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PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, SECOND SESSION

SENATE

THURSDAY, MARCH 27, 1958

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

Our Father, God, once again by Thy mercy at the day's beginning we would lift our gaze from the tyranny of drab details to the beckoning splendor of the heavenly vision to which we dare not be disobedient.

Grant us such a revealing sense of the aching need of our distraught world as will make us glad and eager sharers with Thee in its redemption from all that brings horror and havoc on the earth which could be so fair. In a world where the mystic loveliness of dawn is always mocking the darkness and declaring that the night is not eternal, lead us through the passing shadows to the daybreak of Thy coming kingdom's sway. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, March 26, 1958, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Labor of the Senate Committee on Labor and Public Welfare was authorized to meet during the session of the Senate today.

On request of Mr. HUMPHREY, and by unanimous consent, the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

OIL IMPORT QUOTAS

Mr. JOHNSON of Texas. Mr. President, the President of the United States has issued an order of importance to a vital American industry. It represents an effort to bring some order into the chaotic oil-import situation.

The President's order cuts back oil-import quotas and seeks to use the Buy American Act as a means of insuring compliance with the voluntary oil-import program. Effective action would be welcome news to the industry and to the people who are dependent upon it for their livelihood.

I have not had an opportunity to study carefully the details of the order. I hope it will be effective, because the need is great.

The flood of oil imports has struck a heavy blow, not only at the industry, but also at communities and at State governments. The decline in the industry has meant smaller payrolls and shrinking revenue for State and local governments.

I ask unanimous consent that the President's order be printed in the RECORD as a part of my remarks.

I also ask unanimous consent to have printed in the RECORD the supplementary report of the Special Committee To Investigate Crude Oil Imports, which was approved by the President.

There being no objection, the order and report were ordered to be printed in the RECORD, as follows:

GOVERNMENT PURCHASES OF CRUDE PETROLEUM AND PETROLEUM PRODUCTS

Whereas following the receipt of advice from the Special Committee To Investigate Crude Oil Imports, I have determined that essential national security interests are adversely affected by the purchase by the United States of crude petroleum imported in quantities in excess of those now or hereafter specified under the voluntary oil import program or of petroleum products refined in the United States and composed of or derived from such crude petroleum, in whole or in part; and

Whereas I have determined that such purchases would not be in the public interest: Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States, it is hereby ordered as follows:

SECTION 1. For the purposes of the application of the act of March 3, 1933 (47 Stat. 1520, 41 U. S. C. 10a–10c; 63 Stat. 1024, 41 U. S. C. 10d), commonly known as the Buy American Act, pursuant to this order: "domestic petroleum product" means crude petroleum of wholly domestic origin and any product refined in the United States entirely from such crude petroleum; "nondomestic petroleum product" means crude petroleum not wholly of domestic origin and any product refined in the United States which is not derived entirely from crude petroleum of domestic origin; "complying petroleum product" means crude petroleum of foreign origin or any product refined in the United States in whole or in part from crude petroleum of foreign origin, all of which has been, or will be imported by a firm which, during the period of contract performance and for the 3 months preceding the month in which a bid is submitted to a Government department or agency, has imported crude petroleum in compliance with the voluntary oil import program.

SEC. 2. The heads of all executive departments and agencies are requested to reexamine existing policy with respect to the application of the Buy American Act to petroleum products and to apply the provisions of that act so that, (1) unless a domestic product is unavailable or its cost is determined to be unreasonable, the purchase of a nondomestic petroleum product will be made only if it is a complying petroleum product, and (2) in considering bids no price differential will be applied between domestic and complying petroleum products.

SEC. 3. Every contract entered into by any executive department or agency for the purchase in the United States of imported crude petroleum or petroleum products refined in the United States and derived in whole or in part from imported crude petroleum shall contain the following provision: "The contractor agrees that during the contract period he will comply in all respects with the voluntary oil import program."

SEC. 4. The administrator, voluntary oil import program, is authorized to issue certificates of compliance with the voluntary oil import program which may be accepted as conclusive evidence of such compliance. In the absence of such a certificate, a certification or representation of compliance made by the supplier may be considered presumptive evidence of compliance.

SEC. 5. Executive Order No. 10582 of December 17, 1954, "Prescribing Uniform Procedures for Certain Determinations Under the Buy American Act," shall not be applicable to crude petroleum and petroleum products.

SEC. 6. This order shall be applicable to contracts entered into 30 days after the date hereof.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *March 27, 1958.*

THE WHITE HOUSE,
Washington, March 25, 1958.

Memorandum for the Secretary of the Interior:

I have approved the recommendations embodied in the supplementary report dated March 24, 1958, of the Special Committee To Investigate Crude Oil Imports as set forth in the attached memorandum. I direct you to incorporate these recommendations in the administration of the voluntary oil-import program.

DWIGHT D. EISENHOWER.

THE SECRETARY OF COMMERCE,
Washington, D. C., March 24, 1958.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: In its report of July 29, 1957, the Special Committee To Investigate Crude Oil Imports recommended that the plan which was promulgated should be reviewed at least once a year.

The Committee has been continuously studying the effectiveness of the program and respectfully submits a supplementary report of its further recommendations in support of its findings.

Respectfully yours,

SINCLAIR WEEKS,
Secretary of Commerce.

SUPPLEMENTARY REPORT, MARCH 24, 1958

In accordance with the recommendation in its initial report of July 29, 1957, the

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Committee has reviewed the voluntary plan to limit imports of crude oil in districts I–IV.

