVIN. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. WILSON].

Mr. WILSON of California. Mr. Chairman, I want to associate myself with my colleagues on the Committee on Armed Services in favor of this legislation. I do not think there is any legislation that is more intricate or more important to the future of this country than legislation of this type. I am sure that in the course of the hearings I have learned much more than I have been able to contribute. But, I have been impressed with the knowledge and the wisdom of the chairman of our subcommittee, the gentleman from Texas [Mr. KILDAY], the ranking minority member Mr. GAVIN, and the counsel of our committee, Mr. Blandford.

This is truly a Congressional bill. We tossed the Department bill in the wastebasket and wrote an entirely new bill. I am glad that we have kept faith with the retired personnel in seeing that they are covered with a cost-of-living increase. This has been a tradition with us in the past.

I do not know just how much money this bill is going to save. The Cordiner Committee said that astronomical savings would result from writing legislation that followed their recommendations. But I do know we are going to have a much stronger military service. We are going to have more efficient, better trained men and women in the services, and the country will benefit from this legislation. I urge a favorable vote on the committee bill.

Mr. KILDAY. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, certainly this is a very complex piece of legislation, one that has a good deal of complicated formulas in it and rather difficult for the average individual to understand. Certainly some criticism can be directed to almost any type of legislation that comes to this floor. I notice some in the press to the effect that the committee has disregarded some of the recommendations by men of ex-

perience. But I would like the country to know, referring now to what the gentleman from Illinois has said, that this is a committee of experienced men, probably more experienced than any committee that has been appointed, or any group of individuals in the Defense Department or anywhere else in the country. The chairman of the subcommittee, the gentleman from Texas [Mr. KILDAY], has had 20 years of experience in writing complicated laws; for instance, in 1939 and 1940, when we had no defense measures and when we had to start from the roots and build, he performed at that time a great service to his country. Also, the Committee on Armed Services is chairmaned by a gentleman who has spent his entire life in the House on legislation for the military services—44 years. If you can find any more experienced people to write legislation that is sound, I should like someone to tell me where they can be found.

Mr. Chairman, I want to congratulate the subcommittee. I am not going to try to speak to the legislation with the knowledge that I know is possessed by the members of the subcommittee. I happen to be chairman of another subcommittee, and most of my work is concerned with that. But I want to congratulate the entire subcommittee for bringing to the floor of this House this piece of legislation for the good of the Defense Department and the security of the Free World.

Mr. GAVIN. Mr. Chairman, I yield such time as he may require to the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. NEAL. Mr. Chairman, I have listened attentively to the debate on this bill. At this time in our national history it would be foolhardy to neglect adequate provision for our defense agencies. I recognize lack of incentive pay to members of our armed services tends to encourage enlisted personnel to abandon the services for more remunerative and more tempting careers in civilian life.

If we are to maintain trained personnel to effectively meet the requirements of modern warfare, we must bear the increased costs, since to be unprepared is to invite defeat if we should be drawn into war.

While I am opposed to efforts being made to increase percentage-wise the salaries of Federal civilian employees, I shall vote for this bill as a means of strengthening the defense of our country.

Mr. KILDAY. Mr. Chairman, I yield 10 minutes to the distinguished chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, the committee today has had the pleasure, and the benefit, of listening to one of the

clearest and most complete analyses of a bill that it has been my privilege to hear in a long, long time.

I refer of course to the brilliant explanation of H. R. 11470 made by the distinguished gentleman from Texas [Mr. KILDAY].

Mr. Chairman, there is no Member of the Congress more completely versed in the complexities of the military pay system than the gentleman from Texas. We all know and recognize that he is an expert in the field of pay and personnel legislation of the armed services and I am frank to say, and I measure my words when I say it, that he comes as close to being the irreplaceable man in this field as any man I know.

The Nation, the Congress, and the armed services are indeed fortunate that a man of his ability, his high integrity, his wisdom, and his complete understanding of human motivations, has been given the responsibility of handling and writing this new pay system for the armed services.

This is not a new undertaking for the gentleman from Texas [Mr. KILDAY]. As most of us realize, he handled the Career Compensation Act of 1949, the pay increase in 1952, the Career Incentive Act of 1955, and now this bill. You will also recall he played a prominent and conspicuous role in the writing of the Survivor Benefits Act, the Contingency Option Act, and he and his subcommittee had full responsibility for writing the Dependents Medical Care Act.

Subcommittee No. 2 of the Committee on Armed Services, under the distinguished chairmanship of the gentleman from Texas [Mr. KILDAY], has written the bill now under consideration by the committee of the House. It is their bill; it is their handiwork, written entirely by the subcommittee after 4 long weeks of hearings and concurred in without dissenting vote by the Committee on Armed Services.

In writing this legislation, the gentleman from Texas [Mr. KILDAY] had the wise counsel and advice of other very able members of his subcommittee. We are all proud of this subcommittee, and here today I wish to pay special tribute to the members of that subcommittee who attended the long hearings on this complicated matter.

If you read the hearings now available, you will see in the proposed legislation the valuable assistance rendered in the preparation of this bill by the ranking minority member of the subcommittee, the Honorable LEON GAVIN, of Pennsylvania. He was the outstanding champion to see that justice and fairness was accorded in the pay scales for the junior officers and enlisted personnel.

This bill reflects the indispensable assistance rendered by the ranking majority member of the subcommittee, the gentleman from South Carolina [Mr. RIVERS]. It also reflects the keen insight of the able gentleman from Connecticut [Mr. PATTERSON].

You will find in the proposed legislation the wise observations and suggestions of the gentleman from Louisiana [Mr. HEBERT].

The bill also reflects the experience of a former naval officer, the very capable gentleman from Massachusetts [Mr. BATES], whose experience and wisdom in pay and personnel matters are contained in the proposed legislation.

The pay scales are based, in many instances, on recommendations from the very able gentleman from Virginia [Mr. HARDY], as well as the hard working and very able gentleman from California [Mr. MILLER], who brought to the subcommittee his previous experience in civil pay laws.

Policies were adopted that are contained in the proposed legislation based upon the recommendations of the very sincere and conscientious gentleman from Florida [Mr. BENNETT].

The gentleman from California [Mr. WILSON] brought to the committee his personal experience as an enlisted man in World War II and his assistance was invaluable.

Faithful in his attendance and bringing to the committee his long experience in the Congress, and as a former member of the old Military Affairs Committee, was the sage advice and counsel of the gentleman from Tennessee [Mr. REECE].

And I could not conclude complimenting this subcommittee without pointing out the many, many contributions made in the development of the proposed legislation by the very, very able gentleman from Alabama [Mr. HUDDLESTON] and the wise counsel and advice of the very able member from California [Mr. GUBSER].

And finally, Mr. Chairman, I cannot conclude my remarks about the subcommittee without commenting on the work performed by the subcommittee's counsel, Mr. John B. Blandford, who worked long and hard to separate the chaff from the wheat. His assistance in writing this pay legislation was invaluable.

I can assure the membership of the House that this subcommittee of 13 members possess all of the competence necessary in writing a new pay system for members of the armed services. They are wise in the ways of the military system; they understand human motivations; they are conscious of the traditions of the service; and they are willing to recommend changes where those changes are necessary to bring about greater efficiency.

While the bill before us is based upon the principles of the Cordiner report, nevertheless I can assure the membership of this House that it is a committee bill, written by the subcommittee and approved by the Committee on Armed Services. It demonstrates that the Congress of the United States is fulfilling its responsibility as envisioned by the Constitution to raise and support armies and provide and maintain a navy.

Now Mr. Chairman, this bill has been so thoroughly explained by the distinguished gentleman from Texas, and the other members of this able subcommittee, that I would be trespassing upon your time and patience if I sought to go into detail on the bill.

However, let me briefly say that the bill accomplishes two main objectives:

First. It authorizes the payment of proficiency pay to enlisted personnel; and

Second. It eliminates pay increases beyond normal promotion points, but rewards adequately those who assume the responsibility of higher rank and grade.

In other words, no one, enlisted or officer, can receive increased pay based merely on length of service if he is not promoted to a higher grade at normal rates of progression. Longevity has been retained, but it stops after normal promotion points have been passed.

Mr. Chairman, let me say complex weapons require skilled hands. We live in a practical world, and a man must first feel that he is providing adequately for his family in order to devote his full efforts to his job.

We cannot have the second best army, navy, air force, or marine corps because there is no second place in war.

The objective of the proposed legislation is to retain those skilled individuals so vital to our national security.

All members of the armed services must possess certain skills because almost every weapon has been made the subject of technological advances.

We will get the skill we are willing to pay for.

If we are willing to adopt the proposed legislation we will considerably improve the combat efficiency of our Armed Forces.

Without the proposed legislation, we will continue to have quantity, but we will be short on quality.

It would be a sad day for America if we were called upon to use these new deadly, complicated weapons of modern warfare and found that we were impotent because the men who were trained to use them were part of the civilian economy and not available to man these weapons.

There is no substitute for preparedness and preparedness means the ability to immediately wage war with all available weapons.

The proposed legislation will give us this availability in skilled manpower.

The basic philosophy, the underlying purpose of the proposed legislation is to develop a pay system which will retain on active duty the skilled personnel so vital to the operation of our modern Armed Forces.

This was the objective of the Cordiner report; this is the objective in which we all concur.

We believe that we have developed a pay system which, if enacted, will bring about the objective of retaining skilled personnel in our Armed Forces.

The Committee on Armed Services, as stated in the report, does not contend that enactment of the proposed legislation will solve all of the problems of the high turnover of skilled personnel. We do not contend that the enactment of the proposed legislation will eliminate the necessity for the maintenance of a Selective Service System.

But we do contend that enactment of the proposed legislation will increase the

reenlistment rate; will increase the officer retention rate; will increase the retention of a higher number of skilled personnel; will make a service career more attractive financially; and will improve to a considerable extent the quality of the personnel serving in the Armed Forces.

I repeat again that the whole philosophy upon which this bill is based, and upon which the Cordiner Committee re-

port is based, is to develop a pay system which will retain on active duty the skilled personnel, both enlisted and officers, so necessary to the operation of our Armed Forces. We believe the proposed legislation will accomplish this vital objective and I earnestly urge that this legislation be enacted.

Mr. KILDAY. Mr. Chairman, we have no further requests for time.

Mr. GAVIN. Mr. Chairman, there are no further requests for time on this side.

The CHAIRMAN. The Clerk will read the bill for amendment.

Be it enacted, etc., That the Career Compensation Act of 1949, as amended, is amended as follows:

(1) Section 201 (a), as amended (37 U. S. C. 232 (a)), is amended by striking out the table therein and inserting the following tables in place thereof:

"COMMISSIONED OFFICERS

"YEARS OF SERVICE

"Pay grade	Under 2 years	Over 2 years	Over 3 years	Over 4 years	Over 6 years	Over 8 years	Over 10 years	Over 12 years	Over 14 years	Over 16 years	Over 18 years	Over 20 years	Over 22 years	Over 26 years	Over 30 years
O-10.....	\$1,200.00	\$1,250	\$1,250.00	\$1,250.00	\$1,250.00	\$1,300	\$1,300	\$1,400	\$1,400	\$1,500	\$1,500	\$1,600	\$1,725	\$1,875	\$1,875
O-9.....	1,063.00	1,100	1,100.00	1,100.00	1,100.00	1,150	1,150	1,200	1,200	1,300	1,300	1,400	1,500	1,625	1,625
O-8.....	963.30	1,000	1,021.80	1,021.80	1,021.80	1,100	1,100	1,150	1,150	1,200	1,250	1,300	1,375	1,375	1,375
O-7.....	860.28	860	860.00	860.00	900.00	900	950	950	1,000	1,050	1,125	1,125	1,125	1,125	1,125
O-6.....	592.80	628	670.00	670.00	670.00	670	670	670	690	800	840	860	920	995	995
O-5.....	474.24	503	540.00	540.00	540.00	540	570	600	640	680	720	745	795	795	795
O-4.....	400.14	424	455.00	455.00	455.00	485	530	560	580	610	640	640	640	640	640
O-3.....	326.04	346	372.00	420.00	445.00	470	500	520	530	530	530	530	530	530	530
O-2.....	259.36	291	360.00	372.00	389.00	389	389	389	389	389	389	389	389	389	389
O-1.....	222.30	251	314.00	314.00	314.00	314	314	314	314	314	314	314	314	314	314

1 Does not apply to officers who have been credited with over 4 years' cumulative service as an enlisted member.

"COMMISSIONED OFFICERS WHO HAVE BEEN CREDITED WITH OVER 4 YEARS' CUMULATIVE SERVICE AS AN ENLISTED MEMBER

"YEARS OF SERVICE

"Pay grade	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-3.....	\$420	\$445	\$470	\$500	\$520	\$530	\$540	\$540	\$540	\$540	\$540	\$540
O-2.....	372	389	405	422	438	462	462	462	462	462	462	462
O-1.....	314	331	347	364	380	402	402	402	402	402	402	402

"WARRANT OFFICERS

"YEARS OF SERVICE

"Pay grade	Under 2 years	Over 2 years	Over 3 years	Over 4 years	Over 6 years	Over 8 years	Over 10 years	Over 12 years	Over 14 years	Over 16 years	Over 18 years	Over 20 years	Over 22 years	Over 26 years	Over 30 years
W-4.....	\$332.90	\$376	\$376	\$393	\$409	\$426	\$446	\$479	\$496	\$515	\$525	\$540	\$555	\$585	\$600
W-3.....	302.64	343	343	351	360	380	400	415	430	445	460	475	490	506	506
W-2.....	264.82	298	298	315	340	353	365	378	390	403	415	428	440	440	440
W-1.....	219.42	266	266	300	313	325	350	360	370	380	390	400	400	400	400

"ENLISTED MEMBERS

"YEARS OF SERVICE

"Pay Grade	Under 2 years	Over 2 years	Over 3 years	Over 4 years	Over 6 years	Over 8 years	Over 10 years	Over 12 years	Over 14 years	Over 16 years	Over 18 years	Over 20 years	Over 22 years	Over 26 years	Over 30 years
E-9.....							\$400	\$410	\$420	\$430	\$440	\$450	\$460	\$460	\$460
E-8.....						\$330	340	350	360	370	380	390	400	400	400
E-7.....	\$206.39	\$236	\$236	\$250	\$272	286	300	314	328	342	356	370	370	370	370
E-6.....	175.81	200	200	230	240	250	260	270	280	290	300	300	300	300	300
E-5.....	145.24	180	180	210	220	230	240	240	240	240	240	240	240	240	240
E-4.....	122.30	150	160	170	180	190	200	200	200	200	200	200	200	200	200
E-3.....	99.37	124	124	141	141	141	141	141	141	141	141	141	141	141	141
E-2.....	85.80	108	108	108	108	108	108	108	108	108	108	108	108	108	108
E-1.....	83.20	105	105	105	105	105	105	105	105	105	105	105	105	105	105
E-1 (under 4 months).....	78.00														

(2) Section 201 (b) (37 U. S. C. 232 (b)), and inserting the following table in place thereof:

"Pay grade	Army, Air Force, and Marine Corps	Navy, Coast Guard, and Coast and Geodetic Survey	Public Health Service
O-10.....	General.	Admiral.	Surgeon General.
O-9.....	Lieutenant general.	Vice admiral.	Deputy Surgeon General.
O-8.....	Major general.	Rear admiral (upper half).	Assistant Surgeon General having rank of major general.
O-7.....	Brigadier general.	Rear admiral (lower half) and commodore.	Assistant Surgeon General having rank of brigadier general.
O-6.....	Colonel.	Captain.	Director grade.
O-5.....	Lieutenant colonel.	Commander.	Senior grade.
O-4.....	Major.	Lieutenant commander.	Full grade.
O-3.....	Captain.	Lieutenant.	Senior assistant grade.
O-2.....	1st lieutenant.	Lieutenant (junior grade).	Assistant grade.
O-1.....	2d lieutenant.	Ensign.	Junior assistant grade."

(3) Section 201 (c), as amended (37 U. S. C. 232 (c)), is amended by adding the following at the end thereof: "However, except as provided in section 209 of this title, an enlisted member may not be placed in pay grades E-8 or E-9 until he has completed at least 8 years or 10 years, respectively, of cumulative years of enlisted service creditable in the computation of his basic pay. Except as provided in section 209 of this title, the authorized daily average number of enlisted members on active duty (other than for training) in any uniformed service in pay grades E-8 and E-9 may not be more than 2 percent and 1 percent, respectively, of the number of enlisted members of that uniformed service who are on active duty (other than for training) on January 1 of each year."

(4) Section 201 (d) is amended by striking out the last sentence and inserting the following in place thereof: "Any payments accruing under any law to any member of a uniformed service incident to his release from active duty or for his return home incident to release from that duty, may be paid to that member before his departure from his last duty station, whether or not he actually performs the travel involved. If a member receives a payment under this subsection but dies before that payment would be for this subsection have been made, no part of that payment is recoverable by the United States."

(5) Section 201 (f) (37 U. S. C. 232 (f)) is repealed.

(6) The tables in section 204 (b) (37 U. S. C. 235 (b)) are amended as follows:

(A) The table entitled "Commissioned officers" under the heading "Pay grade" is amended by adding "O-9" and "O-10," and under the heading "Years of service" is amended by adding the figure "\$165" for all categories of years of service for pay grades O-9 and O-10.

(B) The table entitled "Enlisted personnel" under the heading "Pay grade" is amended by adding "E-8" and "E-9," and under the heading "Years of service" is amended by adding the figure "\$105" for all categories of years of service for pay grade E-8 and E-9.

(7) Section 206 (37 U. S. C. 237) is amended by adding to the table therein pay grades E-8 and E-9 and the monthly rates of \$22.50 for each of those grades.

(8) The following new section is added after section 208:

"PROFICIENCY PAY"

"Sec. 209. (a) An enlisted member of a uniformed service entitled to basic pay and designated as possessing special proficiency in a military skill of the service concerned may—

"(1) be advanced to any enlisted pay grade prescribed in section 201 (a) of this act that is higher than his pay grade at the time of designation and receive the pay, allowances, and special or incentive pays of the higher pay grade in accordance with his cumulative years of service for pay purposes; or

"(2) in addition to any pay, allowances, special or incentive pays to which he is entitled under this act, be paid proficiency pay at a monthly rate not to exceed the maximum rate prescribed in the following table for the proficiency rating to which he is assigned:

"Proficiency rating"	Maximum monthly rate
P-1	\$50
P-2	100
P-3	150

"(b) An enlisted member who has less than 8 or 10, as the case may be, of cumulative years of enlisted service for basic pay purposes and who is advanced under subsection (a) (1) to pay grade E-8 or E-9, respectively, is entitled to the minimum amount of basic pay, allowances, and special or incentive pays prescribed for that pay grade until such time as his cumulative years of service for pay purposes entitles him to a higher rate of such pays.

"(c) The Secretary concerned shall determine whether enlisted members of any uniformed service under his jurisdiction are to be paid proficiency pay either under subsection (a) (1) or (a) (2). However, he may elect only one of these methods of paying proficiency pay for each uniformed service under his jurisdiction. If he elects to have proficiency pay paid under subsection (a) (1), enlisted members in a military rank assigned to pay grades E-8 and E-9 may be paid proficiency pay at a monthly rate not to exceed the maximum rate prescribed in sub-

section (a) (2). If he elects to have proficiency pay paid under subsection (a) (2), he shall prescribe, within the limitations set forth in subsection (a) (2), the amount of such pay for each proficiency rating prescribed therein. He shall also designate, from time to time, those skills within each uniformed service under this jurisdiction in which proficiency pay is authorized, and shall prescribe the criteria under which members of that uniformed service are eligible for a proficiency rating in each such bill. He may, whenever he deems it necessary, increase, decrease, or abolish proficiency pay for any such skill.

"(d) In the computation of retired pay or retainer pay, the proficiency pay to which a member is entitled on the day before he becomes entitled to that retired pay or retainer pay is considered a part of his basic pay.

"(e) Except for determinations to be made under subsection (c), this section shall be administered under regulations prescribed by the Secretary of Defense for the uniformed services under his jurisdiction, and by the Secretary of the Treasury for the Coast Guard when the Coast Guard is not operating as a service in the Navy."

(9) Section 302 (f) (37 U. S. C. 252 (f)) is amended—

(A) by inserting the following above pay grade O-8:

"O-10	171.00	136.80
O-9	171.00	136.80"; and

(B) by inserting the following between pay grades W-1 and E-7:

"E-9	67.50	45.00
E-8	67.50	45.00".

(10) Section 302 (h) (37 U. S. C. 252 (h)) is amended by striking out the words "E-6 and E-7" and inserting the words "E-6, E-7, E-8, and E-9" in place thereof.

(11) Section 304 (c) (37 U. S. C. 254 (c)) is amended by adding the following new sentence at the end thereof: "An officer entitled to receive basic pay shall, while serving as Surgeon General of the Public Health Service, in lieu of any other personal money allowance authorized by this section but in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of \$1,200 per annum."

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have an amendment at the desk. While I do not propose to press for its inclusion in the bill at this time, I ask unanimous consent that the Clerk may read it for the information of the membership.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The Clerk read as follows:

At the appropriate place insert the following: "Notwithstanding the provisions of this or any other act, any type or class of full-time active military or naval service creditable in computing the retired pay of any person in the uniformed services prior to the approval of this act shall be creditable in computing the retired pay of all persons in the uniformed services who have performed the same identical type or class of full-time active military or naval service, and who have been retired prior to the approval of this act: *Provided*, That this provision shall not operate to authorize the retired pay of any such person to exceed the existing limitation of 75 percent of his active duty pay."

Mrs. ROGERS of Massachusetts. Mr. Chairman, a separate bill incorporating the purpose of this amendment was passed by the other body in 1948 and was

blocked here in the House at the end of the session during the closing days by one vote. This bill was favorably reported by the Armed Services Committee at that time.

The purpose of this amendment is to eliminate disparity in the military services in regard to the crediting of certain periods of service. Prior to 1916, naval officers, for example, could credit for both active and retired purposes the 4 years of time spent in the Naval Academy. After 1916, neither active nor retired officers could credit this time.

The amendment also applies to enlisted personnel. Some enlisted personnel in the Navy who attended the Naval Academy for 1, 2, or 3 years and then dropped out and became enlisted personnel in the Navy could credit the time spent in the Academy toward their active or retired service if they attended the Academy prior to 1916. After 1916, the time spent in the Academy could not be credited either for active or retired purposes. This seems to me to be a disparity which should be corrected. The amendment which I offer will correct this disparity. I do not believe it is fair for some military personnel to be able to credit a period of military service while others cannot credit the same service because they participated in it at a later date.

In view of this fact I urge that this amendment be adopted sometime, but I shall not press the matter at this time, hoping that the other body will incorporate it in the bill and that the House will accept it.

Mr. Chairman, I would like to commend the entire committee, the chairman of the subcommittee, the gentleman from Texas [Mr. KILDAY], and the gentleman from Pennsylvania [Mr. GAVIN], and the majority and minority members; and the chairman of the full committee, the gentleman from Georgia [Mr. VINSON], the gentleman from Illinois [Mr. ARENDT], and all of the others for a very fine bill which is so desperately needed at this time. I am disappointed that more is not done for the enlisted men—and hope that more will be done but it is a step in the right direction.

Mr. Chairman, I withdraw my pro forma amendment.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

(The remainder of the bill reads as follows:)

SEC. 2. The tables in section 1 (c) of the act of May 19, 1952, chapter 310 (66 Stat. 79), are amended by adding pay grades E-8 and E-9. The allowances provided therein for pay grade E-7 shall apply to pay grades E-8 and E-9.

SEC. 3. Notwithstanding any other provision of law, except sections 4 and 7 of this act, the changes in rates of basic pay made by this act do not increase the amount of retired pay, retirement pay, retainer pay, or equivalent pay to which any person is entitled on the day before the effective date of this act.

Sec. 4. Except for members covered by section 7 of this act, members and former members of a uniformed service who are entitled to retired pay, retirement pay, retainer pay, or equivalent pay on the day before the effective date of this act, shall be entitled to an increase of 6 percent of that pay to which they were entitled on that date.

Sec. 5. Section 4 (a) (1) of the Armed Forces Leave Act of 1946 (37 U. S. C. 33) is amended by striking out the word "three" and inserting in place thereof the word "five."

Sec. 6. Title 10, United States Code, is amended as follows:

(1) Footnote 1 of section 3991 is amended to read as follows:

"For the purposes of this section, determine member's grade as if section 3962 (d) did not apply."

(2) Section 5233 is amended by inserting before the period at the end of the first sentence the words "and with retired pay based on that grade," and by striking out the last sentence thereof.

(3) Section 6483 is amended by adding the following new subsection at the end thereof:

"(c) A retired officer of the Navy or the Marine Corps who is hereafter ordered to active duty in a grade to which he was advanced under section 6150 of this title, and who serves on such duty for a period less than 180 consecutive days, shall, upon release from that duty, not be entitled to have his retired pay based upon such higher grade as a result of such duty."

(4) Footnote 1 of section 8991 is amended by striking out the figure "8962 (a)" and inserting the figure "8962 (c)" in place thereof.

SEC. 7. (a) Notwithstanding any other provision of law, each officer entitled to pay and allowances under any of the following provisions of law shall continue to receive the pay and allowances to which he was entitled on the day before the effective date of this act:

(1) The act of March 23, 1946 (60 Stat. 59).

(2) The act of June 26, 1948 (62 Stat. 1052).