The vast majority of crude oil importers have complied with the voluntary program and their imports have conformed to the quotas which were assigned them. In a number of instances, companies did not import the full amount of their assigned quotas during this period.

The Committee recognizes the fact that three substantial importers were not in compliance during this period which creates an inequity as respects cooperating importers, and it considered alternatives such as the imposition of mandatory controls. On balance, however, the Committee agreed that the voluntary plan should be continued, but on a more effective basis. This will involve a minimum of governmental regulation, the least possible restraint on our free enterprise system, and a lesser interference with normal trade relations.

One year ago the normal progress of all phases of the crude-oil industry had been disrupted by the Suez situation. Production and refining activities were greatly stimulated and this resulted in additions to stock beyond customary levels. As a result of this abnormal condition, accompanied by a reduction in anticipated demand, crude oil production has been declining. Accordingly, since the date of the Committee's original report, the domestic producing industry has been adversely affected by conditions other than the competition of foreign imports.

In its original report, this Committee, after careful analysis, determined that an import ratio of 12 percent to production in districts I–IV would not discourage exploration for crude oil and its production to an extent adversely affecting the national security. After reviewing developments since the date of its original report, the Committee has concluded that this ratio should continue to be maintained in order to accomplish the objectives stated in our original report. In order to maintain this relationship between imports and production in districts I–IV under the voluntary program, it will be necessary to reduce imports into these districts to 713,000 barrels daily of crude oil, which is 12 percent of the average production in this area for the past 3 months.

The administrator of the voluntary plan has held hearings in accordance with his responsibility to newcomers. It is recognized that our private enterprise system must allow freedom to individuals to engage in productive pursuits and not be frozen out of any legitimate area. Within the framework of the voluntary plan there must be room to some extent for such newcomers with immediate requirements and also to take care of hardship cases that may develop.

Over the years production had been increasing at a rate consistent with the growth of our economy and it had been anticipated that such growth would have made room for these cases. Production having declined, however, this accommodation of newcomers will be achieved by present importers moving over and accepting a cutback in their allocations, which reflects not only that cutback dictated by the decrease in domestic production but also provides room for newcomers. For the purpose of this program an "importer" is defined as one (1) who was engaged in the importation of crude oil into the United States during the last half of 1957, or (2) had an approved allocation under the voluntary oil import program on January 1, 1958, or (3) had existing refinery capacity within the United States.

The schedule that has been developed in accordance with these determinations is effective April 1, 1958, and includes subsequent revisions up to September 1, 1958, in accordance with the time in which new importers have scheduled commencement of their programs.

This report authorizes allocations for certain listed companies. Other applications, except for district V, either for a new allocation or for a revision of a presently approved allocation will be deferred by the administrator until September 1, 1958.

In its original report, the Committee set forth in some detail its recognition of the important foreign policy aspects in the problem of limiting petroleum imports. Its determination of the relationship between imports and production at that time was designed, among other things, to give due effect to these foreign policy considerations. Its present determination, which continues the previously determined relationship between importers and production, involves no change in this regard.

When domestic production resumes its normal upward progress, such indicated increase in demand would be examined so as to continue a proper relationship between imports and domestic production on the basis of national security considerations.

At the request of the Committee, the Director of the Office of Defense Mobilization has investigated the impact of imports of distilled products on the voluntary program.

In response, the Director has stated that his investigation has led him to the conclusion that the importation of distilled products has not been a threat to the voluntary program. All categories of distilled products were examined, including residual fuel oil, and the study revealed that in 1957 the imports of principal competitive items, other than residual fuel oil, had actually declined substantially below 1954.[1]

The Director called attention to reports of plans of some importers for future importation of unfinished distilled products. So far as is known now, the projected imports in these categories for the first 6 months of 1958 will represent an increase of 12,900 B/D over the end of 1957, but that they still will approximate the level of 1954.

This situation will be reviewed periodically and the Committee kept advised both by the Director of the Office of Defense Mobilization and the administrator of the voluntary import program.

The review of products importation by the Office of Defense Mobilization did not include imports by governmental agencies which are substantial.

[1] While residual fuel oil is outside the purview of this Committee, the review by the Director of the Office of Defense Mobilization indicated no basis for determination that imports of residual oil are a threat to the national security under section 7 of the Trade Agreements Act.

We recommend, to strengthen the voluntary program, that the provisions of the Buy American Act be incorporated in the procurement policies of all agencies of the Government purchasing petroleum products in all areas of the United States, including but not limited to the General Services Administration, the Post Office Department, and the Department of Defense.

The Department of Defense has historically purchased its requirements by exemption from the Buy American Act. The Secretary of Defense has signified his intention to change this policy, subject to the provisions of the accompanying amendment to Executive Order No. 10582, and to issue new regulations embodying the objectives of the Buy American Act.

Because of the practice in the industry of commingling crude oil from both foreign and domestic sources, it has been recognized that in certain sections of the country the requirements of the Buy American Act would be difficult to administer, and therefore those areas have previously been exempted.

In order that the program be effective and to assure compliance on a practicable basis, vendors will be required to furnish a certificate from the administrator of the voluntary import program that the materials they propose to furnish, if partly of foreign crude origin, have been or will be imported in full compliance with the voluntary program. The agencies affected will issue such implementing instructions to attain this objective as their regulations may require.

Crude oil imports into district V will continue to be governed by the imports program approved by the President on December 12, 1957. Imports into district V are currently substantially under the amounts permitted under this program.

In the report of July 29, 1957, the Secretary of Interior was directed to administer the program "under policy guidance from the Office of Defense Mobilization."

Adequate policy guidance is outlined in the report so that it is recommended that the Secretary of Interior continue to administer the plan without the necessity for further advice, except as may be outlined in subsequent reports of the Committee.

The attached table shows the recommended imports into districts I–IV for the individual companies.

Respectfully submitted.

JOHN FOSTER DULLES,
Secretary of State.
DONALD A. QUARLES,
(For the Secretary of Defense).
ROBERT B. ANDERSON,
Secretary of the Treasury.
HATFIELD CHILSON,
(For the Secretary of the Interior).
JAMES MITCHELL,
Secretary of Labor.
SINCLAIR WEEKS,
Secretary of Commerce, Chairman.

Revised allocations for crude oil imports, district I–IV

[Thousands of barrels daily]

Company	Present allocation	Effective date of allocation	Apr. 1, 1958 (−9.08)	June 1, 1958 (−9.90)	July 1, 1958 (−12.20)	Aug. 1, 1958 (−13.73)	Sept. 1, 1958 (−14.82)
Atlantic Refining	58.9		53.5	53.1	51.7	50.9	50.2
Gulf Oil	111.6		101.3	100.6	98.0	96.3	95.1
Sinclair Refining	62.2		56.5	56.1	54.6	53.7	53.0
Socony Mobil	67.1		60.9	60.5	59.0	57.9	57.2
Standard of California	66.8		60.7	60.2	58.7	57.7	56.9
Standard of New Jersey (Esso)[1]	72.0		65.4	64.9	63.2	62.1	61.4
Texas Co	54.5		49.5	49.1	47.9	47.0	46.4
Subtotal	493.1		447.8	444.5	433.1	425.6	420.2
Aurora Gasoline		Sept. 1, 1958					3.5
Bay Refining	3.2		2.9	2.9	2.8	2.7	2.7
Cities Service	32.6		29.6	29.4	28.7	28.1	27.8
Clark Oil		Apr. 1, 1958	2.0	2.0	2.0	2.0	2.0
Continental Oil		Aug. 6, 1958				5.0	5.0
Crown Central	5.0		4.5	4.5	4.4	4.3	4.3
Danaho Refining		July 24, 1958				.5	.5

[1] Includes American Bitumals.

Revised allocations for crude oil imports, district I–IV—Continued

[Thousands of barrels daily]

Company	Present allocation	Effective date of allocation	Apr. 1, 1958 (−9.08)	June 1, 1958 (−9.90)	July 1, 1958 (−12.20)	Aug. 1, 1958 (−13.73)	Sept. 1, 1958 (−14.82)
Delta Refining		Aug. 3, 1958				3.0	3.0
Dow Chemical	.3		.3	.3	.3	.3	.3
Eastern States Petroleum	18.3		16.6	16.5	16.1	15.8	15.6
Gabriel Oil	7.5		6.8	6.8	6.6	6.5	6.4
Great Northern	33.0		30.0	29.8	29.0	28.5	28.1
Hess, Inc	[2] 11.5	July 1, 1957	10.4	10.4	10.1	10.0	9.8
Ingram Oil		July 15, 1958			3.5	3.5	3.5
International Refining	12.3		11.2	11.1	10.8	10.6	10.5
Lakehead P. L	.3		.3	.3	.3	.3	.3
Lake Superior Refining	5.0		4.5	4.5	4.4	4.3	4.3
Northwestern Oil	13.5		12.3	12.2	11.9	11.7	11.5
Ohio Oil		Aug. 12, 1958				3.5	3.5
Phillips Petroleum	12.0		10.9	10.8	10.6	10.4	10.2
Pure Oil		June 10, 1958		5.0	5.0	5.0	5.0
Republic Oil		July 1, 1958			4.0	4.0	4.0
Shell Oil	7.5		6.8	6.8	6.6	6.5	6.4
Standard (Indiana)	29.8		27.1	26.9	26.2	25.7	25.4
Standard (Ohio)	8.2		7.4	7.4	7.2	7.1	7.0
Sun Oil	50.4		45.8	45.4	44.3	43.5	43.0
Sunray Mid-Continent		Sept. 1, 1958					5.0
Southwestern Oil	2.9		2.6	2.6	2.6	2.5	2.5
Tennessee Gas & Bay Petroleum		June 16, 1958			3.5	3.5	3.5
Texas Asphalt	2.3		2.1	2.1	2.0	2.0	2.0
Texas City Oil & Refining		July 1, 1958			4.0	4.0	4.0
Tidewater Oil	34.2		31.1	30.8	30.0	29.5	29.2
United Refining		July 1, 1958			3.0	3.0	3.0
Subtotal	289.8		265.2	268.5	279.9	217.4	292.8
Total	782.9		713.0	713.0	713.0		713.0

[2] Retroactive to July 1, 1957.

PROPOSED REORGANIZATION OF THE DEPARTMENT OF DEFENSE

Mr. JOHNSON of Texas. Mr. President, on January 23 the Senate Preparedness Subcommittee completed its hearings on the satellite and missile programs. At that time, the 7 members agreed unanimously upon 17 recommendations which we felt should be pursued to strengthen the defense of this country against aggression.