(3) The act of September 18, 1950 (Private Law 957, 81st Cong.).

(b) A member of a uniformed service on a retired list on the effective date of this act in the grade of general, admiral, lieutenant general, or vice admiral, as the case may be, other than an officer holding that grade under any of the acts cited in subsection (a) of this section, section 421 of the Officer Personnel Act of 1947 (61 Stat. 874), or section 6150 of title 10, United States Code, shall have his retired pay recomputed on the basis of the basic pay provided in section 201 (a) of the Career Compensation Act of 1949, as amended by this act, for the grade which he holds on the retired list.

SEC. 8. Section 110 of the Federal Executive Pay Act of 1956 (70 Stat. 740) is repealed.

SEC. 9. This act becomes effective on the first day of the month following the month in which it is enacted.

SEC. 10. No person, active or retired, in any of the uniformed services shall suffer by reason of this act any reduction in basic or retired pay to which he was entitled upon the day before the effective date of this act.

Mr. KILDAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KILDAY: On page 11, strike out section 10, and substitute a new section 10, as follows:

"The enactment of this act shall not operate to reduce—

"(1) the basic pay or retired pay to which a member or former member of a uniformed service was entitled on the day before the effective date of this act; or

"(2) the amount of the dependency and indemnity compensation to which any person was entitled under section 202 of the Servicemen's and Veterans' Survivor Benefits Act on the day before the effective date of this act."

Mr. KILDAY. Mr. Chairman, I shall not consume much time.

This is a purely corrective amendment. The bill contains a saved pay provision. Through oversight in drafting that portion of the bill we neglected to include sums paid under the Survivors' Benefits Act. The saved pay provision of law was intended to cover all cases. This amendment corrects the language of the bill to accomplish this purpose.

We are indebted to the American Legion. In their analysis of the bill they discovered this oversight and called it to our attention.

As I say, Mr. Chairman, this is purely a corrective amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the meaning of section 8 on page 11 which reads as follows:

Section 110 of the Federal Executive Pay Act of 1956 (70 Stat. 740) is repealed.

How far, may I ask the chairman of the subcommittee does that go?

Mr. KILDAY. That has to do only with the pay of the Surgeon General of the United States, the chief of the Public Health Service. They gave him a special pay bracket in the Federal Executive Pay Act. Always the Public Health Service has been paid under the military scale. They gave him a special pay bracket in that bill. The provision brings him back under Career Compensation Act, along with two or three others.

Mr. GROSS. It applies only to certain individuals in the Public Health Service now paid under the Federal Executive Pay Act?

Mr. KILDAY. Yes.

Mr. GROSS. I thank the gentleman.

Mr. Chairman, we should understand before voting upon this bill—and I expect to support it, although reluctantly—that this is not going to settle the pay of members of the Armed Forces for any appreciable length of time. Until Congress has taken action to stop this business of raiding the Armed Forces of skilled personnel through cost-plus contracts, I do not see how in the world we are going to remedy the situation except temporarily. We will be engaged in a continual rat race as long as we permit those who benefit from cost-plus contracts to raid the Armed Forces for their skilled personnel. The Federal Government can never pay those in the armed services the money that can be offered under contracts of that kind. Let us labor under no illusions today about this bill offering any finality of action insofar as settling the pay for members of the Armed Forces.

I urge the proper committees to take the steps that are necessary to bring this situation into proper perspective, for we are supplying the dollars under cost-plus

contracts that bring about this kind of legislation.

On other occasions we have been told that pay increases for military personnel would provide the incentive for remaining in the service. It has not worked out that way, in fact hundreds of Reserve officers were forced out of the service last year even though most of them desired to make the military a career.

Let me make it clear that this is the last bill of this type that I propose to support until remedial action has been taken to stop the use of Federal funds to bid for military personnel.

Mr. EDMONDSON. Mr. Chairman, this is sound and urgently needed legislation and I congratulate the distinguished Committee on Armed Services for bringing it before this body.

If we are to have the great defense force in being which these perilous times require, it is imperative that we provide the incentives for career service that our officers and enlisted men deserve.

This bill is a long and wise step toward proper recognition of skill and proficiency in the duties assigned to men and women in the Armed Forces.

It is also an appropriate recognition of the problems of reenlistment and officer retention.

I am glad of the opportunity to support and vote for this bill.

Mr. JONES of Missouri. Mr. Chairman, I will vote for H. R. 11470, with great reluctance and many misgivings. I am fully aware of the necessity and the desirability of a better method of computing the basic pay for officers and enlisted men with special skills and outstanding ability who have demonstrated their proficiency. These men are needed and I hope that by the passage of this resolution we will be able to keep these men in the service.

What I fear, and I sincerely hope that it will be proved that my fears are without foundation, is that the maximum pay allowed under this legislation will be considered by some as being justified for the average soldier, or the average officer who has attained his rank merely by length of service.

I realize that, under any Government pay schedule, whether it be under civil service or in the armed services, we have groups of well-qualified, highly skilled, experienced personnel who are underpaid, yet who remain in their positions for a variety of reasons. On the other hand, we have much larger groups who benefit from increased pay schedules for proficiency, skills, and unusual ability, who have demonstrated no such skills or ability.

It has been suggested by many that, with the passage of this legislation, it will be only a short time until all general officers will be drawing the top pay. If that results, then I and the others who vote for this legislation will have made a terrible mistake. The fact of the matter is we have too many general officers. At the beginning of World War II, when I passed an officer with one star on his shoulder, I turned around to give him a second look. Even the eagle was a rare bird in those days. What a difference today.

Yes, we need to hold our best men in the services, whether they be generals, colonels, or privates, and to do this we must pay them salaries comparable to the pay they can draw in private industry. I hope the committee which has brought us this bill will be just as alert to seeing that the law is administered so as to get rid of the incompetents—and we do have them in every service—as it has been vigorous in bringing about the passage of this legislation.

Mr. PHILBIN. Mr. Chairman, the able and distinguished gentleman from Texas [Mr. KILDAY] in his many brilliant speeches before the House on vital military and defense questions has seldom, if ever, acquitted himself with such great ability and clarity and understanding as he has in the excellent discourse he has given to the House in support of this bill.

I want to thank and commend him for the magnificent, penetrating, all-embracing explanation, which he has given us upon an extremely complex and difficult subject.

And I also want to thank him and his distinguished committee for their able, painstaking and efficient work in conducting the hearings and formulating the pay measure which is before us for action today. As a member of the House Armed Services Committee, I am very proud of this fine, able, efficient contribution to the national defense and security.

The early enactment of this bill is, to my mind, most essential. It is needed, not only to provide incentives and thus effectually stop the dangerous outflow of so many skilled men from our armed services, but it is essential to increased proficiency and efficiency in the operation of the armed services themselves.

In its broader sense, the bill seeks to do justice and equity to all our defense personnel at a time when living costs are high and adequate pay revenues so necessary to people of every calling.

This bill grew out of the work of the so-called Cordiner Committee, which made sweeping recommendations in the field of pay and compensation for armed services personnel. Many of the recommendations of this Committee are, we are told, incorporated in the bill.

It is to be regretted that the economies envisioned by the Cordiner report estimated to be in the neighborhood of \$5 billion a year could not be realized; in fact, at this time it is doubtful whether any specific savings or economies could be shown to accrue directly as the result of the enactment of this bill.

However, there can be little doubt as is attested by the hearings and Mr. KILDAY's very able statement but that the bill will provide proficiency pay, lift the general tone and morale of personnel, provide stronger incentives for personnel to remain in the armed services and revise service pay scales in a realistic and practicable way for about all of the personnel.

It is not claimed for it that the bill is perfect or that it will perform miracles. There are few more complex questions than pay scales in the armed services, and there is probably no way short

of compulsion that the Congress could retain all the personnel that is trained in various specialties, or prevent them from migrating into industry to reap the much more attractive financial rewards that are open these days to persons skilled in electronics, radar, radio, rockets and missiles, submarines and aircraft, and other fields so vital to our defense.

I think that the best that can be said for the bill is that it will cut down the number of good, trained men we are losing in critical categories. How we will be able to stop the outward annual flow of about one-fifth of our service Academy graduates is a problem that will have to be considered and acted upon by the Congress at some other time. I am greatly concerned about the resignation of so many fine young men, who are trained in our service Academies at great expense to the Government, leaving the services every year to take outside jobs in industry or the professions.

At the present rate these losses estimated to increase up to 27 percent in the near future, it is clear that serious inroads are being made into the military leadership pool upon which we must depend for the development of men capable of best furnishing future leadership for our entire Defense Establishment.

There is also the question of armed services organized as they are today being called upon not only to deal with, utilize, and consider the problems of the individual men, but also those of their families. American fighting men today are in large numbers accompanied by their wives and families to almost every part of the world where our troops are stationed. This presents for us, as well as for the Defense Department and the various services, problems of such magnitude and serious import that I will do no more than to touch upon them here.

But I am convinced that before long these problems will require our most penetrating consideration, if we are to be able to cope competitively with far-flung challenges of the Soviet Union, which has its armed forces organized on the non-familial principle, which does not involve all the problems, logistical, financial, social, and legal incident to transporting troops all over the world, establishing living accommodations for them and their families, schools, and other services for their children.

I should like to have seen larger increases for lower category personnel. Since the bill will cost \$668 million annually some limitations were necessary. Most of this huge sum will go to enlisted men and younger officer categories. I think the committee has made every effort by special tables, the creation of new grades and in many other ways to furnish stronger incentives. It also makes provision for a flat 6 percent increase for retired personnel.

In my opinion, the bill is a big improvement over other bills and proposals being considered, and it represents a substantial, forward step in the pay system for the armed services. I believe it is fair to enlisted men and officers of every rank and grade. Whether it will be adequate competitively with private

industry and private callings remains to be seen. But it undoubtedly moves very substantially in that direction, and I believe it is, not only workable, but hope it will be satisfactory to all service personnel and their families.

The hearings and the preparation of the bill now before us called for hard, laborious work and the highest order of legislative skill in drafting its provisions and reconciling them in innumerable ways with the present system so as to present an integrated, practicable whole.

We are fortunate indeed in having the expert services of the gentleman from Texas [Mr. KILDAY], possessed as he is of such a sure grasp of and mastery over the multitude of details and technical problems implicit in this legislation.

We are also fortunate to have able, dedicated colleagues like the gentleman from Pennsylvania [Mr. GAVIN], whose long experience, thorough knowledge and great ability in this field are so well known and have been so valuable to the successful completion of this work.

Indeed, we are fortunate to have such a splendid committee as the one which heard and wrote this bill—all able, painstaking, and very helpful in their contributions.

Last of all, but by no means least, we were fortunate in having the advice and service of our most capable staff assistant, Mr. Russell Blandford, whose devoted efforts, diligence, legal ability, sound judgment, and conscientious approach were of such great value to the committee and to the House.

I can wholeheartedly support this bill, because I know that it was formulated by able, zealous, and patriotic colleagues, highly skilled in all facets of the complex subject matter it covers. It derives from great sincerity of purpose to improve the lot of armed services personnel and to strengthen and render more efficient the operating branches of our huge defense system. I believe it marks a great advancement both in the theory and practice of sound defense pay legislation, and I am very hopeful that it will bear good results.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THORNBERRY, 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. 11470) to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes, pursuant to House Resolution 507, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KILDAY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 366, nays 22, not voting 41, as follows:

[Roll No. 30]

YEAS—366

Abbitt	Davis, Tenn.	Jones, Ala.
Adair	Dawson, Ill.	Jones, Mo.
Addonizio	Delaney	Judd
Albert	Dellay	Karsten
Alexander	Dennison	Kearney
Alger	Dent	Kearns
Allen, Ill.	Denton	Keating
Andersen,	Derounian	Kee
H. Carl	Devereux	Kelly, N. Y.
Anderson,	Diggs	Keogh
Mont.	Dixon	Kilburn
Andrews	Dollinger	Kilday
Anfuso	Donohue	Kilgore
Arends	Dooley	King
Ashley	Dorn, N. Y.	Kirwan
Ashmore	Dorn, S. C.	Kitchin
Aspinall	Dowdy	Knox
Auchincloss	Doyle	Knutson
Avery	Durham	Krueger
Ayres	Dwyer	Lafore
Bailey	Eberharter	Laird
Baker	Edmondson	Landrums
Baldwin	Elliot	Lane
Baring	Everett	Lankford
Bass, N. H.	Evins	Latham
Bass, Tenn.	Fallon	LeCompte
Bates	Farbstein	Lennon
Baumhart	Fascell	Lesinski
Beamer	Feighan	Libonati
Becker	Fenton	Lipscomb
Beckworth	Fino	Loser
Belcher	Fisher	McCarthy
Bennett, Fla.	Flood	McCormack
Bennett, Mich.	Flynt	McCulloch
Bentley	Fogarty	McDonough
Berry	Ford	McFall
Betts	Forrester	McGovern
Blatnik	Frazier	McGregor
Boggs	Frelinghuysen	McIntire
Boland	Friedel	McIntosh
Bolling	Fulton	Macdonald
Bolton	Garmatz	Machrowicz
Bonner	Gary	Mack, Ill.
Bosch	Gathings	Mack, Wash.
Bow	Gavin	Madden
Boyle	Glenn	Magnuson
Bray	Granahan	Mahon
Breeding	Gray	Maillard
Brooks, La.	Green, Oreg.	Martin
Brooks, Tex.	Gregory	Matthews
Broomfield	Griffin	May
Brown, Ga.	Gross	Marrow
Brown, Mo.	Gubser	Metcalf
Brown, Ohio	Hagen	Michel
Brownson	Hale	Miller, Calif.
Broyhill	Haley	Miller, Md.
Burleson	Halleck	Miller, Nebr.
Bush	Harden	Miller, N. Y.
Byrd	Hardy	Minshall
Byrne, Ill.	Harris	Mitchell
Byrne, Pa.	Harrison, Nebr.	Montoya
Byrnes, Wis.	Harrison, Va.	Moore
Canfield	Harvey	Morano
Cannon	Haskell	Morgan
Carnahan	Hays, Ark.	Morris
Carrigg	Hays, Ohio	Moss
Cederberg	Healey	Multer
Celler	Hemphill	Murray
Chamberlain	Henderson	Natcher
Chelf	Herlong	Neal
Chenoweth	Heseltun	Nicholson
Chiperfield	Hess	Nimtz
Christopher	Hiestand	Norblad
Church	Hill	Norrell
Clark	Hoever	O'Brien, Ill.
Clevenger	Hollifield	O'Brien, N. Y.
Coad	Holland	O'Hara, Ill.
Coffin	Holmes	O'Konski
Collier	Holt	O'Neill
Corbett	Holtzman	Osmer
Coudert	Hosmer	Ostertag
Cramer	Huddleston	Passman
Cretella	Hull	Patman
Cunningham,	Hyde	Patterson
Iowa	Ikard	Pelly
Cunningham,	Jackson	Perkins
Nebr.	Jarman	Prost
Curtin	Jenkins	Philbin
Curtis, Mass.	Jennings	Pilcher
Curtis, Mo.	Johansen	Poage
Dague	Johnson	Poff
Davis, Ga.	Jonas	Polk

Porter
Powell
Preston
Price
Prouty
Quile
Rabaut
Reece, Tenn.
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Riley
Rivers
Roberts
Robeson, Va.
Robison, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Santangelo
Saund
Saylor
Schenck
Scherer

Schwengel
Scott, N. C.
Scott, Pa.
Scudder
Seely-Brown
Selden
Sheehan
Shelley
Shuford
Sikes
Siler
Simpson, Pa.
Sisk
Smith, Calif.
Smith, Miss.
Spence
Springer
Steed
Sullivan
Taber
Talle
Taylor
Teague, Calif.
Teller
Tewes
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Zelenko
Thornberry
Tollefson

Trimble
Udall
Ullman
Utt
Vanik
Van Pelt
Van Zandt
Vinson
Vorys
Vursell
Wainwright
Walter
Watts
Weaver
Westland
Whitener
Widnall
Wigglesworth
Williams, Miss.
Williams, N. Y.
Wilson, Calif.
Wilson, Ind.
Winstead
Withrow
Wolverton
Wright
Yates

NAYS—22

Abernethy
Budge
Dawson, Utah
Dingell
George
Hoffman
Jensen
McVey

Marshall
Mason
Meador
Moulder
O'Hara, Minn.
Pillion
Ray
Scrivner

Simpson, Ill.
Smith, Kans.
Tuck
Wharton
Whitten
Wier

NOT VOTING—41

Allen, Calif.
Barden
Barrett
Blitch
Boykin
Buckley
Burdick
Colmer
Cooley
Dies
Engle
Forand
Fountain
Gordon

Grant
Green, Pa.
Griffiths
Gwinn
Hébert
Hillings
Horan
James
Kean
Kluczynski
McMillan
Mills
Morrison
Mumma

Radwan
Rains
Robison, N. Y.
Sadlak
St. George
Sheppard
Sieminski
Smith, Va.
Staggers
Stauffer
Teague, Tex.
Willis
Young

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mrs. St. George.
Mrs. Griffiths with Mr. Kean.
Mr. Kluczynski with Mr. Horan.
Mr. Barrett with Mr. Stauffer.
Mr. Green of Pennsylvania with Mr. Mumma.
Mr. Young with Mr. Allen of California.
Mr. Boykin with Mr. James.
Mr. Engle with Mr. Sadlak.
Mr. Forand with Mr. Robison of New York.
Mr. Fountain with Mr. Hillings.
Mr. Rains with Mr. Gwinn.
Mr. Sheppard with Mr. Radwan.
Mr. Morrison with Mr. Burdick.

Mr. GEORGE changed his vote from "present" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL, 1959

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 510 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That during the consideration of the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, all points of order against the bill are hereby waived.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and yield myself such time as I may use.

Mr. Speaker, House Resolution 510 provides that all points of order shall be waived against the independent offices appropriation bill, H. R. 11574.

There are two main items subject to points of order. The first appears on page 4, line 8, providing that whenever Congress enacts any legislation which would increase annuities, Congress will appropriate funds before the increases go into effect. This is designed to protect the solvency of the civil-service retirement and disability fund in which there is now approximately a \$19 billion shortage.

The other item appears on page 12, line 2 of the bill and provides that the Government must award direct contracts on Government buildings which are under the jurisdiction of the General Services Administration rather than lease-purchase contracts. The only exception provided is on buildings used solely for post-office buildings.

Testimony before the Rules Committee by the chairman of the Post Office and Civil Service Committee and members of the Public Works Committee indicated that these committees had no objection to the waiving of points of order and, in fact, were in favor of the proposals in the appropriation bill.

I urge the adoption of House Resolution 510.

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

Mr. DELANEY. I yield.

Mr. HYDE. I understand from what the gentleman says that the item on page 4 starting in line 12 would be subject to a point of order without this resolution.

Mr. DELANEY. That is correct. This waives points of order against items in the bill.

Mr. HYDE. But that would not prevent the offering of an amendment to delete the section.

Mr. DELANEY. The gentleman is correct. Such an amendment can be offered when the bill is read under the 5-minute rule. This simply waives points of order being made against any item in the bill. Without this rule a point of order could be raised against it on the ground that it is legislation in an appropriation bill.

Mr. HYDE. Mr. Speaker, I do not think the rule should be adopted waiving points of order to that part of the

bill, because I think there should not be legislation of that kind in the bill; it should be considered separately.

Mr. DELANEY. That is what the resolution does. If the gentleman does not agree with it, vote against it.

Mr. HYDE. I know that; I just want to put my objection on the record.

Mr. DELANEY. I hope it is clear.

Mr. ALLEN of Illinois. Mr. Speaker, the gentleman from New York has ably explained the rule. There are very few of us who enjoy voting for rules waiving points of order.

I am convinced that the objectives as contained in the proviso waiving points of order are sound. In my opinion, past independent offices appropriation bills should have had this proviso in it a long time ago.

Mr. Speaker, the rule does not provide time for debate, but it is my understanding that the gentleman from Texas [Mr. THOMAS] and the gentleman from Illinois [Mr. VURSELL] will decide on that. It is also my understanding they intend to ask for 3 hours of general debate.

Mr. DELANEY. That is my understanding.

Mr. ALLEN of Illinois. It is my understanding also that we are to come in at 12 o'clock. Mr. Speaker, I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I take this time because of the question that has been raised about waiving points of order. Generally speaking, I do not look with too much favor on waiving points of order. It is only fair to say that this is legislating upon an appropriation bill. On the other hand, there are times when that is justified, and, in my opinion, this is one of those times.

I have reference particularly to the waiving of points of order on the question of paying into the trust fund the required amount when the provisions of that fund are liberalized to the extent of raising the pay of annuitants. You and I, as well as the annuitants that we represent at home, are involved in this matter because we pay into that trust fund ourselves and as one who hopes some day to become the beneficiary of that payment I want to see that fund kept sound. I want to see it kept solvent so that it will have some value in the future. Therefore, Mr. Speaker, I hope there will be no fight made on that provision when the bill is read under the 5-minute rule. We must keep the fund solvent.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. THOMAS. 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. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and

for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, the time to be equally divided and controlled by the gentleman from Illinois [Mr. VURSELL] and myself.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

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. 11574, with Mr. ALBERT in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. THOMAS. Mr. Chairman, we have discussed this matter with the leadership, and I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. ALBERT, 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. 11574, had come to no resolution thereon.

ADJUSTMENT OF CERTAIN LEGISLATIVE JURISDICTION

The SPEAKER laid before the House the following request of the Senate:

Ordered, That the Secretary of the Senate request the House of Representatives to return to the Senate the bill (S. 1538) entitled "An act to provide for the adjustment of the legislative jurisdiction exercised by the United States over land in the several States used for Federal purposes and for other purposes."

The SPEAKER. Without objection, the request of the Senate is agreed to.

There was no objection.

THE 85TH CONGRESS HAS NEGLECTED TO PROVIDE FEDERAL AID TO DISTRESSED AREAS SUFFERING FOR YEARS FROM CHRONIC UNEMPLOYMENT

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

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

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, amidst all the furor over unemployment in the United States, the absence by this 85th Congress in taking action on distressed area legislation stands out as gross neglect of the welfare of thousands upon thousands of the American people who reside in some 149 labor-surplus areas.

Since 1955, when I introduced the first distressed-area legislation in Congress, I have constantly called attention to the

plight of the unemployed in these distressed areas and pleaded for Congressional action. Since 1955 many of my colleagues have joined in the appeal for positive action in alleviating the distress of unemployment in labor-surplus areas.

Mr. Speaker, at the present time there are over 40 bills pending in the Senate and House designed to provide Federal aid to labor-surplus areas. Hearings have been held in and out of Washington with the result that several hundred witnesses account for over 3,000 pages of printed testimony confirming the need for immediate action.

Mr. Speaker, I am trying to emphasize that committees of this Congress have a wealth of information on distressed areas, yet no action has been taken.

Many of us who represent distressed areas have pleaded without success for over a year for action on these bills, which are now pigeonholed in committees of this Congress.

Mr. Speaker, President Eisenhower has asked this Congress for distressed area legislation and stands ready to sign into law a reasonable bill.

On March 11, 1958, when he appeared before the AFL-CIO economic conference in Washington, D. C., Secretary of Labor James P. Mitchell had this to say regarding distressed area legislation:

Congress has had before it for 2 years now an area development bill designed to help communities with high and persistent unemployment. Maybe this bill does not meet with everyone's approval. Maybe it could be improved. The fact is Congress has done nothing about it.

At the same conference, AFL-CIO President George Meany, the Nation's outstanding and most highly respected labor leader, after scolding the Eisenhower administration for what he termed "shortsightedness" relative to today's economic crisis had this to say about the laxity of Congress to deal with the unemployment situation:

The people on Capitol Hill must share the blame too. There is no excuse for the delay in the Congress.

Continuing he said in referring to labor-surplus areas:

How about improving the lot of the chronically distressed cities—and remember that figure is growing every day that this recession lasts.

Mr. Speaker, the 85th Congress has been indicted from all quarters for its utter neglect of labor-surplus areas where unemployment has been chronic for many years and has been the nucleus for the increased unemployment we have today.

It has been authoritatively stated that if the unemployment in the chronically distressed areas could be alleviated, our unemployment problem would be reduced by 50 percent.

This is borne out by the fact that approximately 62.5 million persons are employed and 5.2 million idle.

By comparison, during the month of February 1957, over 63 million Americans enjoyed full-time employment with approximately 3 million out of work. With a civilian labor force of 68 million, this means that in good times we

had about 4.7 percent of the civilian labor force unemployed.

During February 1958 with 5.2 million unemployed, the present recession reveals an average of 7.4 percent of the civilian labor force out of work or an increase in the last 12 months of about 2.7 percent in our unemployment figures.

While it is true that the present unemployment is higher than at any other time since 1941, the closest approach was in 1949-50 with 4.8 million unemployed in February 1950. The Korean war in 1950 turned the tide of unemployment and ended the 1949-50 recession in the same manner that the 1938 depression ended with the advent of World War II. In February 1939 after 7 years of "pump priming," a total of 10.5 million were unemployed, or 19.5 percent of the civilian labor force.

A recent survey of the unemployment situation reveals that it tends to be concentrated heavily in relatively few States and in a few industries such as the railroad, steel, automobile, and allied industries. However, in many other industries, the furloughing of employees has been relatively light.

In short, the survey reveals that not all industries are affected by unemployment and that actually in some fields people are being hired.