Those recommendations necessarily ranged over a wide field. Action upon them could not be completed within a matter of days, weeks, or even months. The Preparedness Subcommittee is maintaining a continuous surveillance to determine the extent to which they are being carried out.

Today, I wish to call particular attention to one of those recommendations. It was that urgent attention be given to the reorganization of the Defense Department in the interest of efficiency and greater strength.

During the course of our hearings, we were told by the Secretary of Defense, Neil McElroy, that he hoped to have recommendations ready by the end of March. Mr. President, we are approaching that point. I have every confidence in Mr. McElroy, and I know that he will meet his deadline if it is at all possible.

The question of reorganizing the Defense Department must be approached with great care. There are many conflicting viewpoints. Proposals range from leaving things just where they are to the creation of a strong centralized organization along the lines of the Prussian general-staff system.

I have no advance information on the specific nature of the Defense Department proposals. I have not formed any preconceived ideas which cannot be changed, as to what the final structure should be. It is my intention to weigh the proposals in the light of the evidence, and come to whatever conclusion in my best judgment is prudent and effective.

But it seems to me that there are certain guideposts which must characterize any proposals which will be acceptable to the Congress and acceptable to the country. Some of those guideposts represent "do's" and some represent "don'ts."

High on the list of "don'ts" is the necessity of avoiding reorganization solely for the sake of reorganization. Pure motion—motion without purpose and without direction—could create the illusion of progress, but would not strengthen the security of the Nation.

Furthermore, I am convinced that this Congress and this Nation will not tolerate an organizational form which creates a man on horseback. The tradition of civilian control over the military is deeply ingrained in the national spirit.

We Americans consider our Military Establishment to be that arm which defends—but does not control—our free institutions. I think that philosophy is accepted as wholeheartedly by our military men as it is by our civilian leaders.

We are not going to have the creation of institutions which would alter it. Whatever plan is offered must achieve fundamental goals. Among these goals I would list:

First. Machinery which will enable decisions to be made quickly, promptly, and efficiently, and effectively.

Second. Clear and unmistakable channels so that authority will be vested in those who have responsibility.

Third. The elimination of the type of featherbedding which has been so eminently successful in the Pentagon in delaying a solution to problems.

Fourth. Clear provisions for flexibility, so the Defense Establishment will be able to change with the times and with technology.

Mr. President, I anticipate that this issue will be one of the most important in this session of the Congress. It will dominate our deliberations to a considerable extent, and the outcome could well determine the future of our Nation. I hope the President will soon send us the results of the various Defense Department studies. This is one question upon which urgent action is required.

Mr. President——

The VICE PRESIDENT. The Senator from Texas.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the morning hour statements be limited to 3 minutes.

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

REPORT ON NAVAL RESEARCH AND DEVELOPMENT PROCUREMENT ACTIONS

The VICE PRESIDENT laid before the Senate a letter from the Assistant Chief of Naval Material (Procurement), Washington, D. C., transmitting, pursuant to law, a report on naval research and development procurement actions of $50,000 and over, covering the period July 1, through December 31, 1957, which, with the accompanying report, was referred to the Committee on Armed Services.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

The petition of Laona E. Underkofler, of Ames, Iowa, praying for the enactment of legislation to prohibit the sale of liquor to the Armed Forces; to the Committee on Armed Services.

A resolution adopted by the Kapaa Businessmen's Association, of Kapaa, T. H., favoring the enactment of legislation to establish bauxite mining in the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

RECHECKING OF APPLICANTS FOR EMERGENCY FEED RELIEF, 1956 AND 1957—RESOLUTION

Mr. KERR. Mr. President, I present, for appropriate reference, a resolution adopted by the Committee on Agriculture of the Oklahoma State Legislative Council, relating to rechecking of applicants for emergency feed relief during the years 1956 and 1957. I ask unanimous consent that the resolution may be printed in the RECORD.

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

A RESOLUTION RELATING TO RECHECKING OF APPLICANTS FOR EMERGENCY FEED RELIEF DURING THE YEARS 1956 AND 1957

Whereas it has come to the attention of the Committee on Agriculture of the Oklahoma Legislative Council of the State of Oklahoma that the United States Department of Agriculture has commenced the rechecking of all applicants, approved as such,

for emergency feed relief during the years 1956 and 1957; and

Whereas during all of said period of time the State of Oklahoma had been declared a drought disaster area and applicants eligible for such emergency feed relief; and

Whereas the program was devised, adopted and applied for the purpose of providing to a drought disaster area necessary feed for livestock at a minimum cost without discrimination so as to protect the livestock interests of all; and

Whereas the efforts now being made to reexamine eligibility of applicants retroactively contrary to findings made and action taken by local committee action; and

Whereas the farmers and ranchers have relied upon the findings and determination of the local representatives of the United States Department of Agriculture in accepting benefits under the emergency feed program during said years: Now, therefore, be it

Resolved by the Committee on Agriculture of the Oklahoma Legislative Council, That the Secretary of Agriculture for the United States of America be requested to accept the fundamental principles under which the program was planned for area benefit rather than individual benefit, and that he further accept the findings and action of the local committee as final; and further to stop any further action toward redetermining eligibility of applicants.