Keeping in mind that we have had for several years 149 chronic labor-surplus areas and that these so-called pockets of unemployment prevailed during alltime high employment of well over 60 million people, it is logical to conclude that Federal aid to these chronically distressed areas is the key to providing a solution to the current unemployment problem resulting from 5.2 million jobless persons.

The communities and States have helped, but to do an effective and a complete job Federal aid is needed without further delay.

The residents of the 149 distressed areas certified by the United States Department of Labor as labor-surplus areas have done a magnificent job themselves in trying to accomplish their own economic salvation. Practically every community has an alert and highly energetic area development committee or organization eager to aid in every possible manner to attract new industry to the area. It is with the thought of diversifying the industrial life of the community that the best means is found for cushioning the devastating effects of mass unemployment.

As a result these area development committees have raised funds locally to the extent that they have "scraped the bottom of the barrel." They have had splendid cooperation from area banks in financing the drive to rehabilitate the economy of their respective areas. But banking institutions, too, are hemmed in by State and national banking laws, thus limiting the extent of their assistance regardless of how laudable the objective may be.

The various States have also extended a helping hand, but in the end the job is of such vast proportions that only Federal aid to these chronic labor surplus areas will insure success of the de-

termined drive to rehabilitate the economy, thus relieving the plight of the unemployed.

Mr. Speaker, in a sincere effort to end the fruitless discussion and the resultant confusion that surrounds distressed area legislation, I call attention to my bill H. R. 6975, which is a compromise between the administration bill and the Douglas-Spence bill.

The Van Zandt bill, H. R. 6975, is heralded by many as a realistic approach in providing a solution to the deadlock that exists in the enactment of a program to provide Federal aid for chronically distressed and labor surplus areas.

H. R. 6975 retains many of the features of the administration bill and the Douglas-Spence bill. It is regarded as a sane and sensible compromise and should serve as a reasonable and realistic basis for perfecting a legislative measure acceptable to all shades of opinion.

It is my opinion that the administration bill, S. 1433, does not go far enough to meet the needs of chronically depressed areas, which need Federal help in forms of grants, vocational training with compensation, and Federal loans. While on the other hand, the Douglas bill, S. 964, provides too liberal aid to areas whose economic decline is of recent duration. In this connection, such communities normally have sufficient resources and should not be entitled to the variety of programs offered in the Douglas bill.

AID SHOULD BE PROVIDED ON BASIS OF NEED

I believe that the solution to this difference lies in providing various types of aid that would be available to communities with labor surplus. The extent of the help would be based upon the duration and levels of unemployment. Under my proposal, as embodied in my bill, H. R. 6975, the neediest communities would get the most aid, while the help extended to the less needy communities would be more limited.

This approach would also make it possible to reduce the Federal expenditures, but still leaves sufficient funds for communities which meet the most rigid tests of chronic unemployment and economic distress.

My bill, H. R. 6975, provides for designation of three different levels of unemployment, such levels determining the eligibility of the areas for different types of programs.

The three levels of unemployment are as follows:

No. 1. First level: The unemployment rate in the area is 6 percent or more, adjusted seasonally, and has been 6 percent or more at least 8 months in each of the preceding 2 years.

No. 2. Second level: The unemployment rate in the area is 8 percent or more, adjusted seasonally, and either has been 8 percent or more for the major portion of each of the preceding 2 years, or has averaged 12 percent or more during the preceding year.

No. 3. Third level: The unemployment rate in this area is 6 percent or more, adjusted seasonally, and either has averaged 6 percent or more during the preceding 5 years, 8 percent or more dur-

ing the preceding 3 years, or 12 percent or more during the preceding 2 years.

Here is how I would apply these criteria to the various types of programs offered in the administration and in the Spence bills.

I. TECHNICAL ASSISTANCE

I believe that all communities with labor surplus should be entitled to technical assistance from the Federal Government. But that does not mean that the community which has had just 6 percent unemployment for parts of the last 2 years should be entitled to receive the same aid as the community which has been subjected to chronic unemployment many years.

I would, therefore, limit the extent of technical assistance given by the Federal Government to communities in the first level, mentioned before, to only one-third of the total cost of the needed technical assistance, and would require that the other two-thirds of the needed funds should come from State or local sources.

However, for the most needy communities I would extend Federal assistance to provide as much as \$3 out of every \$4 needed.

II. LOANS

The administration bill, S. 1433, now provides that Federal participation in loans to labor surplus areas should be limited to 35 percent of the cost of the proposed projects. The Douglas bill, S. 964, would go as high as three-fourths of the total cost of the project.

In this connection, I believe that the administration proposal is amply adequate for communities which meet the criteria of the first level of unemployment, but is certainly not sufficient for areas which have suffered from chronic unemployment for many years.

My bill, H. R. 6975, would extend Federal participation under the proposed loan program as follows:

(a) For the first level areas, up to one-third of the total cost of the project.

(b) For the second level areas, up to 50 percent of the total cost of the project.

(c) For the third level areas, as much as 75 percent of the total cost of the project.

In addition to providing loans to labor surplus areas, my bill, H. R. 6975, will amend section 207 (a) of the Small Business Act of 1953, by providing that in making and approving loans first preference be given to small business concerns which are otherwise qualified and which are located or are about to locate in areas of substantial and persistent unemployment.

Section 207 (a) of the Small Business Act of 1953 is also amended by making eligible for loans local private non-profit organizations—including industrial foundations, development corporations, and similar groups—formed to assist, develop and expand the economy of areas of substantial and persistent unemployment—as certified under section 4 of the Area Development Act of 1957—but only where the purpose of the loan is to enable such organizations to provide supplementary assistance to one or more small business concerns in such areas

which have qualified for loans under the preceding provisions of this subsection.

In making and approving loans under this subsection, first preference at all times shall be granted to qualified small business concerns certified as being located in areas of substantial and persistent unemployment or about to locate in such an area and to local nonprofit organizations previously described under this amendment to section 207 (a) of the Small Business Act of 1953.

III. GRANTS

The administration bill, S. 1433, makes no provision for grants except in the case of technical assistance; while the Douglas bill, S. 964, provides for Federal grants for public-facility projects. I do not believe that all the communities that have some labor surplus should be entitled to this type of aid. Therefore, my bill, H. R. 6975, in addition to providing loans for public-facility projects, would allow Federal grants up to one-third of the cost of the public-facility project in level 2 areas, and up to two-thirds of the cost of the project in level 3 areas.

IV. SUBSISTENCE PAYMENTS

The administration bill, S. 1433, does not allow any subsistence payments to persons undergoing training for new jobs in labor surplus areas. I believe that this type of program should be used sparingly and in extreme cases only. Therefore, my bill, H. R. 6975, extends Federal subsistence payments to people undergoing training only in areas with the most chronic unemployment; namely, those which are classified in level 3.

My bill, H. R. 6975, would assure that the neediest communities would get adequate aid and, in addition, it encourages the several States to establish their own program of area redevelopment and by limiting some of the aid provided by the Douglas bill, S. 964, it would also be possible to reduce the total cost of these area redevelopment programs.

Mr. Speaker, it is my belief that my bill, H. R. 6975, constitutes a genuine compromise between the administration bill, S. 1433, and the Douglas bill, S. 964. This is especially true when you compare the cost of the three bills.

Recognizing the administration bill, S. 1433, as a conservative approach, it will cost about \$55 million; while the Douglas bill, S. 964, represents an ultraliberal approach to the subject and would cost in excess of \$325 million. My compromise bill, H. R. 6975, would cost in the neighborhood of \$200 million and would extend Federal aid to labor surplus areas in a reasonable yet realistic manner.

Mr. Speaker, I have repeatedly stated that I have no pride of authorship regarding distressed area legislation. The time has arrived for the 85th Congress to stop squabbling over details and to unite in providing Federal aid for chronically distressed areas.

At this moment nearly 15 percent of the civilian labor force in my Congressional District in central Pennsylvania is unemployed. I know that many of my colleagues have a higher rate of unemployment in their Congressional Districts. Therefore, I plead in behalf of the unemployed in labor surplus areas that this

85th Congress assume its responsibility by proceeding immediately to approve legislation that will alleviate the misery of chronic unemployment throughout the Nation.

PRESIDENT SHOULD VETO FARM PRICE FREEZE BILL

Mr. RHODES of Arizona. 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 Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, the Democrat action in forcing a farm price freeze through Congress was the most devastating and underhanded assault on the American consumer of the 85th Congress. In addition, it would, if allowed to become law, do irreparable harm to the American farmer.

It seems strange that a great political party would in times of unemployment take action intended to cause the price of food to rise, and to do so by taking action with which, I am sure, a majority of the farmers do not agree.

The farmer wants to be allowed to produce, not to be kept from it. He realizes that his best interests lie in regaining markets at home and abroad which he has lost because of the unrealistic Truman farm policy. To do this he must produce enough to supply the market, and do so at a price which is competitive.

I shall urge President Eisenhower to veto this measure.

MESSAGE FROM THE PRESIDENT

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

TEMPORARY CONTINUATION OF UNEMPLOYMENT COMPENSATION BENEFITS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 358)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

I recommend to the Congress the enactment of legislation to provide for the temporary continuation of unemployment compensation benefits to otherwise eligible individuals who have exhausted their benefits under State and Federal laws. I believe that these workers and their families should be enabled temporarily to receive weekly benefits for a longer period than is now in effect so that in the current economic situation they and their families can obtain a greater measure of security.

These recommendations reflect my strong conviction that we must act

promptly, emphatically, and broadly to temper the hardship being experienced by workers whose unemployment has been prolonged. They also reflect my conviction that the need for additional assistance to these workers will be of relatively brief duration.

Such legislation should not encroach upon the prerogatives which belong to the States, and matters of eligibility, disqualification, and benefit amounts should be left to the States. The legislation should provide, however, for the payment, to individuals who have exhausted their regular unemployment compensation benefits, of temporary benefits for an additional period equal to one-half of the duration of their regular benefits.

The State employment security agencies and the Railroad Retirement Board would administer the program. The Government would be reimbursed for the costs incurred by it for this program in each State through an increase, 4 years after the program's end, in the tax-payments to the Federal Government by employers in that State under the Federal Unemployment Tax Act. Any State, however, that wished to avoid an increase in such tax on the payrolls of employers within the State could provide for reimbursement to the Federal Government either by direct appropriation or by authorizing transfers from its credit in the unemployment trust fund.

The temporary Federal assistance which this program provides, while of great immediate benefit, is in no sense a substitute for extending the coverage of unemployment compensation which I have previously recommended, or for appropriate State action extending the duration of benefits and increasing benefit amounts which I have previously urged upon the States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 25, 1958.

COMMITTEE ON UN-AMERICAN ACTIVITIES

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

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

There was no objection.

Mr. LANE. Mr. Speaker, a House Subcommittee on Un-American Activities has just concluded 4 days of hearings at Boston.

Excellent staff work had prepared the way for one of the most interesting and revealing probes ever conducted by a committee of the Congress in the New England area. The one regret was the impossibility of extending the hearings so that the Communist organization and its activities in this region would be completely exposed. For it is only by such factual investigations that our people may learn how the Communist conspiracy operates, and from the knowledge gained, be able to detect and thwart its divisive tactics.

The press, radio, and television also performed a public service by the space and time they gave to their reports of

the hearings, so that the people of New England were fully informed as to developments.

In spite of the evasions and provocations of some hostile witnesses, the committee members conducted the hearings in such a fair and true manner, that the public was impressed with the important and constructive role played by Congressional investigating committees.

We realize that this subcommittee has a crowded schedule, but we hope that it will return to Boston in the future to carry on its vigilant and patriotic service in exposing the great deceit that is communism. The arrogance displayed by some of the party members, who flaunted their red shirts as they gave their squirming answers to pointed questions, did not fool anyone present. Their cynical boldness failed to hide their confusion and fear as their subversive operations were brought out into the light of day.

I believe that the Congress should not only congratulate, but should further recognize and honor the exceptional services rendered by those Americans who, at such personal sacrifice, have worked as unpaid undercover agents for the Federal Bureau of Investigation.

The success of the Boston hearings was due in large measure to the testimony given by two surprise witnesses, Armando Penha, 37, of Fairhaven, Mass., and Mrs. Carol Foster, 44, of Nashua, N. H. Years ago, these two Americans on their own, separately made inquiries as to how they could best serve their country. They were advised to join the Communist Party as undercover agents for the FBI.

As Mrs. Foster exclaimed, with relief, after the hearings were over: "Now, I can live again." These two fine Americans had to give up much, in terms of normal living, in order to carry out their confidential work which proved to be of such service to the FBI and to the security of our Nation.

Between the 2, the committee received the names of 150 or more persons who were identified as party members. These disclosures have caused a temporary panic in the "secret society" as the Communists begin to suspect and distrust each other. From now on, the hard-core members of the party apparatus will double check, and keep a close eye on their "comrades." The group will become smaller, but more difficult to detect. Therefore, the FBI undercover operatives in their ranks must be extra careful to conceal their identity as they carry out their nerve-racking assignments which are indispensable to the FBI in breaking up the Communist conspiracy.

The United States can never afford to ignore this threat from within. It will not make this mistake as long as we have devoted Americans to serve as undercover agents; cooperating with the efficient FBI; and with the vigilant members of the Committee on Un-American Activities of the United States House of Representatives.

Together, they make a team that is credited with an outstanding public service in protecting the internal security of the United States.

AIR POLLUTANTS

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MILLER of California. Mr. Speaker, the armed services have a responsibility to live as good neighbors with the communities around them. Air pollutants from an Army powerplant or an Air Force or Navy rubbish burning operation are not neighborly. And, of course, they cannot be justified on the basis of military necessity or defense needs.

Mr. Benjamin Linsky, air pollution control officer of the San Francisco Bay Area Air Pollution Control District, brought to my attention that a spokesman for the chemical industry has said, "Air pollution control is largely a matter of economics. A community can have about as pure air as it wishes to purchase."

But a community, because it has no legal control over the Federal Government, must depend on the good judgment of the local installation's director and the good judgment and budgetary support of his superiors, including the Congress of the United States and its Appropriations Committees, as well as the Bureau of the Budget.

I believe it would be well for the United States Government to establish a policy firmly approved by Congress to require that military and defense activities be conducted in conformity with State and local laws relating to the air pollution abatement program and I am today introducing a concurrent resolution which would put this policy into effect.

Enactment of this resolution would require the Secretary of Defense to establish uniform policies and practices for the military departments with respect to the conduct of any activity which may result in air pollution. It would also serve as a guide to other Federal Government agencies in the conduct of their activities.

The effect of such a policy will remove the repeated embarrassment of Federal installations and their staffs and superiors because they are trailing, rather than leading, in reducing local air pollution.

Mr. Linsky has informed me that some Federal installations in the San Francisco Bay area continued open dump burning of garbage long after it had been stopped at local and State operations, because, with the best cooperation from the local commanding officers, there was inadequate and delayed planning ahead and fiscal provision by higher authority.

Mr. Speaker, this resolution will reduce substantially the danger to public

health and welfare resulting from air pollution. I urge its prompt consideration and approval by Congress.

BYELORUSSIAN INDEPENDENCE DAY

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MICHEL. Mr. Speaker, today is Byelorussian Independence Day. The Byelorussians are perhaps the least known of the many peoples forcibly brought under Soviet communism. One hears of the Ukrainians, the Baltic peoples, of those in the Caucasus, and even of those in distant Asian countries, such as the Kazakhs, Turkmens, and the Uzbeks. But one seldom hears of the Byelorussians, despite the fact that they as an ethnic group are more numerous than any of the other groups I have mentioned. As a matter of fact, the Byelorussians—or the Ruthenians, the White Russians, whatever name one applies to them—constitute the third largest ethnic group in the Soviet Union; only the Russians and Ukrainians are more numerous.

The history of the Byelorussians has been just as glorious as that of their more numerous neighbors. From the late Middle Ages down to the beginning of the modern period and beyond, this sturdy people has occupied the central area west of the Baltic Sea and north of the Black Sea in northeastern Europe. For centuries they had their independent existence, until in the 17th century their country was annexed to Russia and they did not regain their independence until after the Bolshevik Revolution of 1917.

During their subjugation to Russia's czarist regime Byelorussians managed to retain their ethnic traditions and national characteristics. National feeling was kept alive in the course of several centuries. Finally, after the Russian Revolution when various ethnic groups sought and secured their national independence, the Byelorussians did likewise and proclaimed their independence on March 25, 1918. Then they set up their government and took their destiny in their own hands for a brief period. Unfortunately in less than a year the Red army overran the country. Thus came to an end the short-lived independent state of Byelorussia whose 40th independence day is being celebrated today.

For almost 40 years Byelorussians have been living under totalitarian dictatorship. For a brief period during the last war they experienced the tyranny of Nazi dictatorship, but with that exception they have suffered during the balance of those 40 years under the inhuman Soviet tyranny. Neither those who have endured the horrors of that Communist regime, nor those Byelorussians living abroad, have recognized the Soviet rule over their homeland; nor

have they become reconciled to the abhorrent ideas and brutal practices of the Communist overlords there. Americans of Byelorussian descent, including many who reside in my district, thoroughly detest and despise both the regime in the land of their ancestors and those who with cruel force rule there. On this 40th anniversary of their independence day we join them in this celebration and express the hope that one day Byelorussians shall be free from Communist Russian enslavement.

FOREIGN-AID PROGRAM

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. PASSMAN] is recognized for 60 minutes.

Mr. PASSMAN. Mr. Speaker, it is necessary for some of us to firm up factual information on the foreign aid program to combat propaganda being circulated by one of the largest and best financed lobbying efforts ever conceived by the mind of man. Otherwise, the American people will have been hoodwinked to a considerable extent, and some of them effectively brainwashed, by a carefully planned, top-echelon lobby, which conveys only one side of a vitally significant many-sided story. The head man of this lobbying group is none other than experienced motion picture executive, Mr. Eric Johnston, who is serving in the post as an appointee of President Eisenhower.

The President has the right to select the person of his choice to head up the National Citizens' Committee for Foreign Aid. But I do question the wisdom and propriety of any part of the expense of this lobbying group being provided from public funds which may have been appropriated for another purpose.

Certainly the Congress and the people have the right to know, and their representatives in the Congress should check well into, the reasons for the selection by Mr. Johnston of certain people to head up committees to raise funds. Even though it may be expensive to secure the information, and possibly embarrassing to reveal it, I think it is proper that the Congress and the committee handling the funds for the foreign-aid program be supplied lists of names of those who received the 5,000 telegrams soliciting funds for the foreign aid propaganda program, or urging attendance at the unprecedented pressure conference held here in Washington on February 25.

I think it is equally important that the Congress receive a list of the 1,000 citizens who have been asked to contribute money to the foreign aid lobbying fund. I think the public, Mr. and Mrs. Taxpayer, and the Members of Congress should ask whether it was coincidental, or purposely arranged, for selection to membership on the committee of people such as Ernest Breech, executive vice president of the Ford Motor Co.; Lamar Fleming, president of Anderson, Clayton & Co.; George Killion, of the American President Lines; Frank Pace, Jr., of General Dynamics; William Robinson, of the Coca-Cola Co.; Joseph Spang, of

the Gillette Safety Razor Co.; and H. J. Heinz, of the Heinz Co.; and many others of equal prominence. I think the American public and the Congress should have a yes or no answer as to whether the White House has given its blessing to this huge, privately financed, grassroots campaign aimed at putting public pressure on a reluctant Congress to approve President Eisenhower's \$4 billion foreign aid program for the next fiscal year.

As we are requesting answers, I should also like to know the amount of funds collected by Mr. Johnston's committee through the solicitation of contributions from America's leading industrialists, those who are most apt to profit by a huge foreign-aid appropriation.

I have voted against the authorization for foreign aid from the inception of the program. But during my tenure as chairman of the Foreign Operations Subcommittee on Appropriations, I have voted for an appropriation sufficient to carry out a foreign-aid program in keeping with an intelligent and common-sense approach and in an amount sufficient to fulfill our commitments.

Regardless of the sounding off of the big guns downtown and elsewhere, many of the witnesses who have testified for foreign-aid appropriations in prior years have cleverly overstated their needs, but a persistent committee made it possible for the same witnesses to admit that more funds were appropriated for the program than could be obligated. Almost every year they contend that the current program being presented to the Congress is, in reality, a firm one, only to have their statements refuted by the factual record the following year. Present-day witnesses are being better brainwashed and possibly successfully lectured before appearing before the committees of the Congress.

I wish it were possible for some plan to be formulated whereby the foreign-aid visionaries and intellectuals could descend from their ivory towers and deal with the program on a common-sense, down-to-earth basis.

As an elected Representative in the Congress, being paid to represent the American people, the same as the President, I should continue seeking answers as to why some of the promises made by the successful presidential candidate in 1952 and 1956 were not carried out. Is it not true that these promises included:

First, "Trade, not aid." What happened to this vote-getting promise?

Second, "Balance the budget and reduce taxes." What happened to this vote-getting promise? No agency or group of statisticians or mathematicians could twist the figures so as to change the record of hard facts that, under the present wild spending program of this administration, we are proceeding toward wrecking our economy and certainly building an almost unbearable public debt to be ultimately paid or repudiated by unborn generations.

Mr. Speaker, unless we change our course, then men and women who are yet unborn will some day stand in the well of this House and condemn their

predecessors for not having been more careful in their acts which resulted in the dissipation of our national wealth and passing along an unbearable debt, with many of our much-needed natural resources either exhausted or greatly depleted. A great part of this condition, if we permit it to come about, will have been attributable to an unwise and uncontrolled foreign-aid spending program.

Is it not true that the successful 1952 and 1956 presidential candidate who heads the present administration is traveling in an opposite course from the ones charted during the campaigns of those years, particularly with reference to the "trade, not aid" promise, the "balance the budget" promise, and the "reduce taxes" promise? Is the record not abundantly clear that the present administration is bleeding the people white with excessive taxation and unnecessary spending?

Just so long as the leadership in the Congress gives its support to a program that extracts from the individual American taxes in excess of needs, just so long will the present administration continue spending far beyond the amount needed to operate our Government properly.

I would like to have an explanation, if one can be given, without merely glossing over the facts, as to why we are involved in a far worse mess internationally than was the situation 5 years ago notwithstanding the great expenditures properly labeled "foreign aid."

The record is abundantly clear that fantastic Government spending by the present administration places prior administrations in a miserly category by comparison. The record is also clear that not lack of money, but lack of commonsense and careful planning in the use of the money, is at the root of many of the major ills besetting our Nation. Mr. Speaker, the future may affirm the opinion of some of us that a continuation of uncontrolled and excessive taxation and spending is moving us along the road toward possible economic chaos.

Let us review some facts from the record:

Federal tax receipts for the first 156 years of the operation of our Government for which records were first kept, from January 1, 1792, to January 1, 1948, totaled \$315,591,776,000. This period included, of course, all the Nation's wars through World Wars I and II.

Tax collections during the last 5 years of the Truman administration, from January 1, 1948, to January 1, 1953, amounts to \$247,263,370,000. Out of this total, the public debt was reduced by \$3½ billion.

But, during the 5 peacetime years of the present administration, from January 1, 1953, to January 1, 1958, Federal tax collections totaled \$365,849,080,000. And not only did the present administration spend this entire amount, but, at the same time, increased the public debt by several billions of dollars.

Thus, it is clear that the present administration spent during the past 5 years approximately \$130 billion more to run the Federal Government than the Truman administration spent in the preceding 5 years which included the expense of the Korean conflict.

The highest year for tax collections during the last 5 years of the Truman administration was 1952, when the total revenues collected amounted to \$68,500,000. Contrast this, if you will, to tax collections in 1957, 5 years later, under the present administration, which amounted to \$82,387,233,000.

I submit at this point for the RECORD a table of facts on tax collections itemized by year and covering the last 5 years of Mr. Truman's administration and the first 5 years of Mr. Eisenhower's administration. Let the record speak for itself:

ONE HUNDRED AND FIFTY-SIX YEARS

January 1, 1792, to January 1, 1948, total, \$315,591,776,000.

5 years (Truman)—Jan. 1, 1948, to Jan. 1, 1953

1948.....	\$42,302,860,000
1949.....	40,501,871,000
1950.....	39,862,736,000
1951.....	56,093,339,000
1952.....	68,502,564,000

Total..... 247,263,370,000

5 years (Eisenhower)—Jan. 1, 1953, to Jan. 1, 1958

1953.....	\$68,299,418,000
1954.....	67,322,691,000
1955.....	69,294,764,000
1956.....	78,544,974,000
1957.....	82,387,233,000

Total..... 365,849,080,000

First. During the last 5 years of the Truman administration, he applied \$3,500,000,000 of the amount collected in taxes to reduce the public debt.

Second. During the first 5 years of the Eisenhower administration, not only did he spend the entire amount collected in taxes during that period, but increased the public debt by several billion dollars.

Third. Information supplied and verified by Miss Maureen McBreen, fiscal analyst, Library of Congress.

We have heard a lot of talk, from time to time, about a balanced budget. I wonder to what period those who proclaim this accomplishment are referring. One accurate manner of obtaining a factual portrayal of the state of our budget is to check the amount of the public debt as of January 20, 1953, and then for January 20, 1958, which will cover a full 5-year period. If a public debt \$9 billion greater at the end of a 5-year period of the present administration does not indicate just the opposite of a balanced budget for the period, then I should like to be cited to the contrary. May we have an explanation as to how the present administration through what they refer to as 5 years of peace and prosperity could collect \$118 billion more than Mr. Truman's administration did during the last 5 years of his tenure, and yet have sound reason for increasing the public debt by any amount?

Mr. Speaker, similar factual information could be cited here almost endlessly, but to continue to do so could perhaps detract from the purpose for which so many of us are striving, and that is for a more honest and sensible foreign aid program. Therefore, I want to mention now a few pertinent matters

so that the proper officials may start looking for the answers.

For instance, I ask if it is true that thousands of dollars worth of medicine being shipped to Laos through the foreign aid program, and going straight into the hands of the Minister for Health, His Excellency, Oudon Souvanavong, are not failing to reach the people in the manner intended by the United States? Is it true that Madame Oudon, wife of the Minister, owns the only pharmaceutical house in the country licensed to import medicines? Is it true that much of the medicine is being diverted to Thailand, India, Cambodia, Burma and other places, where it brings huge prices and profits to the owner of the only pharmaceutical house privileged to have a license to import medicines into Laos? Further, is it true that under such an extortionist arrangement, the peasants of Laos have to pay as much as 15 cents for a single aspirin tablet and 90 cents for a penicillin capsule at the Oudon pharmacy in the capital of Laos or, for that matter, at other dispensaries controlled by Oudon throughout the country? Is it true that literally tons of this same free medicine are deteriorating in storage because the holders, such as the governors of provinces and mayors of towns, refuse to distribute the medicine without receiving their financial cut, and that this extortion is so prohibitive the people cannot afford to pay it?

Is it true that in numerous countries our military bigwigs of the foreign-aid program are forcing more equipment, or at least agreeing to provide more military equipment, to recipient nations than they can absorb?

At the proper time, we hope to have some direct and factual answers, not military sugar-coated answers, from some of the people who are expert at sugar-coating the answers.

I should like for the military foreign-aid experts to say "yes" or "no" as to whether or not a substantial quantity of excess military items in Japan, where I visited last summer, are being disposed of as surplus, while at the same time other military so-called experts in Japan are requisitioning comparable items for delivery from the United States. I should like to have the experts give facts and figures when we ask the question, "How many American buyers are in Japan and other parts of the world buying up surplus equipment and accessories, and shipping the material back to the United States?" We should like to have them tell us how many highly paid personnel are now stationed in Washington obtaining permits to return into the United States the so-called excess, or surplus, equipment, materials, and supplies shipped out of this country under the foreign-aid program.

Mr. Speaker, many times during the past 5 years I have read in the press that the executive branch of the present administration does not pressure the Congress, that the present administration leaves it up to Congress to work its own will. I have never known of a more complete misrepresentation of the facts for American consumption.

On March 6, 1958, the Washington Daily News carried an article from which I quote, as follows.

There won't be any more "Dear Joe" letters. Ike says GOP must work with him if they expect his 1958 support.

Quoting now from the fourth paragraph of the same article:

Mr. Eisenhower says Representatives he will support must be for foreign aid, a strong national defense, and possible Federal action to keep the country prosperous.

If it is correct that the President uttered these words at a press conference, would this indicate that he is willing for the Congress to work its will on the foreign-aid program? Or, rather, would it indicate that he is pressuring the Congress to work his personal will? What would happen to the individuality, the integrity of the individual Member of Congress, if he should subscribe to, and follow, such a philosophy?

Mr. Speaker, thinking further concerning the foreign aid program, it is my conviction, and I so contend here, that if the love of democracy and freedom does not first exist in the minds and hearts of the people themselves, no amount of money spent by us is going to create it.

Who can truthfully say, in fact, that, instead of curing the ills of the world with the \$68 billion in foreign aid we have spent, or committed, since World War II in all but 16 of the other 86 nations of the world, we have not possibly actually added to those ills. It is indisputable that, through the foreign aid program, we have aided communism in many instances, and have subsidized socialism in even more instances.

I want also to note that the facts refute the propaganda which would erroneously tie together the foreign trade and the foreign-aid programs. Throughout our history, this nation has always been ready to trade with foreign nations, and we will continue to do so.

We have made far too many mistakes operating under a conception that we can solve the world's problems if we will only spend enough of our money. This do-it-with-dollars policy is one of fundamental folly, and it should not be continued on and on.

I submit, Mr. Speaker, that the people who are against communism will still be against it, with or without our dollars. Those who are not against communism are not likely to be changed by more dollars from the United States.

Our greatest safeguard—the world's greatest safeguard—against communism is a sound, strong United States of America. I believe it to be certain that we would be much stronger if we should curb the dissipation of our resources over the face of the earth.

For one thing, at least, our \$275 billion national debt, which exceeds by some \$63 billion the combined public debts of all the other 86 nations of the world, could be many billions of dollars less than it is. Further, it would be quite difficult to claim with success that, with substantially less foreign aid spending on the part of the United States, the rest of the world would have otherwise

been in worse shape than it is right now.

American performance in world affairs is dependent, first of all, on how well we perform here in America. Nevertheless, Mr. Eisenhower, Mr. Eric Johnston, and others in the top echelon of the Government would have the people believe that we should continue to tax and tax and spend and spend all over the world.

This spending includes nations which do not, by any stretch of the imagination, deserve our assistance under any kind of program. Examples of these are Yugoslavia, Poland, India, Indonesia, as well as others.

For brief illustration, Marshal Tito of Yugoslavia has received from the United States during the past 10 years an amount far in excess of \$1 billion in aid. Tito has not at one time during this period been friendly to America, but has consistently held to the Communist line, and at times has been openly in the Kremlin's corner.

Only last month, however, the present administration attempted to cover up more giveaways to Yugoslavia, and entered into an agreement to grant Tito \$64 million worth of what was mislabeled as "long credits." This was done even after it was reported that Tito had passed along \$10 million in up-to-date military equipment to the pro-Communist President Sukarno of Indonesia.

As another example, we have been very generous with India. This generosity over the years has already amounted to about \$2.5 billion. But notwithstanding this aid, India's Nehru has steadily been on the side of the Communist oppressors, with Indian influence consistently exercised against the Free World.

Limited Russian and Chinese Communist aid to India must be repaid with punctuality. But not so with Uncle Sam's aid. No credit to us and no help to the Free World, our aid is repayable, if ever at all, only when the Indian government feels it can do so. This is the situation, despite the fact that there has not been a single instance in which Nehru has supported the Free World policies when the chips were down.

There is no way to dodge the fact that much of the aid to India, or, for that matter, much of the aid to many of the other countries, is without either substantial economic or technical justification.

Mr. Speaker, it has been my privilege, in connection with studies of this matter, to have the benefit of well-founded correspondence, extending over a period of several years, from a reputable American engineer in India. This man has had many years of experience in the Far and Middle East, both with private enterprise and Government. I am convinced that his statements of fact may be accepted as accurate, and his conclusions accepted as well-founded and sound.

I shall now quote excerpts from letters written to him in January of this year. This is from a letter of January 3, 1958:

The Government of India has submitted directly to the new development loan fund in Washington a list of some 75 capital projects requiring financial assistance. This

list projects totaling \$3.75 billion, with a foreign exchange component of some \$2.75 billion. From this list, I believe they have selected some 14 or 15 projects as priority. . . . I know that the engineering and cost estimates are open to serious doubt as to accuracy and completeness. I am also not convinced that any serious consideration has been given to any logical coordination of resources. . . . There is no concentration on utilization of resources for revenue producing or exports for exchange earnings.

The next is from a letter of January 23, 1958, and I quote:

It looks as if the United States had taken on an additional liability of at least \$600 million over the next 3 years for India. Thought that the enclosed front-page item from the New Delhi Times was particularly interesting in stressing the immediate need to waive safeguards and restrictions required by sound banking procedures and the intimation that loans and credits of similar or greater extent be repeated for 2 additional years. The facts that the 5-year plan is a hodge-podge of uncoordinated proposals, that the Government of India refuses to recognize this, that the plan lacks flexibility and that international sources are expected to finance those errors of judgment and management seem to be totally ignored. . . . I believe that underlying this suggested waiver of established rules and procedures is a hidden recognition of the Indian inability to prepare a soundly engineered prospectus for specific project loan applications, since they would betray the lack of thinking through and coordination applicable to the so-called plan. . . . If we hold to what are generally recognized as sound loan projects India will not be able to get financing for anywhere near the \$225 million presently in sight, unless we lump it all in railways and ports and leave the matter of periodic survey and inspection out, as well as the administration of the project after it has been completed. . . . Very few of the list of projects submitted are in the private sector. About 28 deal with major power and/or power plus flood and irrigation projects, 27 deal with transportation (including highways and port development as well as railroads). The balance are in mixed categories, few of them of any significance as far as private industry is concerned. . . . I am not too much concerned with Russian competition because I think that carries with it its own visible demonstration of undesirability. . . . I am much disgusted with the whole approach and program.

I now present excerpts from a letter of January 30, 1958, and I quote:

You cannot superimpose a large industrial complex on a poverty-stricken agricultural country regardless of the financial resources you contribute. Our money will continue to be wasted until this is recognized. . . . Under our present policy we are merely postponing the final day of recovery and exerting very little, if any, effort to influence current planning or economic policies. . . . The rate of population growth (1.25), if you can accept any statistics out here, is such that the population cannot be supported on even a bare existence level, notwithstanding some unprecedented improvement in agricultural production. One gets involved in a fundamental revolution concerning land tenure, taxes, price control, dietary changes, religion, etc. About one-third of the land now provided with irrigation facilities in the last few years is presently not cultivated due to non-acceptance by the farmers of the Government charges for use of same.

Mr. Speaker, I believe the American public is becoming fed-up with the foreign aid waste on the part of our Gov-

ernment. I think also that the point is being reached where the Congress is going to insist that wasteful spending be curbed.

India is obviously determined to socialize, or nationalize, its industry. It appears to me that all we are buying there with the hard-pressed American taxpayers' money is a liability interest in an economic policy that is ultimately headed for either economic chaos or communism, or both.

I quote from other letters which have come to me:

Some time ago oil concessions were negotiated which, among other things, provided for a 30-year concession with an option on the part of the operators to renew, or extend, for an additional 30-year period. Personnel and equipment were brought in and operations started. . . . Recently they were startled to read in the official Indian Government Gazette that the terms had arbitrarily been changed to 20 years, with the 20-year extension solely at the option of the Indian Government. . . . In the meantime, the Indian Government is moving to make oil exploration a complete national government operation.

From another letter:

In nationalizing life insurance it was publicly overlooked that these companies are the largest traders, actively, in the Bombay and Calcutta stock exchanges, so the Bombay exchange took a nosedive and the Calcutta stock exchange opened and closed with no transactions. This same move, of course, placed the government in a strong position in many private industrial and commercial companies through the acquired stock ownership.

Another excerpt. I quote:

At the movies the other evening I saw a Government documentary film extolling the services of banks. It ended by showing the number of banks per capita in the United States and the United Kingdom in comparison with India, and then plugged the idea of several thousand more banks for India. Nothing was said about money supply or national savings.

And yet another. I quote:

It becomes increasingly difficult to determine whether the apparently stupid economic moves on the part of the National Government here are actually stupid or deliberately designed to create economic confusion and chaos, to accelerate complete socialization. The proposed ceiling on all incomes of about \$6,000 and the proposed tax on wealth (not explained) are examples.

Are not these reports and observations at least thought-provoking? Do not they serve in some measure to point up the fact that the American people and the Congress should have a full disclosure from the administration of our financial commitments, and prospective commitments, to India?

In the absence of facts to the contrary, the indications are that the negotiations which have been completed, along with those in progress and contemplated, will have the certain effect of obligating us to uncertain and substantial amounts over an indefinite period of years.

If the points I am putting forward here can be successfully refuted, the public and the Congress should certainly have the information. The people should be aware of the full extent to which we may be tied by this administration to

India's obviously unrealistic and unstable economic programs.

I shall quote again from some more of the letters:

There is no reservoir of management personnel or technicians adequate for existing industries. There is absolutely no provision for management or technical experience for existing or planned expansion.

Continuing from a later letter, and I quote:

India has only a superficial semblance to a united nation. * * * Our aid programs are unknown to some 85 percent of the people, who are impossible to reach for all practical purposes.

And more still. I quote:

Addition to the usual jitters is from strong rumors that often-mentioned state trading companies are about to be set up for tea, jute, and steel. Steel already has a controller, and you can't buy steel without an armful of documents, and prices are fixed; so state trading wouldn't really be a major step. * * * With three new big government steel plants in process, state operation is certain; only the timing is indefinite. Incidentally, when these steel plants are completed, the volume of rail traffic they will create is equal to one-half of the total tonnage of all commodities now hauled. But in the second 5-year plan expenditures for rail extensions and improvements have been reduced, not increased.

So, Mr. Speaker, the administration proceeds to use the American taxpayers' money to promote a disorganized, poorly planned industrialization in a not too friendly India. And the Motion Picture Association chief, Mr. Johnston, attempts to sell the idea of more money for that type of program to the American people—strengthen, he says, the security of America and the Free World.

Among others, the International Bank mission on programs and policies in India pointedly concluded that the Nehru government's second 5-year plan was too ambitious, not sufficiently realistic, too large. Nevertheless, the present administration is proceeding toward kicking-in with hundreds of millions more of the American taxpayers' dollars.

Many Indian observers also regard the plan as ill-advised and unsound, both economically and technically weak.

The Indian publication, *The Current*, commented in its issue for September 25, 1957, on Mr. Nehru's attitude. Quote:

Give me a loan and then leave me alone.

The *Times of India* observed last September 21, quote:

The Government of India is on the friendliest terms with both the Soviet Union and China.

Said Naushir Bharucha, member of the Indian Parliament, on February 23, this year, in an article published by the Indian journal, *Yojana*, and I quote:

Estimates of our planners went crazily wide of the mark. What one resents is sacrifice at the altar of inefficiency and maladministration.

The *Times of India* commented on January 29, 1958, and I quote:

The internal resources position is by no means bright. If the plan lacked balance at the outset, it is now becoming definitely lopsided. It is difficult to see how the plan is

going to be actually financed (rupee expenditure, not foreign exchange).

Mr. Speaker, United States participation, through the foreign aid program, in this grandiose soft-currency so-called loan venture, which appears unjustifiable economically or technically, and which is obviously questionable politically, could cost us, over the next few years, as much as \$2 billion. For this vast expenditure, we are unlikely to receive benefits of any substantial type, and quite possibly could wind up by creating more resentments and ill will toward ourselves on the part of the Indian people and government.

There is no disputing the fact that the plan has a limitless capacity to grow, irrespective of the availability of Indian resources. But even if more favorable circumstances were existent, in any such program we would inevitably become a major factor in the currency management of the soft-money recipient nation. The likelihood would be one of acquiring a largely unwanted interest in that currency, and creating a situation in which forgiveness of the so-called loan would be the course which would be ultimately followed. To have called the aid a gift in the first place, if going into it at all, would have been preferable.

I wish to proceed now to quote a few excerpts from reports of some of the people I have interviewed during the course of on-the-spot investigations of the foreign-aid program in recent years. It is understandable, of course, that I am not at liberty to publicly reveal the identities of these individuals at this time without causing them great embarrassment; but you have my assurance that they are well qualified people of sound repute. I shall present brief excerpts, not necessarily in the sequence in which the reports were made to me:

The second 5-year plan in India will provide employment for only a fraction of the increase in the population over the same period. If the plan should be carried out 100 percent successfully, they would end up by having more unemployment, not less. Again, if you will take any of the available figures on capital required for any given number of persons, you will demonstrate mathematically that there isn't sufficient capital in the world to provide large gains in employment in India. * * * I know from personal experience that if I interviewed 50 or 100 people of this country, representing a cross-section of the population, I would get one predominant thought, and that is this: United States money is wasted. However, if they knew the interviews would be published, and their identities disclosed, they would clam up. Their reasoning would be that if we are so stupid or wealthy as to waste money, why should they incur the displeasure of the politicians by sticking their necks out. * * * I personally am not so much concerned, myself, with the obvious waste of public money as I am to the extremely dangerous situation into which the American people are bamboozled into thinking that we buy friends. In reality, we are demonstrating weakness and stupidity in this approach.

From another interview, I quote:

While no one will put it in writing, my job seems to be that of creating new requests from the government here for United States foreign aid, and not in giving any counsel,

advice or assistance based on my own experience or judgment.

Now, if you will, listen especially carefully to this response to a question as to how the programs get started:

In many diverse ways, few of them rational, systematic or based on any identifiable policy or pattern. The Director appears to have almost unlimited authority, subject to approval from Washington; but actually each functional division head here, such as industry, agriculture, education, etc., works up his own programs and sells them to the Director. * * * In everyday usage, for example, in a general discussion between the head of our Industry Division and his host government counterparts, activity is discussed on general lines; and out of that comes an informal, tentative outline of a project. If we have funds available and the Industry Director likes the project, it is formulated in detail. A proposal is drawn up, signed by both governments, followed by an agreement. After that comes Washington's approval or disapproval. Ordinarily the latter seems to be more or less a formality. * * * The Ambassador seldom knows what is going on in this field; but this, of course, depends largely on the personality and interests of the Ambassador. The economic counselor, or person in charge of the economic section at the Embassy, should follow all this very carefully; but again, in practice, usually he maintains a hands-off policy unless there is interest in a conflict of jurisdiction or overlapping of function.

Can Mr. Eisenhower or Secretary Dulles or Under Secretary Dillon or ICA Director Smith, or even Mr. Eric Johnston, successfully refute the statements just quoted? If they can do so, they should do so. The American people have the right to know.

I continue to quote:

One of the objectives of the trip by (identity withheld here) is apparently to point out that productivity centers in the Far East and Near East areas are most desirable, and that liberal funds for these can be wangled out of the agricultural surplus sales (Public Law 480). He gives every evidence of expecting us to carry on indefinitely. * * * The scheme of the machine-tool specialists originated with (name withheld here), a technician contracted and assigned to the government of this aid-recipient country. This is the old game where the technician ingratiates himself with the host government, then builds up a sizable project, and with host government encouragement sells the idea to our people. Knowing that there was a considerable sum available for reprogramming before the end of the fiscal year, this project was tailored accordingly. There will be further attempts to get Washington approval on this, particularly by (name withheld here) on his return.

Presenting still more excerpts, I quote:

I have talked with many responsible people of this country about our aid program. In general, they regard it as a wish on our part to demonstrate our limitless resources by wasteful, but inoffensive, indulgences to this nation. Several have asked me just why we as such proponents of private enterprise should be so busily engaged in accelerating socialism and nationalized industry. * * * The amount of the proposed aid for this fiscal year to India, used as an illustration, amounts to one-fifth of the foreign exchange deficit in the 5-year plan. You can argue two ways on the anticipated deficit. If they are successful in their industrialization plans, the deficit will be much larger. If the program is retarded by slow deliveries, slow construction, inability to transport, etc., the deficit will not materialize. I think the odds

are on the latter. However, if the aid should be approved, and go in large measure for development assistance, it probably will require even more grandiose schemes which may further bog down the economy, not improve it. * * * Our private industry carbon black experts have told them that their feasible requirements are so low as to make the establishment of their own plant quite uneconomical, but they still intend to build one. Private industry rubber people told them that they would not invest a nickel in a synthetic rubber plant. So we are asked to provide experts to show them how to build their own government plants.

Mr. Speaker, on the face of the total record, and not merely, of course, from these particular factual reports, an objective observer would be exceedingly hard put to try to define benefits which we may enjoy with, or from, some of the recipient nations as a result of these programs. With such countries as Yugoslavia, Poland, India, Indonesia, as well as others, there have certainly not been many benefits, if any, in good will or friendly relations. Nor, I think, in otherwise substantially strengthening the peace and security of America.

Continuing now to quote, here is another excerpt:

(Name withheld here) has finally arrived from Washington. As usual with Washington visitors, he has not come with an objective approach, but to tell us of the wonderful things Washington is doing all over the world. While here, he is completely encompassed by the upper level operating people, who have him so completely saturated with their remarkable and unquestioned good work that I am sure he will be more convinced than ever that all is well, if not perfect, with the world of his own creation. As far as I can determine, he is completely isolated from outside contacts or anyone in the least critical or questioning of the aid program. He is so typical in his complete saturation of Washington bureaucratic gobbledygook that a fresh thought or approach would be quite disconcerting.

I quote yet another excerpt:

I have not found an opportunity to apply myself on anything I regard as worthwhile; but as far as I know, no one but myself seems to be worried about it. He (representative from Washington, with name withheld here) is ignorance personified, full of bureaucratic gobbledygook, never worked outside of Government, no knowledge of industry, and nothing against which to evaluate what he sees and is. He and the party boys have been engaged during his stay here in a sort of self-admiration festival.

Excerpting from another interview quote:

He (name withheld here) is a relatively young man, very capable, and I am quite sure is completely aware of what is going on. He is very much worried over the Industry Division mess, is fully aware that the regional industry advisory jobs are useless jobs and never should have been created. But the overall atmosphere is one of "live and let live," so it becomes an interesting question as to just how useless or damaging a man would have to be in order to get recalled, fired or transferred.

It is obvious that a lot of incomplete, inaccurate and untruthful reporting is coming back to Washington from many of the ICA people in the field, and even from some of the American Embassies throughout the world. To me, it is frightening to think of our foreign policy and relations being colored by such

misinformation and lack of factual information.

It is possible, Mr. Speaker, that some have become calloused to the indisputably tremendous waste of money through the foreign-aid program. But, nevertheless, all should realize that the time may come someday when the chips are down, and the American people will then know that we do not have some of the friends we have been led to believe have been acquired through the unintelligent expenditure of tremendous sums of the taxpayers' money.

Mr. Speaker, I know of many things which would be more pleasant to undertake than to be critical of our President or to spend many extra hours endeavoring to inform myself more fully on a most complex and confusing foreign-aid program, concerning which many important facts and much evidence are obviously being withheld from the American people; but this is a task which must be done. The pressure by the President and the many men and women he has appointed, as well as the thousands from industry selected by his appointees, cannot be permitted to go by unchallenged.

As long as the well-financed, well-oiled, top-echelon lobby is functioning to sell the American people a bill of goods on supporting excessively wasteful foreign aid, I intend to continue to do my part to help point out some of the conditions and practices which are being encouraged and tolerated that are tending toward the wrecking of the lives and economy of American citizens yet to be born.

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

Mr. PASSMAN. I am happy to yield to the gentleman.

Mr. BAILEY. Will the gentleman from Louisiana join me in demanding that Mr. Johnston register as a common lobbyist?

Mr. PASSMAN. I think that he should do so. I thank the gentleman.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. RHODES of Arizona. Of course the gentleman recognizes the fact that the Korean conflict was still in progress at the time you mentioned about this administration, and also that the bills which had been incurred by the Truman administration had come up to be paid during that time. Does not the gentleman think in all fairness he should point out that fact to the House?

Mr. PASSMAN. I am sure the gentleman would like to correct the remarks he just made. The Korean conflict was over in early 1952. I was in Korea then. The war had been brought to a conclusion, and the waiting was for a tough armistice which President Truman was trying to drive through.

The record is clear that many Members of this Congress visited the front lines early in 1952, and for all practical purposes the war was over.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield further?

Mr. PASSMAN. I shall be happy to yield to the gentleman.

Mr. RHODES of Arizona. Is it not also true that a large cut in the public debt was put through during the 80th Congress? And is it not also true that in no Democratic Congress of record has there been a tax cut, particularly in this modern era? Is it not also true that there has not been a balanced budget except during a time that the Republican administration has been in control downtown?

Mr. PASSMAN. I am sure the gentleman will also want to correct those remarks, because what he has said is not in keeping with the record.

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

Mr. PASSMAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. In view of the fact that the gentleman has asked a series of questions, he implies, by not answering the questions himself, that there may be some truth about any charges he has made.

Mr. PASSMAN. I do not like to accuse people of being dishonest. The clear inference is that some of the recipients are dishonest.

Mr. FRELINGHUYSEN. I wonder if there are problems in connection with the administration of the programs, whether the need for medical supplies in the Far East is so great that there is a willingness to pay on the part of the people who would like to get them, and may I ask, because there is a problem with the administration of these programs, would the gentleman junk the whole program of assistance to our allies?

Mr. PASSMAN. I think I stated in the beginning that I would support an appropriation sufficient to carry out a sensible, commonsense program. If the gentleman wishes to disagree with me, he should get a special order and do so. I have been quoting the facts.

Mr. FRELINGHUYSEN. Just one more question, and I do not want to intrude on the gentleman's time. He has 60 minutes.

Mr. PASSMAN. I yield to the gentleman.

Mr. FRELINGHUYSEN. I am wondering if the gentleman is proposing that we end sending any medical supplies to the Far East because we cannot control the distribution of aspirin tablets, only doing our best under the circumstances.

Mr. PASSMAN. If much of what we have been doing is our best, then we should discontinue it. If we are shipping thousands and thousands of dollars' worth of our medicines to Laos, and this is going into the hands of the wife of the Health Minister over there, and if she is not fairly distributing the medicine to the citizens of the country, but is peddling it at a terrific profit, and if other medicines are deteriorating because the bigwigs over there do not get their financial cut, if that is the way it is operated, it should be discontinued.

Mr. FRELINGHUYSEN. Is the gentleman stating that as a fact or is he charging this may be a fact?

Mr. PASSMAN. I want to be perfectly fair about this. I try to be fair in dealing with all matters. I am not trying to embarrass any of my friends on either side

of the aisle. We have leaders on both sides supporting this program. I have made charges in the past on this floor and before the committee, and I do not know that any of these charges have been successfully refuted. I will be very glad to have the gentleman search well into the records to determine if he can successfully refute any statement I have made here today. I prefer to put the matter in the form of a question rather than as an accusation, but if it pleases the gentleman, I shall make the statement in the form of an accusation rather than in the form of questions.