IMPORTATION OF FOREIGN BROOMCORN—RESOLUTION

Mr. KERR. Mr. President, I present, for appropriate reference, a resolution adopted by the Agriculture Committee of the Oklahoma State Legislative Council, relating to the importation of foreign broomcorn and its adverse effect on Oklahoma and other broomcorn-producing States. I ask unanimous consent that the resolution may be printed in the RECORD.

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

RESOLUTION RELATING TO THE IMPORTATION OF FOREIGN BROOMCORN AND ITS ADVERSE EFFECT ON OKLAHOMA AND OTHER BROOMCORN-PRODUCING STATES; URGING THE SECRETARY OF AGRICULTURE AND EACH MEMBER OF THE OKLAHOMA CONGRESSIONAL DELEGATION TO SUPPORT A TARIFF INCREASE ON FOREIGN IMPORTS OF BROOMCORN

Whereas Oklahoma is the largest broomcorn producer in the Nation, raising nearly one-third of the entire output of the United States; and

Whereas the production and sale of broomcorn constitutes the sole livelihood for a major segment of Oklahoma farmers; and

Whereas in 1956 the season average price of Oklahoma broomcorn was $475 per ton, and in 1957 it was $275, making a decrease of approximately 42 percent; and

Whereas imports of foreign broomcorn increased from 973 tons in 1955 to 5,960 tons in 1956, or approximately 80 percent; and

Whereas because of higher harvest costs, domestic production of broomcorn is placed at a competitive disadvantage with foreign broomcorn producers, who utilize cheap labor, such as exists in the fast developing Mexican broomcorn industry; and

Whereas, should foreign broomcorn imports continue to increase at the present rate, they will have a disastrous effect upon the domestic broomcorn market of this State; and

Whereas the continued existence of this major Oklahoma agricultural industry and the livelihood of the farmers engaged in this pursuit depends upon immediate relief from the crippling effect of foreign broomcorn imports: Now, therefore, be it

Resolved by the agriculture committee of the State legislative council, duly assembled at Oklahoma City, Okla., on February 28, 1958—

SECTION 1. That the Honorable Secretary of Agriculture Ezra Taft Benson and each member of the Oklahoma Congressional delegation are hereby urged to take all possible action to increase the tariff on foreign broomcorn imports as set forth in the Tariff Act of June 17, 1930, as amended, from $20 a short ton to $150 a short ton.

SEC. 2. That a copy of the full text of this resolution as endorsed by this committee be transmitted to the Honorable Ezra Taft Benson, Secretary of Agriculture, and to each member of the Oklahoma Congressional delegation.

UNEMPLOYED IRON-ORE MINERS—RESOLUTION

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution I have received from the Board of Education of Independent School District 694, Buhl, Minn., relating to unemployment of iron-ore miners. I ask that the resolution be appropriately referred.

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

RESOLUTION 126

Whereas a serious unemployment and unstable economic situation exists in our immediate area and the Mesabe Iron Range, with hundreds of iron-ore miners unemployed and many more to be laid off as time goes on; and

Whereas this serious situation has created undue hardship and suffering upon these unemployed and their families: Now, therefore, be, and it hereby is

Resolved, That the Board of Education of Independent School District 694, Buhl, Minn., requests the Congress of the United States of America to appropriate Federal funds and aid for a public works program in this area affected by this serious unemployment situation and thus help relieve the hardship of these unemployed and their families and to effectuate the securing of the same; copies of this resolution will be sent to Congressman JOHN BLATNIK, Senator HUBERT HUMPHREY, and Senator EDWARD THYE.

TOLL-FREE BRIDGE BETWEEN FORT FRANCES, ONTARIO, CANADA, AND INTERNATIONAL FALLS, MINN.—RESOLUTION

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution I have received from the Board of County Commissioners of Koochiching County, Minn., relating to the construction of a bridge between Fort Frances, Ontario, Canada, and International Falls, Minn.

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

Whereas the citizens of Fort Frances, Ontario, Canada, and International Falls, Minn., realize that there is need for a bridge to connect the 2 communities and the 2 countries which would be adequate to accommodate the great increase in traffic, particularly motor vehicle traffic, between the 2 countries and whereas it is felt that there should be no delay in formulating the plans and obtaining the necessary consents for the arrangement of the financing and the constructing of the bridge which we urge and insist must be a toll-free bridge: Therefore, be it

Resolved, That we adopt this resolution favoring the construction immediately of the bridge and to urge that immediate action be taken which would lead to the construction of the bridge and that a copy of said resolution be forwarded to our State Senators THYE and HUMPHREY and our Congressman BLATNIK, urging and requesting that they do all in their power to obtain favorable action for the construction of the bridge.

ACCELERATION OF PUBLIC-WORKS PROGRAMS—RESOLUTION

Mr. HUMPHREY. Mr. President, I have just received a resolution adopted by the Board of Education of Independent School District No. 694, Buhl, Minn., urging Congress to accelerate public-works programs in areas affected by serious unemployment.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

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

RESOLUTION 126

"Whereas a serious unemployment and unstable economic situation exists in our immediate area and the Mesabe Iron Range, with hundreds of iron-ore miners unemployed and many more to be laid off as time goes on; and

"Whereas this serious situation has created undue hardship and suffering upon these unemployed and their families: Now, therefore, be and it hereby is

"*Resolved,* That the Board of Education of Independent School District No. 694, Buhl, Minn., requests the Congress of the United States of America to appropriate Federal funds and aid for a public-works program in this area affected by this serious unemployment situation and thus help relieve the undue hardship of these unemployed and their families; and to effectuate the securing of the same, copies of this resolution will be sent to Honorable Congressman JOHN BLATNIK, Honorable Senator HUBERT HUMPHREY, and Honorable Senator EDWARD THYE."