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

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman brought up Laos. Are we still spending \$20 million a month to support the currencies of Laos, Cambodia, and Vietnam?

Mr. PASSMAN. I am pointing out here some of the matters about this program which could be corrected.

Mr. FRELINGHUYSEN. How would the gentleman suggest that corrections be made in the distribution of medical supplies in the Far East?

Mr. PASSMAN. The gentleman might go to the record and he might find the opinions of some outstanding physicians of this country as to suggested corrections.

Mr. FRELINGHUYSEN. If the way we are doing is not the way of improving our distribution of medical supplies, how would the gentleman improve it?

Mr. PASSMAN. If we sent a doctor of medicine over there in charge of this program, and if he attempted to write a report condemning the system, and officials recalled him immediately, what answer would the gentleman have to such a situation?

Mr. FRELINGHUYSEN. Who is the "officials"? I am not sure what the situation is.

Mr. PASSMAN. I am referring to ICA officials.

Mr. FRELINGHUYSEN. Does the gentleman mean that the ICA is covering up for other countries? We have the responsibility for the taxpayers' money, and if we have problems like that we ought to end them as quickly as possible.

Mr. PASSMAN. May I say, with all due respect for the gentleman, why do you not delve into the situation as I have done, and then provide some of the answers? You know that never in the history of America has there been such a lobby group as has recently been organized to pressure the Members of Congress into a package deal for foreign aid. Let us face up to the facts.

Mr. FRELINGHUYSEN. We all wish to improve the program if it can be done, and I think we would all be interested in knowing ways to improve the program.

Mr. PASSMAN. You cannot improve the program by just disagreeing with what I have said. I am trying to record the facts.

Mr. FRELINGHUYSEN. I am not sure whether they are facts or questions.

Mr. PASSMAN. Would you not feel a lot safer if you turned to some of the men downtown rather than the gentleman speaking at this time?

Mr. FRELINGHUYSEN. I am sure we will all be interested in pursuing the question.

Mr. PASSMAN. I sense your approach as of a critical nature for the information I have presented.

Mr. FRELINGHUYSEN. Not in any sense. Perhaps I have not been given an opportunity to express my position.

Mr. PASSMAN. I am sure the gentleman may obtain time to state his views.

Mr. FRELINGHUYSEN. That is not what I am talking about.

Mr. PASSMAN. That is what I am trying to get done, whether it be you or whether it be the Secretary of Defense, the Secretary of State, the ICA Director, Mr. Dillon, or whomever it may be. I want answers as to why they are continuing to tolerate such conditions and situations.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I would suggest to the gentleman from New Jersey that if he has read the Constitution of the United States—and I assume he has—

Mr. FRELINGHUYSEN. I can assure the gentleman I have read the Constitution of the United States.

Mr. WILLIAMS of Mississippi. He knows that the power of the Congress to tax and spend public moneys is limited. He knows that it is limited to those purposes specifically enumerated in the Constitution. Nowhere in that Constitution will he find authority granted the Congress to tax the American people for the benefit of people of other countries.

Mr. PASSMAN. I thank the gentleman.

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

Mr. PASSMAN. I am happy to yield to my colleague.

Mr. HERLONG. Mr. Speaker, I should like to express my appreciation to the gentleman for the time and trouble he has gone to in giving us this information. I think the entire Congress and the entire country are indebted to the gentleman for the study he has made of this program. I should like to inquire of the gentleman in connection with the questions he says he is going to ask, if those questions are going to be asked in the Committee on Appropriations when the people will come up to try to justify their program?

Mr. PASSMAN. If it is the will of the Speaker and all others concerned that I remain as chairman of this subcommittee, there are going to be a great many questions asked, many more than have been asked before. The time has come to find out actually what is needed, what it is being spent for, and why, and whether they are continuing to misrepresent the case in many respects, as has been done in the past.

Mr. HERLONG. Mr. Speaker, in that connection, if the gentleman will yield

further, the American people have the reputation of being not only generous but quite forgetful. I recall reading not too long ago where in Formosa the American Embassy was stoned and the American flag trampled upon. Upon inquiring into that I found the reason for that was that the person in charge of the security forces of Formosa at that time, perhaps not in name but in actual fact, did absolutely nothing to deter that attack on the American Embassy. That brings me to this question. How can we expect to make friends over there or anywhere else, I would ask the gentleman, if we find ourselves tolerating if not actually aiding and abetting people who are Communist-trained and Communist-inspired at least, in these attacks on United States Embassies in these various countries? I am talking in particular of one man whom I am sure the gentleman is familiar with, General Chang-Ching-Pou, who is the son of Generalissimo Chiang Kai-shek and who I understand is Communist-trained or at least is a Communist sympathizer.

I do hope the gentleman will inquire into that special thing and not let this Congress be so forgetful before we vote on giving some more money in this particular area.

Mr. PASSMAN. I thank the distinguished gentleman from Florida.

I contend that as a Member of Congress I am obligated to vote for funds to carry out the commitments of our country. What we are trying to do on the Appropriations Committee is ascertain whether or not there is real need for the amount of money being requested to carry out our commitments. It has been true in the past the requests have been for more funds than actually needed.

I have been endeavoring to obtain information which would enable me to do as good a job as possible in handling this complex bill. It is not at all pleasant to have to be critical of some of the leadership of my own party or of the party that is in charge of the executive department, but I feel it is my responsibility to find out the facts of the program.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. RHODES of Arizona. I just want to thank the gentleman for bringing this material to the attention of the House, and to compliment him on all of the hard work he has done in preparing it. The gentleman will recall that I have been on my feet disagreeing with him too many times, except when he gets to talking about taxes and deficits. I do not know that I would agree that \$9 billion of the national debt has definitely the Republican label, but since the national debt is supposed to be around \$279 billion, if I would agree to accept the label for the \$9 billion, would the gentleman agree that the \$270 billion should have the Democratic label on it?

Mr. PASSMAN. I would be willing to accept \$266 billion as being the deficit built up in time of war. I want to be perfectly fair. Inasmuch as I have not

taken my seat, I am not trying to quarrel with my friends on either side of the aisle. But few people realize that under Mr. Truman's last full 5 years he only collected \$247 billion in taxes. During that same 5-year period we reduced the public debt by \$3½ billion, and that was during the Korean conflict. Then, moving into the past 5 years, and this is the record, the total tax collections went up to \$365 billion. This is \$118 billion more than receipts of the last 5 years of the Truman administration, which included the financing of the Korean war. But in addition, during the past 5 years, our public debt has gone up by \$9 billion.

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

Mr. PASSMAN. I yield to the gentleman.

Mr. YOUNGER. Would it not be fair to state that the former President, Mr. Truman, is also a part of this tremendous lobby that you have been criticizing?

Mr. PASSMAN. Yes. Our former President was brought into that. It was kind of amusing, in fact, when I picked up one of these printed pamphlets which indicated that Mr. Eric Johnston was the presiding officer, and the first speaker, if I remember correctly, was Mr. Dulles, Secretary of State. Then there was Mr. Adlai Stevenson, and then there were three great members of our clergy, leaders of the Catholic, the Protestant, and the Jewish churches. The next speaker on the program was Mr. Dean Acheson, a former Secretary of State; the next former President Harry S. Truman. Following him was RICHARD NIXON and then a couple of other speakers. Then Mr. Eisenhower.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield further?

Mr. PASSMAN. I yield to the gentleman.

Mr. YOUNGER. Is it not true that the mutual-aid program was started by President Roosevelt and continued by Mr. Truman?

Mr. PASSMAN. It is my understanding that the foreign-aid program, as we know it today, since 1948, started in a Republican-controlled Congress. There had to be a majority of votes to pass it, and you had the majority at that time. My President and your President, Mr. Truman, continued it.

Mr. YOUNGER. But the program was started by President Roosevelt even before the Second World War in the lend-lease operations.

Mr. PASSMAN. Now, of course, I am not talking about lend-lease or about hard loans; I am talking about the foreign-aid program beginning with the so-called Marshall plan. This program has had about four or five different names since then.

Mr. YOUNGER. That may be true, but I want to be sure that the Record pointed out that this thing was started by President Roosevelt.

Mr. PASSMAN. So far as I am concerned, it was new in 1948. That is when the plan came into being.

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

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. DEROUNIAN. Is it not true that in 1947 and 1948 the Republicans had the appropriating power in the House?

Mr. PASSMAN. Yes.

Mr. DEROUNIAN. And you had the votes in 1955, 1956, 1957, and 1958. If you did not like the foreign-aid program why did you not cut it out? You had the votes at that time to do it.

Mr. PASSMAN. I have not suggested that the foreign-aid program be cut out. You know as well as I do that certain Members on this side of the aisle are going to support the foreign-aid program. I am pleading with the distinguished Representatives from the 48 States to cut out the waste and extravagance and misuse of the program. I am expressing my opinion that the President is largely following the recommendation of his subordinates in this matter. You know this program is built up out in the field. The program is scattered throughout 70 nations over the face of the globe, and the administrator of the program in any area is a little king in his own kingdom. These people exert terrific pressure to continue the program.

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

Mr. PASSMAN. I yield to the distinguished gentleman from Virginia.

Mr. GARY. Will the gentleman state how much the Democratic Party and the Democratic Congress has cut this program within the last 5 years?

Mr. PASSMAN. In recent years we have reduced the President's program by 40 percent. I think it could be cut even further without doing harm.

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

Mr. PASSMAN. I yield to the distinguished gentlemen from Iowa.

Mr. GROSS. The gentleman and others have referred to this propaganda outfit downtown propagandizing the people of this country to support the foreign giveaway program, and it is a giveaway program. Letters are going out from this outfit downtown accompanied by a slip of paper saying that if you contribute it can be deducted as a business expense.

I think that when the gentleman's committee starts operating on this bill that he should inquire into the authority for this statement that is going out that you can contribute to this fund and deduct it as a business expense. A few of us around here have been trying to ascertain, and have ascertained up to this point, from the Bureau of Internal Revenue that those contributions are not tax exempt.

Mr. PASSMAN. I will say to the gentleman that we certainly hope Mr. Eric Johnston will see fit to submit to us a list of the names of the 5,000 people to whom telegrams were sent in promoting the big production here on the 25th of February. We also hope that we will be privileged to have the president and chairman of the board of the Gillette Safety Razor Co., who was assigned the task of soliciting funds from industrialists of America, as a witness. We hope to receive a list of the thousand people who are being solicited for funds.

Mr. GROSS. Do not overlook Mr. Heinz.

Mr. FRELINGHUYSEN. I think this discussion has brought up that there is a sharp difference of opinion as to the merit of the program. I think the gentleman's reference to prominent members of both political parties as sponsoring a continuation of the program suggests there is merit in it, whether we like the scope or disagree with the scope of it or whether we agree on aid to individual countries or not. I would like to ask the gentleman whether he agrees with the contention of the gentleman from Mississippi that this is an unconstitutional use of the taxpayer money that we have been engaged in since World War II?

Mr. PASSMAN. What would be constitutional, I do not know. I do not know what would be unconstitutional, as interpreted by the present Supreme Court.

Mr. FRELINGHUYSEN. The gentleman's position is that this is a reasonable program and an appropriate use of the taxpayer's money. But he is concerned about whether it is being well spent.

Mr. PASSMAN. The gentleman has never agreed that this is a reasonable program, but when my Government makes a commitment I have an obligation to try to support that commitment.

Mr. FRELINGHUYSEN. The point I have been concerned about in the gentleman's presentation is whether he is suggesting a scrapping of the program or whether he feels there is sufficient merit in it to continue it and whether it is of some aid to us.

Mr. PASSMAN. When this program started, the program as we know it today, it was supposed to run for 5 years. A Member needed to feel rather secure to even predict that this program would continue more than 5 years and that its cost would exceed \$15 billion. But, before long, the pressures began to build, so that now, instead of being in 15 nations, we are in 70 of the 86 other nations of the world with this program, and it is getting bigger and bigger. There is now an additional subterfuge in the program, known as the development-loan provision. There is not an official downtown who will not admit off the record that this is nothing but a giveaway gimmick. On the record he will say, "Yes; we might collect some of it back." But off the record, if you press him, he will say, "I do not think of it as a loan, but it makes it easier for them to accept what we are giving." Then I always ask the question, "Did you have much trouble giving away the \$68 billion?" And that usually closes the discussion.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Has any request been made for foreign aid at the moon?

Mr. PASSMAN. There is a member of the Space Committee here who might answer that question.

Mr. O'KONSKI. I am wondering why our Secretary of State said no useful purpose will be served going to the moon. Is it because they have no use for foreign aid?

Mr. PASSMAN. I hold the Secretary of State in high esteem, and I do not want to comment on what he said in that respect. But that is a relevant point.

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

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. MEADER. I should like to commend the gentleman and his Subcommittee on Appropriations for the screening that they have given to this program. I, as the gentleman knows, have served with the gentleman from Virginia [Mr. HARDY] on the subcommittee of the Committee on Government Operations in an attempt to look into some of these expenditures to see whether they were wise and useful expenditures of the taxpayers' money. And, as the gentleman knows, we found many that were not; and I agree that, whatever party may be in power, it seems to me that this program is a bipartisan program.

Mr. PASSMAN. Yes; I have conceded that it is.

Mr. MEADER. And that there is a tendency on the part of those spending the money to find excuses to spend more and more, whereas the purpose of the program can only be accomplished if the program does some good and the countries we are seeking to help begin to stand on their own feet. And, I have always thought that we could do more toward encouraging economic stability and strength which will permit them to resist communistic infiltration and military aggression by encouraging them to adopt the economic system which has made this country great. And, that job can be done by the investment of private capital without any expense to the taxpayers of this country. I commend the gentleman and his Subcommittee on Appropriations for holding the line and not letting the bureaucrats get away with everything they ask for.

Mr. PASSMAN. I shall support appropriations that in my opinion the record justifies as needed to carry out our commitments, but not otherwise.

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

Mr. PASSMAN. I yield to the gentleman from West Virginia.

Mr. BYRD. Mr. Speaker, I have been much interested in what the gentleman has been saying about the clambake that took place a few weeks ago, and I am wondering if the gentleman has any figures as to what this clambake cost, and I also would like to know if he can tell us from what source the moneys came with which to finance this clambake.

Mr. PASSMAN. I think if the gentleman will refer to the special committee which I mentioned—that is, some of the members of that committee—in my remarks earlier, he will find some very prominent names in industry. It is also my understanding that there have been 1,000 industrialists and other wealthy Americans from whom contributions have been requested. It is my understanding, further, that the chairman of the board of the Gillette Safety Razor Co. will be chairman of this fund-raising committee, with the first kickoff being

invitations to 1,000 of America's outstanding businessmen to contribute to the fund.

DEMOCRATS VERSUS THE PEOPLE

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Under previous order of the House, the gentleman from California [Mr. HESTAND] is recognized for 60 minutes.

Mr. HESTAND. Mr. Speaker, I ask unanimous consent that all Members participating in this discussion may be permitted to revise and extend their remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HESTAND. Mr. Speaker, the great Democratic Party claims to be the party of the people. The Democrats themselves scream it on every possible occasion. Yet their every move proves the contrary.

Two weeks ago the gentleman from Missouri [Mr. CURTIS] right here showed most emphatically how the Democratic leadership disclaimed loudly but did nothing in the fields of the economy, taxes, small business, even taking on the distinguished majority leader very effectively.

Last week the gentleman from Michigan [Mr. CEDERBERG] showed indisputably that the Democratic leadership shouted loud in labor matters in behalf of labor unions and workers, and did nothing but block action to correct the scandalous abuses coming to light. The Democrat membership was invited but was conspicuously absent. Did they have no answers?

Today, we are prepared to show that although the Democratic leadership shouts "for the people" every move, every vote is against the worker, the housewife, the pensioner, and those in the lower income groups, and especially indeed the farmer.

Five great and important measures have passed the House at this session, ramrodded and forced through by the Democratic leadership—every one ruthlessly disregarding and emphatically damaging to the interest of the people—the man in the street, the consumer.

I shall dwell only lightly on the first four. The first three big appropriation bills jammed through by the Democratic majority, were not only not cut but in the aggregate were increased over the amounts recommended by their own Democratic dominated Appropriation Committee. Does this appear to be in the people's interest—spending their tax money recklessly, irresponsibly, and completely without regard to the value of the consumer's hard-earned dollar of purchasing power?

The Democratic spenders are in control and the control is a powerful one. Even the conservative wing of the party, historically dedicated to protecting the taxpayers' dollar, was forced by the lash of the leadership to go along. The party controlled by Walter Reuther and the CIO New York liberal wing brooked no compromise.

Came then the gigantic rivers and harbors authorization bill, \$1½ billion

worth of projects—something for everybody, pork barrel, a scandalous and disgraceful measure literally profligate with the people's money. Many of these projects had never been considered by the Corps of Engineers, others had been rejected. Yet the Democratic spending majority jammed them all back into the bill. Spend, spend, spend.

Not so far this year was the party line so clearly drawn. Of 234 Democrats only 4 dared to vote to recommit. Could this be the party of the people?

Through all of this, mind you, was the argument shouted "fighting the recession." What recession? Can you call it a recession with 62 million gainfully employed, almost the highest in history with total personal income at 343 billion, seven-tenths of 1 percent below the highest in history, with consumer purchasing up so far, and demand so great that retail prices are being forced up instead of down? Can you honestly call that a recession?

Can the Democratic spending leadership honestly claim that any of this money, any of these projects can possibly help unemployment? Can a construction project in Pennsylvania help an unemployed aircraft worker in Seattle? Can a highway project in New Mexico help an unemployed textile worker in New England? Is there a great deal of unemployment in the construction industry anywhere? Ninety-five percent of these projects are construction.

Can any of the Democratic spenders argue that any of this money could possibly get into circulation within 12 months, long after the slump is over? And how much unemployment was helped by the gigantic spending from 1933 to 1940? Did it do anything but stretch out the depression and double the Federal debt? There were 9½ million unemployed in 1939.

No, Mr. Speaker, the Democratic spenders' objectives were quite obviously threefold: To mend their own fences at the expense of the overburdened taxpayer, to discredit any Republican Congressmen who would oppose a project in his own District, and to discredit the administration by forcing a veto.

Mr. Speaker, it isn't going to work. A veto of the pork barrel measure, if it comes, will be an act of statesmanship in the highest order. And all of those who do not believe in throwing away other people's borrowed money will be fully vindicated. Not the Democratic spending leadership.

Comes now the hoped-for coup de grace. For years the Democratic leadership has fought to hold the line on high rigid farm price supports.

This year it looked as though the housewife, the wage earner, and the white collar worker might have his day in court. It looked as if some breaks might come, by the heroic fight of the great Agriculture Secretary really to protect the farmers' interest and to get food for the people at prices that did not take 40 percent of the pay envelope. These objectives harmonize perfectly. Big-city Democratic Congressmen loudly proclaimed their defense of the consumers' pay check.

What happened? The Democratic leadership and the big-city Democratic Congressmen united in backing a measure to freeze farm prices and acreage limitations. It was a desperation strategy. If it could be jammed through and enacted it would save the day for the Democratic spenders who claimed to be the saviors of the people, by keeping their food prices high. What party of the people? How can these big-city politicians justify their votes to their consuming constituencies?

Could this be an unholy alliance—the Farmers Union and the CIO big city labor management? Farmers generally and consumers generally don't want it. But to make it successful the Democratic leadership had to be applied.

What happened? On the vote to recommit, the RECORD shows 49 big city Democratic "people's friends" voting against the people's food dollar.

Here they are. Here are the big city Democrats who voted against their consumers: New York, 14; Chicago, 5; Los Angeles, 2; Philadelphia, 2; Detroit, 5; Cleveland, 2; St. Louis, 3; Milwaukee, 2; Minneapolis-St. Paul, 2; New Orleans, 3; Boston, 3; Kansas City, 2; and Seattle, Houston, Denver, and Portland, 1 each. Sixteen more Democrat big city "people's defenders" were listed as "not voting." Twelve more Democrats from medium sized city districts also voted against their consumers. Total 77.

What a spectacle. Screaming to protect the "peepul" and voting against them. "Party of the people?"

The price freeze measure was and is two things, a pure political maneuver to discredit Republicans and the Agriculture Secretary, and to force a veto.

It is a hideous and unjustified blow at the pocketbook of the consuming public.

In short, what does the passage of this bill, conceived in politics and dedicated to the proposition that by politics you can fool all the people all the time, mean to city people? For the city people their Democratic politicians voted for higher taxes—higher prices—and more unemployment.

First. Farm price freeze means freezing goods to shelves, freezing housewives from stores and freezing men from work. It means higher prices for the consumer. One of our big-city Democrats stood up here in the well of this Chamber and said he was speaking for the city consumer and was in favor of this economic monstrosity. Does 3 cents a pound reduction in the price of butter mean nothing to him? Is he so callous as to say that 2 cents per pound reduction in the price of cheese is of no significance? Is a reduction in the price of rice of no importance? Are lower prices for many other products all the way from beans to paint unimportant to my good Democrat friends from the great metropolitan areas? If increased food costs mean nothing to city consumers, why do not some city Congressmen recommend doubling them?

Second. It will cost the taxpayers an extra \$300 million plus untold millions in additional interest on the money that must be borrowed to pay for this. This

on top of the over \$3,000 million per year of overburdened taxpayers' money. With the longtime trend away from the farms to the cities, who is going to pick up the tab? Of course, the answer is clear—the voters in the city districts.

Third. We have been hearing a good deal about unemployment from the Democratic side of the aisle. Certainly, the wrong way to treat the 5 million unemployed, is by making food more costly to them.

Fourth. The morning papers carry a story datelined from Detroit stating that the number of new cars in dealer hands on March 1, 1958 was 869,771. Will raising the cost-of-living help the sale of cars and thus help unemployment?

Fifth. In recent months we have all watched with concern the reduction in employment in the cotton textile industry. The amount of raw cotton being used domestically in the past year is the lowest in years. The number of spindles operating is way down. The production for export is down. The number of employed is down. What is up? The number of unemployed in this great industry. The answer that my friends on the other side of the aisle give is: "Freeze." Freeze for another year the Democrat program that caused this. If their program is that bad, why keep it that way?

Yes, Mr. Speaker, this freeze bill will freeze out a good many people from employment. What is another year? The great cotton textile industry can put the textile workers back on the payroll when they can compete for markets, here and abroad, and not before. Losing markets to competitors is no way to put Americans on company payrolls.

The ingenuity of American industry is unsurpassed. However, when we give foreign industries a tremendous advantage by enabling them to buy the raw materials at lower prices, it means unemployment in our cities. This bill continues that practice. This bill we have passed is not only a "freeze" bill, it is a "freeze out" bill so far as employment is concerned. Is it not about time we passed some agricultural legislation that makes economic sense? The President has recommended that kind of a program. This rejects the President's recommendations, and in effect says: "Wait until next year."

Sixth. Another reason why this recently passed legislation does not make sense is that it keeps farmers on the treadmill of overproduction. Those who say that the Government should guarantee all who choose to remain or become farmers—regardless of their efficiency—an income high enough to stimulate overproduction, are blind to basic economic forces. The man who could guarantee a certain price that would keep the inefficient on the job, and at the same time keep the efficient from overproducing, has not been born.

For the farmer for whom they have shed so many crocodile tears, they voted to further destroy markets, to pile up greater surpluses, to cripple standards for price supports and acreage allotments, to increase the cost to the tax-

payer, to give no help to the small farmer, to punish the winter wheatgrower, establish mandatory supports for nine more commodities, and to freeze the very levels which got us into the fix they so deplore. If the farmer is in a bad way as they claim, why vote to keep him that way?

How then can our big city Democrats claim they really represent the people who elected them?

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

Mr. HIESTAND. I yield.

Mr. FRELINGHUYSEN. Mr. Speaker, I feel that the gentleman has touched on a very real problem when he talks about the consumer's interest in developing a reasonable farm program. I think in generalities it is easy to state what our policies should be and to recognize that our present policy is not adequate. We need to develop a farm program which will encourage national economic growth and which will encourage the general prosperity and high levels of employment. We need one which will adjust without undue hardship to the farmers the demand and the production. Under high rigid supports we certainly are not getting any readjustment of production and consumption. I think it is of great importance to the consumer not only because a freeze on farm prices means higher prices to the consumer for the food which he pays for, but also in the fact that there are tax bills which the nonfarmer must pay in order to support the 12 percent of our people who are on the Nation's farms. Regardless of the politics of the situation we are still faced with an unsolved problem, with one which is growing steadily worse, and our refusal to face up to the necessities for a realistic farm program underlies the fact that there is going to be, without any question, increasing dissatisfaction from the industrial areas, the big city areas, and the areas where there is a great industrial and nonfarm population. In the last 25 years we have spent directly for farm programs some \$220 billion. In addition to that we spent \$220 billion during the war to encourage greater production of farm commodities, and the farm problem is far from being solved.

I think the gentleman is doing us a real service in pointing out a real problem and in pointing out one of the basic reasons why there is dissatisfaction, why we have dissatisfaction in programs we have tried which have proved to be unsuccessful.

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

Mr. HIESTAND. I yield to the gentleman from Minnesota.

Mr. MCCARTHY. I wonder if the gentleman is complaining of pressure put on by Democrats in this country, why it is that the Senate Republican policy committee has just voted 17 to 14 urging the President to agree to the price freeze?