Gerald Anderson moved the adoption of the foregoing resolution and upon support thereof by Thomas Simonson, the same was adopted and so declared at a duly called meeting held March 17, 1958, by the following vote: Ayes 5; nays 0.

STANLEY J. HILL,
Chairman.

Attest:

THOMAS C. SIMONSON,
Clerk.

RESOLUTIONS OF HENNEPIN COUNTY BAR ASSOCIATION, MINN.

Mr. HUMPHREY. Mr. President, I have just received two resolutions adopted by the executive council of the Hennepin County Bar Association endorsing both S. 1165, relating to pay of military lawyers, and the Jenkins-Keogh bill.

I ask unanimous consent that the two resolutions be printed in the RECORD, and appropriately referred.

There being no objection, the resolutions were received, appropriately re-

ferred, and ordered to be printed in the RECORD, as follows:

To the Committee on Armed Services:

HENNEPIN COUNTY BAR ASSOCIATION,
Minneapolis, Minn., March 24, 1958.

The Honorable HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: The following resolution was adopted by a majority vote at a meeting of the executive council of the Hennepin County Bar Association on March 10, 1958:

"*Resolved,* That the president is authorized to write to the Minnesota Senators and Representatives that the executive council acting on behalf of the Hennepin County Bar Association favors Senate bill 1165 relating to pay of military lawyers and urge their favorable support."

Your favorable consideration of Senate bill 1165 will be greatly appreciated.

Thank you.

Very truly yours,
MATTHEW J. LEVITT,
President.

To the Committee on Finance:

HENNEPIN COUNTY BAR ASSOCIATION,
Minneapolis, Minn., March 24, 1958.

The Honorable HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: At a meeting of the executive council of the Hennepin County Bar Association held on March 10, 1958, the following resolution was unanimously adopted:

"*Resolved,* That the president is authorized to write to the Minnesota Senators and Representatives that the executive council acting on behalf of the Hennepin County Bar Association favors the Jenkins-Keogh bill and urge their favorable support."

On behalf of our association we earnestly request your favorable consideration of the matter set forth in the resolution.

Thank you.

Very truly yours,
MATTHEW J. LEVITT,
President.

BRIDGE BETWEEN FORT FRANCES, ONTARIO, AND INTERNATIONAL FALLS, MINN.—RESOLUTION

Mr. HUMPHREY. Mr. President, as the sponsor of the bill (S. 3437) authorizing the Department of Highways of the State of Minnesota to construct and operate a new highway bridge between International Falls, Minn., and Fort Frances, Ontario, Canada, I was particularly pleased to receive the attached resolution adopted by the Board of Commissioners of Koochiching County, Minn.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

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

A special meeting of the board of county commissioners was held at the courthouse in International Falls, Minn., on the 20th day of March 1958. A quorum being present, the following resolution was introduced by Commissioner Lessard, who moved its adoption, and which motion was seconded by Commissioner Mueller and asked to be carried:

"Whereas the citizens of Fort Frances, Ontario, Canada, and International Falls, Minn., realize that there is need for a bridge to connect the two communities and the two countries which would be adequate to accommodate the great increase in traffic, particularly motor-vehicle traffic, between the two countries; and

"Whereas it is felt that there should be no delay in formulating the plans and obtaining the necessary consents for the arrangement of the financing and the constructing of the bridge which we urge and insist must be a toll-free bridge: Therefore be it

"*Resolved,* That we adopt this resolution favoring the construction immediately of the bridge and to urge that immediate action be taken which would lead to the construction of the bridge and that a copy of said resolution be forwarded to our State Senators THYE and HUMPHREY and our Congressman BLATNIK, urging and requesting that they do all in their power to obtain favorable action for the construction of the bridge."

PATRICK J. DONAHUE,
County Auditor.

MINNESOTA AFL–CIO FULL EMPLOYMENT PROGRAM

Mr. HUMPHREY. Mr. President, the executive council of the Minnesota AFL–CIO Federation of Labor recently adopted a full employment program to combat rising unemployment. There is no doubt that the recession which is nationwide in scope has hit the State of Minnesota with more than average severity. The Minnesota AFL–CIO full employment program is a constructive, forward-looking imaginative program for immediate action on all levels, Federal, State, and local.

I ask unanimous consent that the program be printed in the RECORD, and appropriately referred.

There being no objection, the program was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

THE MINNESOTA AFL–CIO FULL-EMPLOYMENT PROGRAM

The executive council of the Minnesota AFL–CIO Federation of Labor in its regular meeting on March 1, 1958, hereby adopts the following as the Minnesota AFL–CIO full-employment program to combat the increasingly serious recession and rising unemployment which is occurring in the State of Minnesota and the Nation as a whole:

A. STATE AND LOCAL

1. That the industrial commission establish new wage orders for industries not recently covered by minimum wage orders, and that present wage orders be vigorously enforced.

2. That the next State legislature be urged to adopt a statewide minimum wage law providing for an adequate minimum wage for intrastate employment by statute.

3. That local governmental units be urged to elect coverage under the Minnesota unemployment compensation law.

4. That the present inadequate benefits in State unemployment and workmen's compensation laws be substantially increased in the next session, and that coverage of the unemployment compensation law be extended to all employers of one or more employees.