Mr. HIESTAND. I do not attempt, I will say to the gentleman from Minnesota, to justify any of the very wise or otherwise actions of the other body.

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

Mr. HIESTAND. I yield to the gentleman from New York.

Mr. DEROUNIAN. The gentleman has brought into very dramatic focus what our consumers are up against and what they do not know is happening through some of their Representatives in Congress.

I cannot see why a Member of Congress from the city would vote for the price-freeze bill if he really understood it—and I am not here to advise anyone how to vote, but I am expressing how I feel about it. How can some of these recent Democrat-sponsored programs be for the little man, when it happens that the State penitentiary down in Mississippi gets a payment of \$71,000 for not planting a thousand acres of cotton? And, of course, this is multiplied hundreds and hundreds of times. As the gentleman has said, the Democrats say they are for the small man, or the little fellow, but we find big corporations down in Mississippi, one of which got \$1,400,000, another one \$1,200,000, one in Texas receiving \$850,000. Are they small people? This is all common knowledge; it is to be found in the records of the Agriculture Department.

If these farm programs really helped the small farmer I might be for them, but it is time somebody thought of the city folks. We know they will not be helped by the freeze program; it will raise their prices; yet at the same time they are the ones who pay the taxes—pay taxes to keep prices high. That is not right and it should be stopped.

I commend the gentleman for bringing this matter to our attention.

Mr. HIESTAND. I thank the gentleman from New York.

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

Mr. HIESTAND. I am happy to yield to the gentleman from California, an able member of the Agriculture Committee.

Mr. TEAGUE of California. First I should like to commend the gentleman from California for his very fine statement; then I should like to say that in looking around the Chamber I believe I happen to be in a position among those present of representing a combined urban and agricultural district in a very high degree. I am thoroughly convinced, as I have stated before, that the farm freeze, the high rigid price support program, is not a good thing for either the consumers or the farmers.

Mr. HIESTAND. I thank the gentleman from California.

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

Mr. HIESTAND. I yield to the distinguished gentleman from Illinois.

Mr. SHEEHAN. Mr. Speaker, House Democrats are attempting to force city dwellers to finance purchase of the farm vote in the coming elections.

The American people already have poured almost \$16 billion into programs aimed at stabilizing farm prices and income. The House action of March 20 in voting a continuance of such subsidization will—unless vetoed—further burden the taxpayer.

According to the 1956 survey of the Census Bureau, only 21.5 million of America's 164 million persons live on farms, but everyone is being ordered to

pay for a program which has been a miserable failure ever since it was instituted in 1933.

The cost of these subsidies in 1956 was more than \$1.9 billion, and last fiscal year was more than \$3.25 billion.

Price supports have accomplished but three things. They have eliminated many American farm products from the world market; they have stuffed warehouses, on which the taxpayer is assessed storage charges of more than one million dollars a day, and they have depressed prices for the farmer and raised them for the consumer.

Minority rule certainly is bad enough, but when it means that seven-eighths of our population is forced to pay for a program which ostensibly benefits the other eighth, but does not, it constitutes a wanton waste of the taxpayers' money.

On top of that, the seven-eighths of our population which does not live on farms finds itself paying these additional taxes only to increase the prices of food in the corner grocery.

I shall urge, with all the power at my command, a Presidential veto of the measure.

Mr. HIESTAND. And I support the position of the gentleman from Illinois.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. Happy to yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I, too, want to commend the gentleman from California for taking the floor in reference to this matter, and also notifying those who might be opposed to his views on the other side of the aisle that he was going to take the floor so that they would have an opportunity of meeting these challenges.

I want to call attention to the fact that during debate on the rule which was adopted under which we considered this farm freeze bill are my remarks to the effect that I think this clearly shows the leadership on the Democratic side in the Committee on Agriculture was completely devoid of ideas and all they were doing and all they could think of was something in the nature of throwing rocks in the way of a program Secretary Benson was for. I made the remark that I would be very much interested in the ensuing debate to see whether any member of the Democratic party representing a city district would take the floor to oppose this measure. If they did not take the floor, I stated, it seemed to me they were certainly joining forces with the anti-Benson group.

This thing has gotten into politics, I regret to say, to the extent that I have received letters from my farmers—I think some of them were politically inspired—in which they were starting to call the Secretary of Agriculture the secretary of the consumer. Maybe that is a bad name out in the agricultural areas but I know it certainly is not a bad name in the city areas. I think that Secretary Benson is not only the Secretary of Agriculture but he recognizes that what is good for the consumer is really, in the long run, good for the farmer. What he is trying to do is to put economic facts back into this agri-

cultural picture because it is only by dealing with these economic facts that we are going to come up with a proper solution. We have a situation that is very clearly brought out. We had an excessive demand for our agricultural products as a result of World War II. We have never adjusted from that demand, even though we knew the European soldiers became farmers again and the oriental soldiers became farmers. We never faced up to the fact that the need for our great production was not going to be there. Necessarily there was going to have to be an adjustment from a war economy to a peacetime economy.

My Democratic friends, under the leadership of their President, tried to maintain a peacetime economy based upon a wartime demand, then sniped at the Republican administration when it tried to find one which would sustain our economy on a peacetime basis. We could solve the farm problem tomorrow by going to war, but no one wants to reach a solution of that nature.

One basic factor in this farm situation is that there has been a technological revolution that is bound to bring about readjustment problems. We should certainly distinguish between two kinds of farmers. We know of the commercial farmer, the one who produces by far the bulk of this produce and, essentially, he is the family farmer still. I am glad to know those figures are as they are.

The commercial farmer is doing all right. The farm figures that were placed in the Record indicate he is doing all right. The fellow who is not doing all right is the marginal farmer, the farmer who has not been able to keep up with this technological revolution. And these Democrat-sponsored farm-support programs are not helping him.

I put in the Record 2 years ago a list of all the farmers who were receiving over a hundred thousand dollars in 1 year from the price-support program, and it took about a page and a half of the CONGRESSIONAL RECORD and the payments run from \$1,400,000 for 1 farmer right down the line to \$100,000. About 93 percent of the money was going into the hands of this small group. We are not helping the marginal farmer by that sort of process.

I want to also point out that 30 percent of the income of the farmers today—and this is a very gratifying figure—comes from nonagricultural pursuits. During the debate on the farm bill someone on the other side tried to ridicule the fact that farmers were getting some money by working in the factories. Actually most farmers who want to live a rural life have welcomed that opportunity and are highly in favor of it. We are going to continue to have a decline in farm population just as we have since this country was first founded. We used to have 90 percent of our Nation in agriculture. The supports, when it gets right down to it—and you cannot escape it—are paid for either by the consumer, and what the consumer does not pay for the taxpayer does. I am satisfied that we all would be willing to tighten our belts if we thought it was really helping the

farmer, because we do want to help him. But, when we know that this money that the consumer is spending and the tax money that is going into this Democratic program is not benefiting the farmer, then I think it is time to call a halt and call attention to the city consumer. I wanted to get these things in the RECORD, and I appreciate the gentleman yielding to me.

Mr. Hiestand. Will the gentleman go so far as to say in respect to his figures that this hideous plan is in effect forcing poverty on a lot of little farmers?

Mr. CURTIS of Missouri. Of course it is.

Mr. Hiestand. Then how can a political party for the people, for the man in the street, for the little man, justify its attitude in that regard?

Mr. CURTIS of Missouri. They can not. And, the thing that I cannot understand, having taken this callous attitude, they are the very ones that accuse Secretary Benson of trying to drive the farmer off the farm, which I have said is playing the role of the ignoramus, because they are ignoring the economic facts of life. Neither Secretary Benson nor any other individual wants to direct Americans anywhere. It is the economic facts that are here that are producing this situation, and I submit it is the one that faces up to the economic facts that will solve the problem for the marginal farmer and make his plight a little more easy to bear and give him an opportunity to share in the wealth of this great country.

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

Mr. Hiestand. I yield to the gentleman from California.

Mr. YOUNGER. I just want to join my colleagues in congratulating the gentleman from California on the very fine presentation he has made. I think it is well to call attention here also that one of our great difficulties today in connection with the missile field results from the fact that for the last years prior to 1951 we put almost as much money into the support of the peanut crop as we did into missiles. But, one of the peculiar things to me in the debate the other day was that everyone that spoke, including the chairman of the Committee on Agriculture, admitted that the Democrat-sponsored program was not a good program; that they ought to do something about it, and yet they want to freeze it. Now, why freeze something that admittedly is not good? The logic of that, to me, was absurd, and I, for one, will be more than happy to vote to sustain the President's veto when it comes down.

Mr. Hiestand. I thank the gentleman.

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

Mr. Hiestand. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I think we should point out that the chairman of the Committee on Agriculture did not intend to say that the program was not good. On the contrary, he said it was a good program being badly administered, and the effort on the part of the Democrats

was not to change the program but simply to keep Ezra Taft Benson from further maladministration of the program which, under good administration, could go a long way toward solving the farm problem.

Mr. Hiestand. I take it that the gentleman feels it had good administration while the same laws were enforced under a Democratic administration.

Mr. McCARTHY. It worked quite well.

Mr. Hiestand. That is exactly how we got into this fix.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield further?

Mr. Hiestand. I yield.

Mr. CURTIS of Missouri. I think the gentleman from Minnesota is mistaken. The best test, of course, is to read the RECORD. I think the gentleman will find that the chairman of the Committee on Agriculture said that he admitted that this was not the answer, was not a good program, and that they had to hold it in line until his committee—and he pointed out he had a bunch of subcommittees set up to study this commodity by commodity—could come in with a proper program. I think the RECORD will bear that out.

Mr. McCARTHY. I suggest the gentleman read the RECORD.

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

Mr. Hiestand. I yield to the very forthright gentleman from Texas.

Mr. ALGER. Not having the seniority of some of the other Members, I cannot indulge in the political interchange quite so well, possible, although I heard lots of fallacies presented on the floor during the course of the debate last week. If we are to set a course of policy in freeing the farmer, we should think of principles along that line. Certainly on the Democratic side we have had nothing but rigid high price supports presented to us.

I have been rather puzzled, since I have been here for two terms, listening to my colleagues on both sides of the aisle, particularly on the Democratic side, who say that we have got to perpetuate a wartime policy. Since Mayflower days we have had fewer farmers. That is the normal course in this country. And I make the bold statement right now that there are too many farmers on the farm, and the reason for it is that they are being kept there by the high wartime bonuses which have not yet been removed.

Mr. Speaker, let me say in passing, that I was disturbed after our debate the other day over the fact that some Members of this House think that there is a clash of views between the farm and the city Congressman. As far as I am concerned, representing largely an urban area, this is not so, because I believe that the aims of both the rural and the city Congressmen are the same, in trying to look after the best interests of the people. I think this will necessarily give support to the flexible plan of returning the farmers to the free market place where the normal laws of supply and demand can determine these things

rather than having Congressmen and bureaucrats telling the people how they ought to run their lives.

We have a poor Texan right now who has the temerity to challenge the power of the Secretary of Agriculture to limit his acreage. Is not that a lost cause, indeed? But I admire his courage for saying that "as a free American I have the right to plant what I want and to grow what I want." Of course, that is old-fashioned Americanism, but I happen to lean that way, much more so even than our administration. This gives no comfort to the Democratic side because they are far more of a controlled group than that represented by the Republican side regarding the present farm program.

Something was said about the consumer and the little fellow. Mr. Speaker, I want to commend the gentleman who has the floor for the observations that he has made. We know that when the Federal Government spends money in the name of the taxpayer we have got to increase one of two things. We have got to increase either the taxes which come out of the little man's pockets, because he bears about 85 percent of the total tax levy, or we are going to have to water the same dollar bills that he has got in his pockets in terms of buying power through inflation and deficit financing.

Mr. Speaker, finally, I want to join with my colleagues who have said it probably far better than I, in commending the gentleman for pointing out to us the problem that is facing us. The fact is we cannot sit on our hands, but we have to, through efforts such as this, call the attention of the American people to the fact that the farmers do not want to be the wards of the Government.

Mr. Hiestand. Mr. Speaker, I thank the gentleman from Texas.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. Hiestand. Happy to yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Speaker, I want to thank the gentleman from California for his fine presentation and for all of the work he has put into the very difficult subject.

I was interested in the statement of the gentleman from Minnesota [Mr. McCARTHY] that this program worked better under the Democrats than it does under the Republicans, because, unless my memory is wrong—and I am glad to be corrected if the gentleman is so inclined—this flexible-price-support system actually never went into operation until long after the end of the Korean war. So it was never in operation except under Secretary Benson. Before that time there were various stopgap pieces of legislation for farm price supports, among them being the high rigid formula which is so dear to hearts of so many of our people across the aisle.

I might say that there are quite a few people who are from the other side of the aisle, in this body and in the other body, who are devotees of flexible price supports as against the rigid price supports. One of them is the great former

Secretary of Agriculture, now a distinguished Member of the other body, from the State of New Mexico.

Mr. Speaker, I happen to represent a district which is a little bit unique in that it encompasses a city of some 400,000 people, but is also the fifth largest agricultural county in the United States. So I represent city folks and I represent farmers. I do not think anybody would seriously challenge the statement which I make when I say that I am definitely for the farmer and I am also very much imbued with the thought of keeping the cost of living down as much as I can.

The farmer has not been well served by the Democrat-sponsored agricultural program based on high rigid price supports. That we know. We do not know the answer to the agricultural problem. I do not think anybody does.

The best answer I can think of would be to allow the farmer to produce enough food and fiber to satisfy the markets which he can get at a competitive price.

The situation now, of course, is that the farmer has been held down on acreage and therefore on the products which he can produce. Because of that he has lost the foreign trade, he has lost markets here at home, to synthetics and other products which are in competition with agriculture.

In 1950 the cotton situation was such that we actually had to impose export quotas on cotton. This was at the beginning of the Korean war. Prior to that time a Secretary of Agriculture of the other party had made a mistake in saying that the cotton carryover should be a certain number of bales, when actually the carryover was far too small. We lost by that export quota situation in 1950, foreign markets which we have never been able to get back and which we are now trying to get back by the use of Public Law 480 of the 83d Congress and through other means.

The farmer has been much pitied, but he has not been helped very much by those who do the most effective job of pitying him. The farmer does not need to be pitied. What he needs is to be helped by a sane, sensible policy which will realize that he is a businessman, and as a businessman it is necessary for him to compete on the world market and with other groups of our Nation in a situation and atmosphere which is best calculated to allow him to do the job of making a living for himself and his family, which is really all any American farmer wants to do.

I thank the gentleman for yielding to me, and again want to compliment him on the fine statement he has made.

Mr. HIESTAND. I thank the gentleman from Arizona.

I now yield to my very good friend and colleague the very able Congressman from the adjoining district of California [Mr. Holt].

Mr. HOLT. Mr. Speaker, I want to compliment my colleague and neighbor, the gentleman from California, on his very fine presentation here today. I am aware probably more than most others of the large district that he represents, the largest portion of Los An-

geles County, which is the largest agricultural county in the United States today. Also, it ties in on the north with an area where there are a lot of corporation farms, which concern us very much because the small farmer is driven out of business today.

I want to associate myself with the gentleman's remarks. I think it is wonderful that the gentleman has brought not only the topic we are now discussing but the rest of it to the floor of the House today. In America we discover only certain issues are highlighted in the press and certain votes of Congressmen spread through the land. The American people demand action. The AFL-CIO pick out certain of the votes, and this will probably be one of them, and it will be twisted around especially as far as the consumer is concerned. I think the gentleman has done a real service. It is high time we get the truth before the American people.

Mr. HIESTAND. I thank the gentleman from California.

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from Wyoming [Mr. Thomson].

Mr. THOMSON of Wyoming. Mr. Speaker, with regard to this support-price freeze, I do not myself believe that over the long haul it is going to have a marked effect on the food prices, for the simple reason that in order to produce our food in this country the people who produce it are going to have to have enough return to enable them to stay in business, just like any other business. But the alarming thing the gentleman hits upon, and that I think is so important, is that the large amounts of money we are spending on the so-called agricultural program now are approaching \$5 billion a year. Those funds are not going to help the farmer at all. As a matter of fact, they are hurting him. But the consumers, every American, the taxpayers, carry the burden of that. The storage cost alone of the excess production, \$100 million a day on what has been stored, is very alarming. We are all burdened with that.

When it comes down to the farmer, just like any other business, his income, which was talked about so much on the floor of the House as being an alarming situation, is still production times price.

With this Democrat-sponsored political program that has been thrust at him to gain votes and not to help the farmer, we have found we have had shifts taking place that were never intended, uneconomic production. It has not helped the people. In my area we produce a high-quality wheat for which there is a market above support prices. The farmers out there have been forced to take a 40-percent cut in production. The smaller farmers are finding it hard to live with. That wheat acreage is shifting off into Alabama, Louisiana, and places like that, that raise feed wheat, that ought to be in competition with feed grain or corn, but they cannot compete with them on a free market. Basically, it has hurt the farmer. It is putting him into the position that two commodities now find themselves in.

In the case of tobacco we provided a minimum acreage of half an acre to enable a man to stay on the farm on a substandard-of-living basis. For the cotton farmer we have established a 4-acre minimum. That is not an American standard of living; that does not make a farmer out of him, putting him in pins. Certainly we have got to get back to the principle of supply and demand, to allow a man to produce for a market at a price under which he can afford to stay in business, eliminate the waste and get back to a sound income basis if we are going to help the farmer. Then we have got to take care of the taxpayers in this \$5 billion expenditure that we are now running into that has harmed the farmer since 1946 when the war was over rather than helped him.

I again congratulate the gentleman on the fine statement he has made.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the able gentleman from New Hampshire.

Mr. BASS of New Hampshire. I wish to add my congratulations to my friend and colleague from California on his able and thought-provoking presentation.

Mr. Speaker, last Thursday the House passed the so-called quick freeze agriculture bill, Senate Resolution 162. This legislation freezes for an additional year farm price supports and acreage allotments at 1957 levels and places nine additional agriculture commodities under mandatory supports. The bill passed by 210 votes to 172.

This resolution penalizes the consumers—the great majority of persons in this country who, as consumers and taxpayers, will be required for another 12 months to foot a higher bill for food and taxes to pay for this political program.

The interesting part about the vote last Thursday was the support this bill received from 29 "big city consumer Democrats." Frankly, I wonder if these gentlemen realize what they did when they voted for a "freeze" in price supports? Briefly, let us examine just two basic crops under high price supports—wheat and cotton.

First, wheat: A consumer in this country with an income of between \$2,000 and \$5,000 per year pays in taxes each year an estimated \$6.49 for the price support program for wheat, but in addition, it may cost him \$20 a year more for the higher price of bread, which price supports add. And the consumer receives no benefits from the wheat price support program.

Let us take a look at cotton. The cost of the Federal cotton programs is estimated at \$500 million a year or about \$4.76 for each adult in the country. Cotton consumption per adult in the United States is about 42.8 pounds per year. If only the increased cost of the cotton were passed on to the buyer, price supports would mean an average additional cost for each adult of \$2.87 each year. However, this is only part of the story, for the higher raw-material cost results in higher margins for the numerous steps through which it passes, and the cost of the retail article must be in-

creased at least twice the actual increase in raw-cotton costs. This figures out to about \$5.74. Thus, in cotton, the average citizen pays an extra \$4.76 per year in taxes for cotton price-support laws which result in his paying an average of \$5.74 extra for his purchases of cotton products. Or, put it another way, more than 105 million adult citizens in this country pay out \$10.50 per year to support cotton and enjoy no benefits.

In addition to the direct cost as taxpayers and consumers of these two items, the taxpayer-consumer pays as a part of his Federal tax bill his share of foreign disposal of surplus wheat and cotton. And, incidentally, none of this money goes to the farmer—rather it pays the Government loss in selling what it must dispose of abroad. And this loss is represented by storage and transportation charges, not by any proceeds to the farmer.

The facts are clear. What our big-city Democrat friends voted for is a \$300 million increase for next year in the senseless double-cost-to-the-taxpayer-and-consumer price-support program, which has tragically failed this country for so long, including the farmers.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield again briefly?

Mr. HIESTAND. I yield to my colleague, the gentleman from California.

Mr. TEAGUE of California. I am anxious that the Members of the House have called to their attention again a statement which appeared in the Record a week or so ago here on the floor. One of the members of the Democratic Party, a member of the Committee on Agriculture, was asked the question in effect: "Are you in favor of driving the small farmer to the wall?" He replied in substance this way: "It is the high-price, rigid-support policy which has driven the small farmer to the wall."

Mr. HIESTAND. I thank the gentleman. That is very much in line with the conclusions we have been drawing. If the situation is that bad why should we continue it?

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

Mr. HIESTAND. I yield to the gentleman from West Virginia.

Mr. NEAL. Mr. Speaker, I, too, think that the gentleman from California has brought up a very important subject. Rather than emphasize the ill effect the Democrat sponsored high price support program is having on the consumers in the cities, it might be well to bring out the fact that there are quite a few States in the Union that are more or less rural in character. Our State of West Virginia is one of those rural States. We have no farmland to speak of, we have no wheatgrowers except a few in the eastern panhandle. We have no corn that goes on the commercial market. We have a little tobacco that is grown down in my section that does have supports. We have no cotton, no peanuts, or anything else that is supported. When it comes to the interest of the consumer, who after all is the rank and file

citizen of this country, we ought to give him some consideration. While we desire in every way that we can, to see that the farmer has a sufficient amount of prosperous production, yet at the same time the consumer is the one person who is finally interested in this matter. When we in West Virginia think that our farmers who raise feed animals have to go on the market to buy feed costing twice as much or three times as much, because the feed is based on support prices of the raw material, we can see that he is greatly handicapped. The same thing applies to poultry raisers. When we think that the people in our State pay taxes to buy these high-priced commodities and store them, and then pay double prices or triple prices on the raw materials that come to us, it is a very unfair situation the way the law reads today. For that reason I think you have done a good job in trying to bring to the attention of the consuming public that this question of farm supports at least on the basis of high priced rigid price supports is not good for the consumer. It is only good for a few of the big commercial farms and farmers who have heretofore reaped most of the profits.

Mr. HIESTAND. I thank the gentleman.

FOOD COSTS

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, my constituents today pay a higher price for farm products than ever before. At the same time, as taxpayers, they are paying out more money for the support of the farm program than ever before.

Since 1951, the taxpayer has been bled of \$1,618.6 million just to store unneeded, unwanted surplus stocks of farm products, stocks which are a direct result of the Democrat farm program.

Actually, the cost is far higher because we have had to store excess farm products ever since 1934, but I cannot give you the costs prior to 1951—they are lost in the records of the Truman Reconstruction Finance Corporation mess.

One thing is clear, though—every year that the Democrats force upon the American people their farm program—and this administration is still forced to administer Roosevelt-Truman farm programs—the cost to store excess farm products goes higher. The Democrat sponsored and supported Senate Joint Resolution 162 is one more step on the road to greater spending.

In 1934, when the farm price support program was begun, commodity loans totaled \$259.8 million and the farm population was 32,305,000 or 25.6 percent of our total national population. In 1957, with the farm population down to 20,396,000 or 12 percent of our total national population, commodity loans rose to 2,444.5 million—a drop of 13.6 percent in farm population but an increase of

\$2,184.7 million or 949 percent in support to the farmer and costs to the taxpayer.

I think it is time we stopped forcing the people to buy a program they do not want and gave the farmer the opportunity that is still permitted other American citizens—the privilege of free enterprise, unhampered and unencumbered by Government control.

THE BENSON PLAN FOR UNIVERSAL PROSPERITY

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Under previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 30 minutes.

Mr. DINGELL. Mr. Speaker, the ingenuity of Ezra Taft Benson is without apparent limit. He has now devised a method for excusing one mistake with another mistake. And, into the bargain, he has conceived the Benson plan for universal prosperity: empty market baskets in the cities and empty pocket-books on the farms.

On February 10, 1958, the United States Department of Agriculture, in a general news release, announced that "more than 339 million pounds of food were donated through the direct distribution program of the Agricultural Marketing Service for use in school lunch programs, in institutions and by needy persons in this country from July through December 1957."

"Donations," the release continued, "decreased by about one-third from those distributed in the same period a year ago. USDA officials said the decrease was due to the fact that several commodities distributed a year ago were not available for donation during the last 6-month period."

Thus does Secretary Benson answer the anguish of the unemployed: "We have no food to give you." Mr. Speaker, I would not abuse a man who was prisoner of the laws he administers. If it were the law that locks the storehouse in the very sight of the starving, then I would demand that the law be humanized. But it is not the law that is the villain here. The gun is inanimate. It is Mr. Benson who has pulled the trigger.

"We have no food to give you." Oh, yes. "We have no food to give you." But, Mr. Speaker, this is the same Ezra Taft Benson who, in his other incarnation, tells the suffering farmer, "We will not buy your food." This is part of the right to suffer which we were once told by a functionary of the Eisenhower administration is the newest of our civil rights—though I cannot for the life of me recall reading it in the Bill of Rights or anywhere else in the Constitution.

It reminds me, without amusement, of the lines from Lewis Carroll's *Through the Looking Glass* from a walrus to the oysters he was about to eat:

"I weep for you," the walrus said:
"I deeply sympathize."
With sobs and tears he sorted out
Those of the largest size,
Holding his pocket handkerchief
Before his streaming eyes.