5. That the State highway department and other agencies of State government and all the political subdivisions of the State be urged to accelerate all highway and other public-works programs for the purpose of expanding employment and bolstering the economy.

6. That all affiliate organizations be urged to press vigorously for wage increases and other programs such as supplemental unemployment benefits which will expand the purchasing power of employees and, therefore, the general public.

B. NATIONAL

7. That we support the McCarthy-Kennedy unemployment compensation bill in Congress which would provide for nationwide standards in the field of unemployment compensation, and require States to pay more adequate benefits for 39 weeks' duration.

8. That we urge the Congress to adopt national and adequate standards in the field of workmen's compensation, which States will be required to observe.

9. That we urge the Congress to increase substantially the Federal minimum wage rate from its present $1 amount, and to expand the coverage thereunder.

10. That all possible measures be taken to reduce interest rates and to otherwise encourage construction and other forms of business expansion.

11. Tax reduction in the lower income brackets and increased allowances for dependents in State and Federal income-tax laws, and as an immediate measure, a temporary suspension of withholding taxes on incomes up to $5,000 per annum.

12. That we support Federal aid to education, and an accelerated school construction program.

13. A farm price-support program and other farm measures which will insure to farmers fair income, and on parity with other segments of economy.

14. Expansion of the Federal social-security program so as to provide for adequate benefits for all retired and disabled employees and their dependents, and to include medical care as provided in the Forand bill.

15. Federal aid to economically distressed areas.

REPORT ENTITLED "NATIONAL PENITENTIARIES" (S. REPT. NO. 1428)

Mr. HENNINGS. Mr. President, from the Committee on the Judiciary, pursuant to Senate Resolution 56, as extended, I submit a report entitled "National Penitentiaries" and ask that it be printed.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from Missouri.

REPORT ENTITLED "JUVENILE DELINQUENCY" (S. REPT. NO. 1429)

Mr. HENNINGS. Mr. President, from the Committee on the Judiciary, pursuant to Senate Resolution 52, as extended, I submit a report entitled "Juvenile Delinquency" together with the individual views of the Senator from Wisconsin [Mr. WILEY]. I ask unanimous consent that the report, together with the individual views, be printed.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from Missouri.

BILLS INTRODUCED

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

By Mr. SMATHERS:

S. 3568. A bill for the relief of Herbert Westermann; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 3569. A bill to authorize the Secretary of the Interior to exchange certain Federal lands for certain lands owned by the State of Utah; to the Committee on Interior and Insular Affairs.

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

S. 3570. A bill to provide that the Secretary of the Treasury shall purchase certain real property from the city of Knoxville, Tenn.; to the Committee on Armed Services.

By Mr. JAVITS (for himself and Mr. IVES):

S. 3571. A bill to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States; to the Committee on Public Works.

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

By Mr. BEALL:

S. 3572. A bill to authorize land exchanges for purposes of the George Washington Memorial Parkway in Montgomery County, Md., and for other purposes; to the Committee on Interior and Insular Affairs.

PRINTING AS A SENATE DOCUMENT STATEMENT BY PRESIDENT'S ADVISORY COMMITTEE ENTITLED "INTRODUCTION TO OUTER SPACE"

Mr. BRICKER submitted the following resolution (S. Res. 283), which was referred to the Committee on Rules and Administration:

Resolved, That the statement entitled "Introduction to Outer Space," prepared by the President's Science Advisory Committee, shall be printed as a Senate document.

SEC. 2. There shall be printed 50,000 additional copies of such Senate document, of which 15,000 copies shall be for the use of the Senate, 15,000 copies shall be for the use of the House of Representatives, and 20,000 copies shall be for the use of the Special Committee on Astronautics and Space Exploration, established by Senate Resolution 256, 85th Congress.

EQUAL TREATMENT FOR ALL STATE-OWNED HYDROELECTRIC POWER PROJECTS

Mr. JAVITS. Mr. President, on behalf of my colleague, the senior Senator from New York [Mr. IVES], and myself, I introduce, for appropriate reference, a bill to provide for the correction of an inequity in the New York State-St. Lawrence hydroelectric project. I ask unanimous consent that a brief explanation of the bill may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the explanation will be printed in the RECORD.

The bill (S. 3571) to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States, introduced by Mr. JAVITS (for himself and Mr. IVES), was received, read twice by its title, and referred to the Committee on Public Works.

The explanation presented by Mr. JAVITS is as follows:

EXPLANATORY STATEMENT

The bill is intended to correct a discrimination against New York State's St. Lawrence project contained in Public Law 278, 83d Congress, enacted August 15, 1953. That law provides that all State and municipal hydroelectric projects shall be exempt from the recapture provisions of the Federal Power Act, and from the related accounting requirements, but specifically excepts the St. Lawrence project.

Of course, all State projects are subject to the Federal power of eminent domain regardless of the provisions of the Federal Power Act. The act merely provides a formula to determine the amount to be paid. This was recognized by the Congress in enacting Public Law 278.

The bill as originally drafted did not exclude New York's St. Lawrence project from the operation of Public Law 278. No explanation for the change was ever given. When asked why the St. Lawrence project was excluded Congressman HARRIS replied:

"There are so many proposals dealing with the St. Lawrence River that someone brought up the question and the amendment merely exempts the St. Lawrence River from the provisions of this exemption. That is all in the world there is to it." (CONGRESSIONAL RECORD, vol. 99, pt. 8, p. 10927).