Mr. Speaker, like the oysters in the verse, we are asked to subsist on consolation and subterfuge. I ask consent

to introduce at this point in the CONGRESSIONAL RECORD a table showing the quantities of surplus foods donated for do-

mestic and foreign use during fiscal 1956, fiscal 1957, and the first half of fiscal 1958:

Quantities of surplus foods donated for domestic and foreign use, fiscal years 1956, 1957, and estimated 1st half fiscal year 1958

[Million pounds]

Commodity	Domestic												Foreign distribution			Total distribution		
	Schools			Institutions			Needy persons			Total			1956	1957	1st half 1958	1956	1957	1st half 1958
	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958						
Beans, dry.....	24.7	28.3	15.7	11.1	9.2	(1)	41.4	42.9	0.2	77.2	80.4	15.9	49.7	67.3	-----	126.9	147.7	15.9
Butter.....	51.1	46.3	36.8	30.8	9.4	10.7	34.4	12.5	-----	116.3	68.2	47.5	98.4	3	-----	214.7	68.5	47.5
Butter oil.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	99.0	4.7	-----	99.0	4.7	-----
Cheese.....	29.0	31.7	17.0	15.3	15.6	7.0	43.1	71.6	19.8	87.4	118.9	43.8	138.5	118.4	114.7	225.9	237.3	158.5
Corn.....	3.7	5	-----	2.1	4	-----	2	-----	-----	6.0	9	-----	78.0	36.9	35.9	84.0	37.8	35.9
Cornmeal.....	-----	17.7	9.6	-----	9.5	4.2	50.6	89.9	27.3	50.6	117.1	41.1	268.2	187.7	-----	50.6	385.3	228.8
Cottonseed oil.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	1.9	-----	-----	1.9	-----
Eggs, shell.....	-----	30.0	-----	-----	7.2	-----	-----	-----	-----	-----	37.2	-----	-----	-----	-----	-----	37.2	-----
Egg solids, dried.....	-----	4.8	-----	-----	-----	-----	-----	-----	-----	4.8	-----	-----	-----	-----	-----	-----	4.8	-----
Flour.....	-----	46.1	26.0	-----	56.8	29.6	77.1	140.8	45.4	77.1	243.7	101.0	-----	528.2	402.8	77.1	771.9	503.8
Ground beef, frozen.....	-----	71.3	-----	-----	-----	-----	-----	-----	-----	-----	71.3	-----	-----	-----	-----	-----	71.3	-----
Lard.....	8.1	16.5	-----	5.0	6.0	-----	23.2	1.6	-----	36.3	24.1	-----	-----	-----	-----	36.3	24.1	-----
Milk, nonfat dry.....	22.1	23.6	12.6	14.6	15.5	5.9	49.2	82.7	29.0	85.9	121.8	47.5	411.2	446.1	341.4	497.1	567.9	388.9
Peanut butter.....	-----	-----	3.5	-----	-----	-----	-----	-----	-----	-----	-----	3.5	-----	-----	-----	-----	-----	3.5
Pork, canned and frozen.....	64.9	52.1	-----	16.5	-----	-----	31.4	4.2	-----	112.8	52.3	-----	-----	-----	-----	112.8	52.3	-----
Potatoes, sweet.....	11.1	-----	-----	7.4	-----	-----	2.5	-----	-----	21.0	-----	-----	-----	-----	-----	21.0	-----	-----
Rice.....	17.4	21.9	12.8	9.4	10.8	4.2	23.5	47.6	17.5	50.3	80.3	34.5	104.0	201.5	68.2	154.3	281.8	102.7
Shortening.....	19.4	-----	-----	10.2	-----	-----	17.5	-----	-----	47.1	-----	-----	17.0	-----	-----	64.1	-----	-----
Turkeys, frozen.....	-----	22.6	-----	-----	2.6	-----	-----	-----	-----	25.2	-----	-----	-----	-----	-----	25.2	-----	-----
Wheat.....	6.7	1.9	-----	6.9	6.4	-----	3	(1)	-----	13.9	8.3	-----	224.7	55.3	23.6	238.6	63.6	23.6
Other.....	6.5	-----	-----	7	-----	-----	-----	-----	-----	7.2	-----	-----	-----	-----	-----	7.2	-----	-----
Other.....	-----	7.1	-----	-----	5.1	-----	-----	-----	-----	-----	12.2	-----	-----	-----	-----	-----	12.2	-----
Total.....	264.7	417.6	138.8	130.0	154.5	61.6	394.4	489.8	139.2	789.1	1,061.9	339.6	1,220.5	1,728.8	1,174.3	2,009.6	2,790.7	1,513.9

¹ Less than 50,000 pounds.

² Butter equivalent of 79.2 million pounds of butter oil.

³ Butter equivalent of 3.8 million pounds of butter oil.

⁴ Special distribution for hurricane disaster relief in Puerto Rico.

⁵ Includes cottonseed oil.

⁶ Includes commodities in limited quantities: Cabbage and fresh prunes in fiscal year 1956.

⁷ Includes commodities distributed domestically in limited amounts during fiscal year 1957: Cabbage, fresh plums, sweetpotatoes, and cottonseed oil.

For convenient comparison, I have prepared another table showing the donation programs for fiscal 1956 and fiscal 1957 on the basis of an adjusted half yearly rate.

I ask consent to introduce this table in the RECORD at this point:

Half year rate
[In millions of pounds]

	Adjusted 1956	Adjusted 1957	Actual 1958
Schools.....	132.3	208.8	138.8
Institutions.....	65.0	77.3	61.6
Needy.....	147.2	244.9	139.2
Domestic total.....	344.5	531.0	339.6
Distribution abroad.....	610.2	864.4	1,174.3
Total distribution.....	954.7	1,395.4	1,513.9

Several things are immediately apparent from this comparison. First, distribution of food to the needy was lower in the first 6 months of fiscal 1958, a period of rising unemployment and substantial hardship for millions of American families, than it was in either of the 2 preceding years, which were among the most prosperous in history. Second, although domestic donations have plummeted, total distribution has risen steeply. Why? Because we are sending more food overseas. Six hundred and ten million pounds in the first half of fiscal 1956. Eight hundred and sixty-four million in the first half of fiscal 1957. One thousand one hundred and seventy-four million through the first half of fiscal 1958.

I am not here, Mr. Speaker, to debate the wisdom of donating food abroad. I know only that under Public Law 480, 83d Congress, the Secretary of Agriculture is specifically directed—by law—to donate to voluntary agencies for use

overseas only those foods which are in excess of what may be required in the United States, by first, the school lunch program, second, charitable institutions, and third, needy persons.

I, for one, would like an explanation of how this miracle of the two-way stretch has been brought to pass. How is it that domestic distribution of cheese, which was 118.9 million pounds for all of fiscal 1957, stands at only 43.8 million pounds or 37 percent for the first half of fiscal 1958—while, at the very same time, foreign distribution for the first half of fiscal 1958 stands at 114.7 million pounds or very nearly 97 percent of the total for the entire 12 months of fiscal 1957? How is that domestic distribution of nonfat dry milk, which was 121.8 pounds for fiscal 1957, stands at just 47.5 million pounds or 39 percent for the first 6 months of fiscal 1958—while, at the very same time, foreign distribution for the first half of fiscal 1958 was 341.4 million pounds or more than 76 percent of the total for the whole of fiscal 1957?

The answer that the Department of Agriculture gives is twofold. One—domestic consumption is down because several commodities distributed a year ago were not available. Two—foreign distribution is up because of increased shipments of grain products. A tidy explanation, Mr. Speaker, except for one thing. It is half non sequitur and half deliberate evasion. The items which Agriculture claims to have exhausted do not explain the drop in domestic distribution—not by 100 million pounds. And the increase in grain shipments does not explain the leap in foreign distribution—not by 100 million pounds. Unless, of course, cheese and milk are classified as

cereal grains under some new system devised by the redoubtable Mr. Benson.

Mr. Speaker, I do not like to have dust thrown in my eyes. And I do not care to be hoodwinked by semantic improvisation.

But this fancy footwork is only a small part of Mr. Benson's repertoire. Mr. Benson tells us that certain foods were not available for domestic distribution. What he fails to explain is why they were not available.

They were not available because Ezra Taft Benson, in his discretion as Secretary of Agriculture, decided they would not be available. I think you will agree with me that he ought not to be allowed to charge off the failure of the domestic donations program to a failure of supply when he himself could have guaranteed that supply. As I have charged, this amounts to excusing one mistake with another.

Let us look at this a little more closely. As you know, Public Law 480, the surplus disposal program, is actually a three-part law. The second and third parts concern barter and donation programs—one for overseas famine relief on the explicit authority of the President, the other for general relief at home and abroad. Foods for both types of programs come out of the stocks of the Commodity Credit Corporation. They are price support commodities—and, if I am correct, it is the price support element which the general public understands to be in effect whenever the words "surplus disposal" are used.

But, Mr. Speaker, under the first part of Public Law 480, "surplus disposal" is not used to refer alone to price-support commodities. In granting to the Secretary of Agriculture the authority to sell

surpluses for foreign currency, the law defines surplus as "any agricultural commodity or product which is or may be reasonably expected to be in excess of domestic requirements."

In other words, an item need not be supported to qualify under the law for surplus disposal. Agriculture need not wait for the commodity to accumulate in CCC warehouses. It merely decides what is in excess of domestic requirements then chases out to the grocer's with a hat full of cash.

But such open market purchases are quite plainly hidden price supports and, as such, they help the farmers. God knows, I am all for helping the farmers. But I am not required to believe in fairies or to accept masquerade for fact. The reason certain commodities have never reached the CCC is that they have been shortstopped under title I of Public Law 480.

Nor is this the only reason.

We have all heard tell of Secretary Benson's flexible support program. The very mention of it is enough to send some of my farm State colleagues into paroxysms of anger. Farm Belt Republicans shudder at the thought of it.

Mr. Speaker, the "flexible" support program is a miracle of ineptitude. We know what awful effects it has had on the farmers. What is not generally understood is that "flexible" supports have also desperately injured America's needy. For it is this pernicious program—pernicious certainly in periods of economic decline—which has effectively closed the storehouse to the hungry. With a realistic support level some of those commodities which Secretary Benson claims "were not available for donation" would in fact have been available. We would not then be confronted with the irony of declining supply in the face of mounting need.

Nor is this the worst part of it.

Earlier in another speech, I pointed out how Secretary Benson has failed to meet his responsibilities under section 32 of the 1935 Agriculture Act. This is the law which provides for donation of perishables purchased in the open market.

Mr. Speaker, it is these items which are principally included among the "several commodities distributed a year ago which were not available for donation" during the first half of fiscal 1958. And I submit it is dishonest to pretend otherwise.

I repeat: The donation program has shrunk to nothingness because Secretary Benson willed that it should shrink to nothingness.

Let this pious humanitarian explain—without deliberate evasion—why domestic donations dropped out of sight in the first half of fiscal 1958.

Let him explain why he has refused relief both to the farmer and the unemployed.

Let him explain why he has failed to live up to his responsibilities under section 32, why he has failed to divert those extra items which are clearly excess to requirements and which are clearly depressing the agricultural market.

Mr. Speaker, it ought not to be necessary for me or any other Member of Congress to come before this House to plead for action on a food stamp bill. As I have already demonstrated, Secretary Benson now has all the authority he really needs. But, in common with other members of this Republican administration, Mr. Benson is a man of sluggish sympathies. He is playing brinkmanship with human misery. He substitutes worship of his budget for humanity.

We are told to wait. To wait.

Waiting is fine for corporations which can sit back easily on their profit cushions and, from their picture windows, watch former employees mill around on the corner that prosperity is "just around."

The Eisenhower administration says it is worried about unemployment. It is terrified of the swollen statistics. It sees the curve climbing steadily on the graph. And it vows that when the line passes this point or that point action will follow.

But, Mr. Speaker, unemployment is not alone a matter of numbers. It is life shorn of hope. It is the death of self-respect. It is a man scanning the want ads and shambling irresolutely from door to door and finally sinking down helplessly on a park bench to pass the day. It is hungry children and wives in breadlines. It is fear, the uninvited guest in parlor.

I am quite sure this atmosphere has not intruded at Burning Tree. Apparently it cannot get an appointment either with Secretary Benson.

And so I say Secretary Benson must be made to understand. If he will not act when the law gives him permission but does not direct him to act, then we must rewrite the law so there is no discretion.

BEWARE OF THE IDES OF MARCH

THE SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BYRD] is recognized for 10 minutes.

Mr. BYRD. Mr. Speaker, this is the season to heed the historic warning: "Beware of the Ides of March."

Unless all signs miscarry and I miss my guess, there is something going on in the field of diplomatic activity that warrants vigilance and inquiry.

There have been more than a few hints in recent days that secret diplomacy, the discredited device of other days of unhappy memory, is back in favor.

While the international postal shuttle is exceedingly busy on its rounds delivering missives between the White House and the Kremlin, the international manipulators appear to be working overtime backstage.

For public consumption, the story is that we are holding firm for proofs positive of Soviet deeds for peace before agreeing to a summit meeting. Such a policy has the unquestioned support of American opinion.

Our people recall only too well the litany of broken Soviet pledges. They remember the Berlin blockade, the Communist plots against Iran, Greece, and Turkey, the imprisonment of millions behind the Iron Curtain in the captive satellite states. The unholy record of

Soviet vetoes in the United Nations is well fixed in the American mind, as are the Communists' trickery in Korea, their devious intrigues in the Middle East, their conspiracies against free governments from Asia to Latin America. The Soviet crucifixion of Hungary, the brutal stamping down of the East German revolt, the strong-arm tactics used against Poland: these are all Soviet crimes that cannot be erased from the public mind by the Kremlin's pious pretensions.

Yet in face of the dire and dismal record of the Soviets as the breakers of the peace, there are, as I said before, increasing signs that the West is getting ready to deal with the Reds, and seemingly on Communist terms.

One might go so far to suggest, in view of the inspired news releases finding their way into the public prints, that an understanding has been reached already, that the finishing touches are being applied to the package deal. All that remains is the proper preparation of the climate of public opinion so that the results will be accepted by the democracies.

In view of the foregoing, Mr. Speaker, I venture to quote once more for the record, what Lenin said more than 40 years ago:

As long as capitalism and socialism exist we cannot live in peace; in the end, one or the other will triumph—a funeral dirge will be sung over the Soviet Republic or world capitalism.

It is well to be reminded of this prophecy from time to time as the joys of coexistence are being sung.

As diplomatic spokesmen tiptoe through the chancelleries of the world, I wonder if they have forgotten the Communists' record for violated pledges, treachery, subversion, intimidation and raw aggression. I wonder how they equate these with a program for peace?

In their travels, I wonder if these self-same diplomats bear in mind that it was with just such tactics that the Soviets reduced to captivity the once free and proud states of Albania, Hungary, Poland, Rumania, Bulgaria, Czechoslovakia, Lithuania, Estonia, and succeeded in brutally dividing Germany, Indochina, and Korea.

Just what magical formula of self-persuasion do our appeasers of Soviet deceit, treachery, and intransigence use to have their beliefs add up to the proposition that the Soviets are going to do right this time merely because they say they will.

For the record, and for all to see, and beyond any peradventure of doubt, the United States is committed to universal peace through peaceful aims and peaceful deeds.

The United States did not seek nor does it want any foreign territory. It is not our aim to seek dominion over any other people, nor would American public opinion support any such program of international aggrandizement. On the contrary, the American record has been one of great sacrifices of her sons, and vast outlays of money and skills for peace throughout the world—ours, in concert with our allies, has been a truly meaningful quest for peace.

America is paying heavily for a world-wide program designed to protect the peace through the deterrence of local or general war, and by strengthening the economic and political structure of the Free World.

Before any apostles or practitioners of secret diplomacy go beyond the point of no return in their dealings, they should give pause to consider that the United States has peace-keeping alliances with 42 nations in the world, that we have bilateral treaties with Korea, Nationalist China, Japan, and the Philippines, and multilateral agreements as a result of NATO, SEATO, the Rio Treaty, and Anzus.

These systems of defensive alliances have been a bulwark which has stood as a warning against any general Communist aggression.

Are these peace protectors to be scrapped for the dubious and treacherous Soviet embrace?

Apart from the unthinkable desertion of such allies and commitments, have the "summit tomorrow" proponents estimated what such desertion would cost America in arms and manpower, apart from the spiritual suicide it would represent? Are our allies to be tossed into the ditch of expediency?

National policy to be effective must have its origin and sustenance in public support. Any attempt to flout this principle is foredoomed to failure. If our foreign policy is to succeed, the American people must not be kept in the dark.

The pitfalls of secret diplomacy must be avoided like a plague. The need of our times in the realm of diplomacy is Woodrow Wilson's formula of "open covenants, openly arrived at."

Mr. Speaker, America yearns for peace, works for peace, sacrifices for peace. Before history we have honorably acquitted ourselves in the cause of peace. Peace with honor is our unceasing quest—peace for all men, for all peoples—peace with the assurance of self-determination for all national states, no matter how large, how small. What a national dishonor and tragedy it would be for America, born in liberty and dedicated to universal freedom, to be a party, in the name of expediency, to the confirmation in slavery of any nation. And let us make no mistake about it, one of the prime objectives of the Soviets for another summit conference is the formal ratification of the status quo which would mean the abandonment in slavery of those millions of souls behind the Iron Curtain.

By all means let us look to a meeting or meetings with the heads of foreign states who are truly concerned with peace. Let us strive everlastingly to achieve safeguards that will banish aggression as an instrument of national policy anywhere and everywhere in the world—let us make war obsolete—let us wage peace, without end.

But in so doing, Mr. Speaker, let us be guided by intelligent realism. We must insist on Soviet bona fides before Khrushchev & Co. sit at the conference table. Peace talks for the sake of talking can only serve as propaganda forums for the Soviets.

America comes with clean hands to the peace table—let Russia likewise qualify.

The conscience of mankind assesses America as a peacemaker. The Soviets have yet to make good on their peace pretensions.

Peace can only be conquered by good faith, validated through deeds-for-peace.

We say to Messrs. Khrushchev, Bulganin and others: Win your right to the summit parleys by redeeming your first summit conference pledges—by taking such first steps toward peace that will insure a fruitful meeting at the summit.

The world looks to Moscow to make good on its peace talk. The Free World will not be lacking in enthusiastic and concrete response.

THE INTERDEPENDENCE OF AGRICULTURE AND INDUSTRY

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

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

There was no objection.

Mr. McCARTHY. Mr. Speaker, if the economy of the United States is to remain strong, a balance must be maintained between our agricultural economy and the economy of our small towns and of our cities. When the agricultural economy began to decline in 1952 and 1953, there were many of us who warned that this decline would later be reflected in unemployment and in a falling off of industrial production. Spokesmen for the administration and some economists argued that agriculture was not important in the overall economic picture and that this decline in farm income was not serious since the farm population had also declined.

Early in his term, Ezra Taft Benson talked about a consumer uprising against farmers and the farm program. He continued to encourage consumer opposition to the farm program, implying that the high cost of living was in large measure the result of the farm price support program. He was not content with this effort, but has consistently tried to set one farm group against another.

A sound farm program should be fair to consumers and processors, to those engaging in marketing and transportation, to the taxpayer, and to the farmer.

Let us consider first the question of whether or not the agricultural industry of the country, as it has operated with governmental assistance in recent years, has been providing a reasonably adequate supply of food and fiber for industrial and consumer use in the United States. Between 1910 and 1957, the population of the country has increased by approximately 70 percent. Total farm production has increased by about the same percentage during the period, but nearly all of the increase occurred within the last 15 years. In order to keep pace with expanding needs, the farmers of the country have had to break past production records. This great increase in production did

not occur by accident. It involves significant changes in the agricultural methods and pattern of the United States. Farmers were forced to supply more food to a greater number of people with fewer man-hours of work, and with only a slight increase in the area of productive land. This increase was made possible for a number of reasons. Today farmers are producing more, with less labor and a little more land, because petroleum and electrically driven machines are more efficient in performing work once done by men and animals; because new and improved varieties of seed and livestock have been developed; because of the increased use of fertilizers and other soil-improving materials and methods; because much more attention has been given to soil care and water conservation, as well as to farm management.

Farming today requires a much greater investment in capital equipment, and the operating costs in agriculture today are much higher than they were 20, 30, or 40 years ago. Farmers cannot be expected to produce at record levels unless their cash position is such as to permit them to finance the purchase of a much greater volume of materials, services, and power which are necessary for present high yield. In terms of current dollars, today's farm production expenses are approximately six times as high as they were in the 1910-14 period. In terms of dollars of equivalent value, today's farm-production expenses are approximately twice as high as they were in 1910-14. In view of these circumstances, farmers must have assurance of a market and a price that will keep them in business.

The principal problem in agriculture today is not one of overproduction and surpluses, but a problem of underproduction in many areas, and a problem of distribution. It is estimated that in order to supply each person, who would likely be living in the United States in 1975, at approximately the same level of diet that is now enjoyed in this country, an increase in agricultural production of about 20 percent will be required. At the same time, it is desired that the diet of many people be improved. In any case, the record shows that the farmers of the country have done well in meeting the food and fiber needs of the country in recent years, both in time of war and in time of peace.

The second question which is of interest both to consumer groups and to the farmers is this: has the farmer, in return for his contribution, received a just return? Has he been overpaid or has he been underpaid? And if so, has the Government farm program been responsible? Let us look at the record.

During Benson's 5 years in office, the price the housewife pays for food has increased. In the Consumer Price Index, food prices have risen 5.4 points—112.8 to 118.2—from January 1953 to January 1958.

Farmers' net income has dropped 24 percent. Last year witnessed a fall of 4 percent, from \$12.1 billion to \$11.5 billion—the lowest total since 1942. Prices paid to farmers have slipped 16 percent, and the farmers' share of consumer

food spending fell from 47 percent to 40 percent in 5 years.

The Government's losses on farm price supports are $3\frac{1}{2}$ times greater than in all the 20 years before Benson took office.

The budget of the Agriculture Department has soared. Nearly 20,000 employees have been added to the payroll.

Surpluses have piled up, and three times as much corn is on hand now as when Benson took office.

The farm population has decreased by more than 2 million.

Farm debt has increased by \$3.2 billion.

The farm foreclosure rate has doubled.

Distribution of surplus food to schools and charitable institutions has failed to keep up with needs.

A prosperous agriculture is to the advantage of the workingman in the city, as well as the business and professional man in the city and small town. Stable farm prices and incomes encourage high-level production of industrial goods and help maintain employment in industry. Moreover, a sound farm program is the best insurance of maintenance and conservation of agricultural resources. A sound and effective farm program is necessary to national security. It should, and can, provide a reservoir of goods against crop failure, and a stockpile in the event of international justice and peace.

THE AGRICULTURAL SITUATION

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. REUSS. Mr. Speaker, I welcome the opportunity, as a Democrat from a city district, to state why I do not think Secretary Benson is doing a good job, either for the farmer, the consumer, or the taxpayer.

The family farmer—the most important man in American agriculture as far as I am concerned—has suffered catastrophe under Secretary Benson. Net farm income has declined from \$14.3 billion in 1952 to \$11.5 billion in 1957, according to Secretary Benson's own figures. In this same period, farm population has declined from 15.5 percent of our total population to 12 percent of the total.

On April 24, 1953, the Department of Agriculture announced its plan to push the marginal farmer out of farming and into industry.

Secretary Benson has succeeded with a vengeance in depopulating our farms. Secretary Benson's policies of driving the family farmer off the land are not made any more appealing by the existence of some $5\frac{1}{2}$ million unemployed in our cities today.

Mr. Benson recently issued a press release in which he triumphantly proclaimed that the farmer's per capita income was at a record high of \$993 in 1957. The announcement was greeted by considerable surprise, for all other

evidence pointed to a tragic farm depression. Then the mystery was explained. Farm income per head had been brought to its present level by reason of Secretary Benson's policy of eliminating the family-sized farmer. A little further investigation disclosed an official Department of Agriculture book called Farm Population Estimates of 1957, showing that farm population had dropped by more than 8 percent in the last year. More, it appeared that the first edition of this handy booklet had not only given these population figures, but had quoted farm people to the effect that the sharp drop in farm population had been caused by Mr. Benson's own farm policies. Evidently this disclosure bothered the Department of Agriculture, because it ordered the entire edition of 2,500 copies gathered up and burnt. The Intergovernmental Relations Subcommittee of the House Committee on Government Operations, of which subcommittee the gentleman from North Carolina [Mr. FOUNTAIN] is chairman, has called upon Secretary Benson to produce these 2,500 books or explain their destruction. Mr. Benson has so far failed to give any explanation for his book burning.

I do not wish to suggest that Secretary Benson is opposed to the interests of all farming operators. His payment of untold millions of dollars under the Soil Bank Acreage Reserve to large operators of multiple farms shocked the Congress and caused us to impose a \$3,000-per-producer limitation in this year's Agricultural Appropriations Act. Secretary Benson is insisting even now on disregarding this limitation and paying out sums vastly in excess of \$3,000 to producers who operate multiple farms, even though the Comptroller General in his March 12, 1958, opinion has ruled that Secretary Benson is under no legal compulsion to do so, and could perfectly well restrict his payments to \$3,000 per producer, regardless of how many farms the producer operates. And so the trend toward the large corporate-type farming operation continues, at the expense of the family-type farmer.

Secondly, I believe that Secretary Benson's administration has been bad for the consumer. Under the 5 years of the Benson farm program, the farmers' share of the food dollar has dropped 7 percent. But consumers' food costs, as compiled by the Bureau of Labor Statistics, are up 2 percent. Meanwhile, the profits of processors, food chains, and other middlemen have shown phenomenal gains, such as the 14-percent rise last year of food chain store profits over 1956.

The 1954 cheddar cheese scandal aptly illustrates Secretary Benson's careful attention to the interests of the processor. At midnight of March 31, 1954, Secretary Benson dropped the price support level for dairy products. Up until this deadline, the Commodity Credit Corporation bought cheddar cheese from cheese processors at the higher support price of 37 cents a pound. On April 1, when the lower price support level went into effect, these same processors bought back from the Commodity Credit Corporation millions of pounds of cheese at only $34\frac{1}{2}$ cents a pound. The proces-

sors' windfall profit total \$2½ million, without the cheese ever leaving their warehouses. As a result of the alertness of the Intergovernmental Relations Subcommittee, the transaction was brought to light and the Department of Justice was directed to sue the recipients for their windfall profits. Several of the suits have already been successfully concluded, and the Treasury has recouped the money which Secretary Benson illegally paid out.

Thirdly, I believe that Secretary Benson's policies have been bad for the American taxpayer. Since 1954 the Department of Agriculture has increased the number of its employees by nearly 30 percent, from 64,000 to 81,000, despite the fact that the Department is giving service to half a million fewer farm families than in 1954. When Secretary Benson came into office, the annual cost for the activities of the Department was something like \$700 million. Secretary Benson's budget request for the current fiscal year called for more than \$5 billion, about 7 times the pre-Benson rate.

The high cost of Secretary Benson to the American taxpayer is set forth in detail in the October 1, 1957 issue of Look magazine, which incidentally is a Republican periodical. In an article entitled "Fraud, Graft, and Folly in the Farm Program," Look says:

After almost 5 years of the Eisenhower farm efforts, there is shocking news for the American taxpayer in the vast domain of surpluses, storehouses, and subsidies operated by Secretary of Agriculture Ezra Taft Benson.

Among the cases where Mr. Benson's administration has proved costly to the taxpayer is that of Jon M. Jonkel. Mr. Jonkel, who had been convicted of violating the Maryland election laws and paid a \$5,000 fine, and who had outstanding against him at least half a dozen default judgments, was allowed to become the successful bidder on a \$9 million deal to buy CCC owned rice for export to Indonesia. As the gentleman from North Carolina [Mr. FOUNTAIN] has pointed out, the Department of Agriculture "if it had taken the trouble to pick up the phone and call Dun and Bradstreet or the District Court, would have found that Mr. Jonkel did not have the kind of company most good businessmen would want to entrust with a \$9 million contract. Mr. Jonkel, as might have been expected, defaulted on the contract. I hope the Department of Agriculture learned something through its business venture with Jonkel because whatever experience they may have gained cost the taxpayers more than \$50,000."

Conservationists the country over are disturbed by Secretary Benson's wasteful program of draining valuable wetlands, particularly in Minnesota and the Dakotas. Already this drainage program has destroyed almost one-third of the Nation's finest breeding grounds for migratory waterfowl. The Benson farm drainage program has not only resulted in a waste of millions of taxpayers' dollars. It has been conducted without regard to the conservationists' viewpoint as represented by the Bureau of Sport

Fisheries and Wildlife of the Department of Interior. The Bureau on August 27, 1957, told the Intergovernmental Relations Subcommittee that Secretary Benson's farm drainage regulations "do not reflect cooperative or sympathetic consideration of the views of the Bureau of Sport Fisheries and Wildlife on the impact of drainage on waterfowl habitat. We also wish to point out that the Bureau of Sport Fisheries and Wildlife was not provided an opportunity to review these regulations prior to their acceptance by the Secretary of Agriculture."

These are but a few of many instances of waste in the farm program.

I agree that a constructive long-term legislative program is desperately needed. Senate Joint Resolution 162, which is now before the President, extends the present price supports at their current level for 1 year, in order to permit the writing of such legislation. I hope that there will shortly be presented to the House a farm bill similar to many sponsored by Democrats, built upon the following three principles:

First. A policy of insuring that reasonable prices for farm products are channeled through to the consumer, if need be by a vigorous program of anti-trust law enforcement.

Second. Production payments, out of funds based upon ability-to-pay taxation, to the family-sized farmer so as to yield him a fair overall return.

Third. An incentive to farmers to adopt sound soil, water, and wildlife conservation practices.

No doubt Secretary Benson will greet such a program as he always has, with the charge that it is the Brannan plan and moral bankruptcy. But it is a constructive program, and Democrats, whether from farming or city areas, are going to continue to press for it.

GREEK INDEPENDENCE AND CYPRUS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on this anniversary of Greek independence I am addressing my remarks to the subject of self-determination. This is the right we demanded for ourselves in our War of Independence. It is the right that we gave to the people of the Philippine Islands. It is the right for which we fought in the Spanish-American War and in World War I and World War II, the right of peoples everywhere to determine for themselves the kind of government under which they would live.

We cannot retreat from our position, steadfastly adhered to and by which we have lived. Retreat from that position would be the abandonment of our destiny as a leader of a Free World. No land is free when the people of that land are denied the right of self-determination.

Bonds of blood and of common interest unite the people of our country and of the United Kingdom. Together we have fought side by side in the two most devastating wars in all history. The mother of the great Winston Churchill was an American. My own mother was of English birth. There are many similar ties that unite Americans and the English. I hope the day will never come when there will be a severance of ties of sentiment and of friendship between the two great English-speaking nations.

It is in this spirit that on this anniversary of Greek independence I approach the subject of Cyprus. The position of the British Government in denying to the people of Cyprus the right of self-determination is building an ever-widening gulf that can only be bridged when to the people of Cyprus has been given the free exercise of this sacred right of self-determination. The American people will not retreat from this stand defending the right of self-determination by all peoples because that goes back to the foundations of our faith and is part and fiber of our national character. It would be much better for the maintenance of relations between allies if the British Government should come to that realization in its policy in Cyprus.

That there should be no doubt as to the position of the American people, I strongly urge early consideration of and favorable action on House Resolution 509, which I have introduced and which is similar to measures introduced by several of my colleagues. This is a sense resolution, the passage of which should bring forcibly to British attention the devotion of the House and the American people to the principle of self-determination and their insistence that this principle be applied to Cyprus.

We in the House of Representatives of the Congress of the United States are happy to join in celebration of Greek Independence Day.

In 1821 when a band of brave Greeks rose in revolt against their Ottoman oppressors and proclaimed their independence, they ushered in a new era in the history of modern Greece. It is a tribute to the Greek people that after suffering under the Ottoman Turks for nearly 400 years, they succeeded in keeping alive the ideas of liberty and freedom, ideas which their illustrious ancestors of pre-Christian age had prized as the highest and noblest possession of free men. The independence proclaimed in 1821 was not achieved easily; it was attained by bravery of dauntless Greeks with the financial aid and moral support of their friends abroad. Finally some 7 years later Greece was welcomed into the family of nations as an independent and sovereign state.

Since then Greece has had more than its share of misfortunes and miseries, especially during the two World Wars. Nevertheless, its people have, by courage and sacrifice, and with the aid of their sympathetic friends abroad, succeeded in maintaining and even strengthening their national independence.

During the last war and in the early postwar years Greek independence was

seriously endangered by aggressive communism. When all of her neighbors in the Balkan Peninsula were ruthlessly victimized by Soviet expansion, Greece remained, and fortunately still remains, as the lone outpost of freedom and independence in the entire Balkan area. The Greek people freely acknowledge that her freedom was saved in a large measure by the aid received under the Truman doctrine. Today Greece is a strategic bastion of the Free World against communism. So far the Greeks have been successful in combating all postwar threats.

On this anniversary of Greek Independence Day we wish the Greeks peace and prosperity in their homeland of glory and splendor.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KITCHIN (at the request of Mr. VINSON) for March 24 through March 28, as a member of the Board of Visitors, United States Naval Academy.

To Mrs. ST. GEORGE (at the request of Mr. ARENDS) for 2 weeks, on account of official business.

To Mr. ALLEN of California, from March 25 to April 3, inclusive, on account of official business and to attend a daughter's wedding.

To Mr. BURDICK for the balance of the week, on account of official business in the District.

To Mr. FOUNTAIN (at the request of Mr. LENNON) for Tuesday, March 25, 1958, on account of illness in the family.

To Mr. HORAN (at the request of Mr. ARENDS) indefinitely on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BARTLETT, for 1 hour on tomorrow.

Mr. DINGELL (at the request of Mr. ALBERT), for 30 minutes today, and to revise and extend his remarks.

Mr. BURNS of Hawaii, for 20 minutes, on Wednesday, March 26.

Mr. BYRD, for 10 minutes, today.

Mr. MULTER, for 30 minutes, on Thursday next.

Mr. MEADER (at the request of Mr. RHODES of Arizona) for 30 minutes on Thursday next.

EXTENSION OF REMARKS

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

Mr. BOLAND and to include extraneous matter.

Mr. ZABLOCKI.

Mr. BENTLEY in three instances and to include extraneous matter.

Mr. PROUTY.

Mr. CURTIN and to include extraneous matter.

Mr. DEROUNIAN.

Mr. DINGELL (at the request of Mr. ALBERT).

Mr. REECE of Tennessee and to include extraneous matter.

Mr. BYRNE of Illinois.

Mr. KEATING in two instances.

Mr. THOMPSON of Texas.

Mr. LAIRD.

Mr. POFF.

Mr. FRELINGHUYSEN and to include extraneous matter.

Mr. HOSMER and to include a letter and a table.

Mr. HARRIS and to include two letters.

(At the request of Mr. McCORMACK the following, and to include extraneous matter:)

Mr. FLOOD.

Mr. ANFUSO in two instances.

Mr. MULTER.

Mr. RODINO.

Mr. DOLLINGER in two instances.

Mr. GATHINGS.

Mr. CURTIS of Missouri and to include extraneous matter.

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. 10381. An act making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; and H. R. 11086. An act to amend the Agricultural Adjustment Act of 1938, as amended, with respect to wheat acreage history.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on March 24, 1958, present to the President, for his approval, a bill of the House of the following title:

H. R. 11085. An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 6 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 26, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

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

1750. A letter from the Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting a report concerning agreements concluded during February 1958 under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.), pursuant to Pub-

lic Law 128, 85th Congress; to the Committee on Agriculture.

1751. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 27, 1958, submitting an interim report, together with accompanying papers and illustrations, on a survey of Santa Cruz Harbor, Calif., authorized by the Rivers and Harbor Act, approved July 24, 1946 (H. Doc. No. 357); to the Committee on Public Works and ordered to be printed with one illustration.

1752. A letter from the Secretary of Labor, transmitting a draft of proposed legislation entitled "A bill to provide for temporary additional unemployment compensation, and for other purposes"; to the Committee on Ways and Means.

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. ASPINALL: Committee on Interior and Insular Affairs. H. R. 9381. A bill to designate the lake above the diversion dam of the Solano project in California as Lake Solano; without amendment (Rept. No. 1546). Referred to the House Calendar.

Mr. ASPINALL: Committee on Interior and Insular Affairs. H. R. 9382. A bill to designate the main dam of the Solano project in California as Monticello Dam; without amendment (Rept. No. 1547). Referred to the House Calendar.

Mr. HARRIS: Committee of conference. H. R. 5822. A bill to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment; without amendment (Rept. No. 1549). Ordered to be printed.

Mr. ASHMORE: Committee on the Judiciary. H. R. 9022. A bill to amend title 10, United States Code, to authorize the Secretaries of the military departments to settle certain claims in the amount of \$5,000, or less, and to partially pay certain claims which are certified to Congress; with amendments (Rept. No. 1551). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 9655. A bill to permit articles imported from foreign countries for the purpose of exhibition at the Oregon State Centennial Exposition and International Trade Fair to be held at Portland, Oreg., to be admitted without payment of tariff, and for other purposes; without amendment (Rept. No. 1552). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 11019. A bill to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair, to be held at Louisville, Ky., to be admitted without payment of tariff, and for other purposes; without amendment (Rept. No. 1553). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 10112. A bill to make permanent the existing privilege of free importation of guar seed; without amendment (Rept. No. 1554). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. House Joint Resolution 556. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the California International Trade

Fair and Industrial Exposition, Los Angeles, Calif., to be admitted without payment of tariff, and for other purposes; with an amendment (Rept. No. 1555). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee of conference. H. R. 10843. A bill to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments; without amendment (Rept. No. 1559). Ordered to be printed.

Mr. MILLS: Committee on Ways and Means. H. R. 9917. A bill to continue the temporary suspension of duty on certain alumina and bauxite; without amendment (Rept. No. 1560). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 11407. A bill to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders; without amendment (Rept. No. 1561). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 511. Resolution providing for the consideration of H. R. 607, a bill to provide for increases in the annuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended; without amendment (Rept. No. 1562). Referred to the House Calendar.

Mr. TRIMBLE: Committee on Rules. House Resolution 512. Resolution providing for the consideration of S. 1740, an act to authorize the payment from the employees' life insurance fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations; without amendment (Rept. No. 1563). Referred to the House Calendar.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 7515. A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes; with amendments (Rept. No. 1564). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOGARTY: Committee on Appropriations. H. R. 11645. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1959, and for other purposes; without amendment (Rept. No. 1565). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 576. Joint resolution to facilitate the admission into the United States of certain aliens; with amendments (Rept. No. 1549). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 580. Joint resolution for the relief of certain aliens; with amendments (Rept. No. 1550). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6390. A bill for the relief of Bernard J. Hoffman, doing business under the trade name Pyro Guard Service Co.; without amendment (Rept. No. 1555). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7186. A bill for the relief of the estate of Richard Anthony Nunes, Jr.; with amendment (Rept. No. 1557). Referred to the Committee of the Whole House.

Mr. CRAMER: Committee on the Judiciary. H. R. 7718. A bill for the relief of Roy Hendricks, of Mountain View, Alaska; without amendment (Rept. No. 1558). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAUMHART:

H. R. 11617. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

H. R. 11618. A bill to permit the construction of certain public works on the Great Lakes for flood control, and for protection from high water levels, and for other purposes; to the Committee on Public Works.

By Mr. BENNETT of Michigan:

H. R. 11619. A bill to amend the Federal Airport Act in order to extend the time for making grants under the provisions of such act; to the Committee on Interstate and Foreign Commerce.

H. R. 11620. A bill to amend the Railroad Unemployment Insurance Act to provide temporary additional unemployment insurance benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DELLAY:

H. R. 11621. A bill to amend title 10 of the United States Code to provide for the establishment of a program of cash awards for suggestions or inventions made by members of the Armed Forces which contribute to the efficiency, economy, or other improvement of Government operations in the general field under the supervision of the Secretary of Defense; to the Committee on Armed Services.

By Mr. ELLIOTT:

H. R. 11622. A bill to provide a residence for pages of the Senate and of the House of Representatives, under the supervision of a Capitol Pages' Residence Board, and for other purposes; to the Committee on House Administration.

By Mr. GROSS:

H. R. 11623. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. HYDE:

H. R. 11624. A bill to amend section 5 of the Administrative Procedure Act; to the Committee on the Judiciary.

By Mr. KEARNS:

H. R. 11625. A bill to authorize Federal payments to the States to assist in constructing schools; to the Committee on Education and Labor.

By Mr. KILDAY:

H. R. 11626. A bill to amend section 6911 of title 10, United States Code, to provide for the grade, procurement, and transfer of aviation cadets; to the Committee on Armed Services.

By Mr. KING:

H. R. 11627. A bill to repeal the manufacturers excise taxes on automobiles and on parts and accessories, and to reduce the manufacturers excise tax on trucks and buses to 5 percent; to the Committee on Ways and Means.

By Mr. MCINTIRE:

H. R. 11628. A bill to amend the Fisheries Cooperative Marketing Act; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of Maryland:

H. R. 11629. A bill to amend part III of title III of the Communications Act of 1934 in order to exempt from the provisions of such part certain vessels navigating on Chesapeake Bay or the Potomac River; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS:

H. R. 11630. A bill to amend title XV of the Social Security Act to extend the unemployment insurance system to ex-service-men, and for other purposes; to the Committee on Ways and Means.

By Mr. REED:

H. R. 11631. A bill to amend title XV of the Social Security Act to extend the unemployment insurance system to ex-service-men, and for other purposes; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 11632. A bill to provide a method for determining Presidential inability, and for other purposes; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 11633. A bill to provide income-tax withholding for ministers; to the Committee on Ways and Means.

By Mr. PROUTY:

H. R. 11634. A bill to increase the amount of unemployment benefits payable during periods of high-level unemployment to individuals who have not exhausted their unemployment benefit rights, and to provide unemployment benefits for additional periods for individuals who have exhausted such rights; to the Committee on Ways and Means.

H. R. 11635. A bill to amend the Internal Revenue Code of 1954 to allow a deduction, in computing the gift tax, for gifts made to or for the use of certain nonprofit cemetery companies; to the Committee on Ways and Means.

By Mr. RIVERS:

H. R. 11636. A bill to repeal section 6018 of title 10, United States Code, requiring the Secretary of the Navy to determine that the employment of officers of the Regular Navy on shore duty is required by the public interest; to the Committee on Armed Services.

By Mr. SANTANGELO:

H. R. 11637. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 11638. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. VINSON:

H. R. 11639. A bill to authorize the Department of Defense to indemnify its contractors against unusually hazardous risks, to limit the liability of contractors so indemnified, and for other purposes; to the Committee on Armed Services.

By Mr. WIER:

H. R. 11640. A bill to amend the District of Columbia Unemployment Compensation Act, as amended; to the Committee on the District of Columbia.

By Mr. CURTIS of Massachusetts:

H. R. 11641. A bill to amend the act of July 1, 1952, granting congressional consent to mutual military aid compacts, by extending the consent to other States and compacts; to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 11642. A bill to amend the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. HENDERSON:

H. R. 11643. A bill to extend for 1 year the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other

purposes; to the Committee on Ways and Means.

By Mr. REUSS:

H. R. 11644. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. FOGARTY:

H. R. 11645. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1959, and for other purposes.

By Mr. TOLLEFSON:

H. R. 11646. A bill to provide for the making of payments to State tax authorities with respect to Federal real property of amounts equal to the sums which would be paid as special assessments thereon for public improvements if such land were privately owned; to the Committee on Interior and Insular Affairs.

By Mr. BYRNE of Illinois:

H. J. Res. 583. Joint resolution designating June 1, 1958, as National Prayer Day, requesting the President to issue a proclamation in connection therewith, and requesting the President to invite the people of all the nations of the free world to participate in the observance of such day; to the Committee on the Judiciary.

By Mr. POWELL:

H. Con. Res. 298. Concurrent resolution to extend greetings to the Federal Legislature of the West Indies; to the Committee on Foreign Affairs.

By Mr. ANFUSO:

H. Con. Res. 299. Concurrent resolution requesting the President to proclaim a National Sales Week during 1958; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. Con. Res. 300. Concurrent resolution expressing the sense of the Congress with respect to air-pollution abatement in connection with the conduct of certain activities by the military departments of the Government; to the Committee on Armed Services.

By Mr. WEAVER:

H. Con. Res. 301. Concurrent resolution to approve the report of the Department of the Interior on Red Willow Dam and Reservoir in Nebraska; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CORBETT:

H. R. 11647. A bill for the relief of Paylos N. Veizis; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 11648. A bill for the relief of Maria Wilikovsky; to the Committee on the Judiciary.

H. R. 11649. A bill for the relief of Mr. Taro Yodokawa; to the Committee on the Judiciary.

By Mr. GORDON:

H. R. 11650. A bill for the relief of Dragolub Medenica; to the Committee on the Judiciary.

By Mrs. GRIFFITHS:

H. R. 11651. A bill for the relief of Cesare Tambornini; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 11652. A bill for the relief of Carmela DeBono; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H. R. 11653. A bill for the relief of Elemer Christian Sarkozy; to the Committee on the Judiciary.

H. R. 11654. A bill for the relief of Feng Chun Young; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 11655. A bill for the relief of Mrs. Yukiko Pluard; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 11656. A bill for the relief of Milka Drobac; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 513. Resolution providing for sending the bill and accompanying papers on H. R. 6350, a bill for the relief of Wilma D. Marsh, to the Court of Claims; 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:

494. By the SPEAKER: Petition of Don Curtis and others, Niles, Mich., requesting passage of the bills H. R. 1008, H. R. 4523, and H. R. 4677, which are amendments to the Railroad Retirement Act; to the Committee on Interstate and Foreign Commerce.

495. Also, petition of the corresponding secretary, Young Republicans of Essex County, Montclair, N. J., recommending that a study be undertaken by the Congress of the United States with the objective of enacting such statutes or initiating such constitutional amendments as may be necessary to establish an orderly succession to the powers and prerogatives of the President of the United States during periods when the President is temporarily or permanently incapacitated; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

A New Approach to Unemployment Compensation

EXTENSION OF REMARKS OF

HON. WINSTON L. PROUTY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1958

Mr. PROUTY. Mr. Speaker, today I have introduced a bill which represents a new approach to the question of unemployment compensation. I believe that it adheres to the principle of States' rights in this field and would not require any changes in State laws relating to such benefits. In my judgment, however, it will induce States to bring their unemployment compensation benefits up to levels which will be in keeping with current needs. Inasmuch as I intend to present a detailed explanation of the bill to the House Committee on Ways and Means I shall now refer only briefly to its provisions.

The bill seeks to enact a program of unemployment benefits which will come into being during high-level unemployment periods. A "high level unemployment period" is defined in the bill as any time when 6.3 percent of those covered by unemployment insurance are without work. For 1958 this is the equivalent of 2,527,560 individuals within the groups entitled to unemployment benefits.

The benefits provided by the bill are as follows:

First. During high-level unemployment periods individuals who receive unemployment compensation under State law or under the Railroad Unemployment Insurance Act will receive Federal supplemental compensation equal to (a) 30 percent of the unemployment compensation received from the State or the Railroad Retirement Board, reduced by (b) any additional payments which such individual receives as a result of his unemployment—such as, for example, unemployment benefits paid by employers or labor unions.

Second. Individuals who after June 30, 1957, have exhausted their benefit rights under the applicable unemployment compensation law will be entitled to an additional 20 weeks of unemployment compensation to be paid by the Federal Government but in amounts which are identical with prevailing State rates. In other words, the 30 percent increase will

not apply in the case of those who have exhausted their benefits under existing State laws.

Third. Compensation for the additional weeks will be payable during the remainder of 1958 without regard to any termination of the high-level unemployment period and without regard to the termination of the individuals' benefit year. This provision was inserted on the theory that even if the present unemployment level is gradually reduced many individuals will have exhausted their benefits before jobs are readily available.

Fourth. After 1958, individuals will be entitled to a maximum of 20 additional weeks in a benefit year, but only after they have exhausted their benefit rights under the applicable unemployment compensation law and only for weeks beginning in a high-level unemployment period.

In terms of national averages the 30 percent Federal supplement will mean that those drawing benefits will receive about 48 1/4 percent of their average weekly salaries or 53.6 percent of their take-home pay.

Had this proposal been enacted into law previously its provisions would have been in effect for a relatively brief period in 1950 but in no subsequent year until now.

While increased unemployment compensation does not represent a cure-all for recession it does help maintain purchasing power and gets money in the hands of those who need it the most.

Farm Price Supports

EXTENSION OF REMARKS OF

HON. EMMET F. BYRNE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1958

Mr. BYRNE of Illinois. Mr. Speaker, I wish to express myself on the action taken last Thursday in this Chamber on Senate Joint Resolution 162 which provides that the 1958 dollars and cents support price for any agriculture commodity and the total acreage allotted for any basic commodity, except tobacco, through 1959 shall not be less than that in effect for the 1957 crop or marketing year. The record indicates

that I was against this measure. I endeavored to get time to speak against the proposal but I was not successful. I want the RECORD to reflect my very sincere objections to the provisions of this proposal. My vote against passage and in favor of recommitment were overruled, since the required votes for passage and against recommitment were obtained.

First of all, I want to second the Washington Star's recent editorial appraisal of Secretary of Agriculture Benson as a man of courage. He is truly that and for my part he is one of our President's finest Cabinet members who will not be deterred from doing right as he sees it for the consumer and the farmer. Secretary Benson has withstood the whippings and lashings of leaders in Congress, some from his own side of the aisle, and mine. He has not buckled under the attacks nor succumbed to the great pressures to change his policies. He is truly fighting the fight to the end and I believe he will ultimately win. His actions are manifestations of his strength.

While making no pretense of being a farm expert, even though coming from the heartland of the Middle West, I believe I am something of an expert in knowing about the consumer and what consumption is with a family of eight children. The measure this body passed last Thursday touches the consumer closely since its provisions will be reflected in prices we pay at the supermarkets. I for one have not noticed any dearth of good produce at the markets as well as noting plenty of other farm commodities. Our party and our administration is being blamed for unemployment yet this body in effect is making it impossible to bring prices down on necessary food items which every family including the unemployed consumes in great quantities.

In my opinion this is not good sense. The measure was contrary to the wishes of President Eisenhower and Secretary Benson, who believe we must have a wider range of price supports and not narrower. It is unfair to winter wheat farmers who signed up for the 1958 Soil Bank at a distinct disadvantage with other wheat farmers. Before signing up for the 1958 Soil Bank to help cut down the surplus, these farmers compared the \$1.20 per bushel payment with the \$1.78 announced price support. Had they known that the price-support level would be \$2 per bushel, their decisions could