This statement was inaccurate. The St. Lawrence license had already been issued to the power authority 2 weeks before the statement was made and there was then no controversy as to the manner of dealing with the St. Lawrence.

The exclusion of the St. Lawrence from Public Law 278 has the continuing practical effect of increasing the annual charges which must be paid when the project begins operation later this year.

Since Public Law 278 makes the St. Lawrence project subject to recapture under the formula provided in section 14 of the Federal Power Act, the Federal Power Commission must keep original cost, depreciation and surplus earnings accounts for the project which it no longer has to do in connection with any other State project. Before the law was passed these records were kept for all projects and the Commission estimated that the cost of keeping them represented approximately 30 percent of all costs incurred in supervising State and municipal licenses. Unless the law is changed, the Commission will charge the power authority the cost of keeping such records and this may increase the annual charges the power authority has to pay to the Federal Power Commission under the St. Lawrence license by as much as 50 percent.

The people of the State of New York and other users of St. Lawrence power will have to pay the bill.

There is, of course, no distinction between New York State's St. Lawrence project and other State projects which would justify this extra expense and extra burden on the accounting staffs of the power authority and the Federal Power Commission. The laws should be changed to provide equal treatment for all State projects.

CHANGE OF REFERENCE

Mr. JOHNSON of Texas. Mr. President, the distinguished chairman of the Committee on Interior and Insular Affairs, the Senator from Montana [Mr. MURRAY], has asked that the bill (S. 3496) to provide for the beneficiation of certain low-grade manganese ores purchased by the General Services Administration be referred to the Committee on Interior and Insular Affairs, and that the Committee on Government Operations be discharged from the further consideration of the bill.

I am informed that procedure meets with the approval of the chairman of the Committee on Government Operations and with the approval of the minority leader. I, therefore, ask unanimous consent that the Committee on Government Operations be discharged from the further consideration of Senate bill 3496 and that the bill be referred to the Committee on Interior and Insular Affairs.

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

EXPANSION OF PUBLIC FACILITY LOAN PROGRAM — ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, on March 17, 1958, the distinguished junior Senator from Arkansas [Mr. FULBRIGHT] introduced, for himself and other Senators, the bill (S. 3497) to expand the public facility loan program of the Community Facilities Administration of the Housing and Home Finance Agency, and for other purposes.

I ask unanimous consent that my name may be added as a cosponsor of this bill and that it appear as such on any further printing of the bill which may be made.

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

REHABILITATION ACT OF 1958—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of March 25, 1958,

The names of Mr. HUMPHREY and Mr. POTTER were added as additional cosponsors of the bill (S. 3551) to provide evaluation of rehabilitation potentials and rehabilitation services to handicapped individuals who as a result thereof can achieve such ability of independent living as to dispense with the need for expensive institutional care or who can dispense with, or largely dispense with, the need of an attendant at home, to assist in the establishment of public and private nonprofit workshops and rehabilitation facilities, and for other purposes, introduced by Mr. HILL (for himself and other Senators) on March 25, 1958.

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

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Address delivered by him at Lincoln Day dinner, Allegheny County Republican executive committee, Pittsburgh, Pa., February 13, 1958.

By Mr. CARLSON:

Address entitled "The Farmer's Interest in the Export Market," delivered by him to the National Conference of Organizations on International Trade Policy, in Washington, D. C., on March 27, 1958.

By Mr. WILEY:

Address on the Washington meeting of the Organization on International Trade Policy, delivered by him at Rockford, Ill., on March 24, 1958; and program for the Washington conference.

By Mr. SMATHERS:

Statement prepared by him on 138th anniversary of Greek independence.

NOTICE OF HEARING ON CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judi-

ciary, I desire to give notice that a public hearing has been scheduled for Monday, April 21, 1958, at 10 a. m., in room 424 Senate Office Building, upon the following nominations:

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

Edwin D. Steel, Jr., of Delaware, to be United States district judge, for the district of Delaware, vice Paul C. Leahy, retired.

At the indicated time and place persons interested in the above nominations may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, as chairman.

VISIT TO THE SENATE BY MEMBERS OF THE PARLIAMENT OF GREAT BRITAIN

Mr. JOHNSON of Texas. Mr. President, some distinguished guests are now in the Vice President's office; they are Members of the Parliament of Great Britain. I ask unanimous consent that at this time I may suggest the absence of a quorum, and at the conclusion thereof the Senator from Arkansas [Mr. FULBRIGHT] be recognized.

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

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

Mr. FULBRIGHT escorted into the Senate Chamber several Members of the House of Lords and House of Commons of Great Britain, who took the seats on the floor of the Senate assigned to them.

Mr. FULBRIGHT. Mr. President, there is no better way for two countries to come to understand each others' virtues, defects, and problems than for the people of one to meet with and get to know the people of the other. It is particularly valuable for representatives of the legislative bodies of the two countries to come together. Therefore, it is with special satisfaction and pleasure that we welcome today this outstanding group of members of the British Parliament.

Our British friends and we in America speak the same language, at least more or less the same language. Much more important, however, is the fact that we share a common history and political, religious, and cultural heritage. In particular, both countries emphasize the paramount importance of the individual as opposed to that of the state. In this fact can be found, I believe, a major strength of both of our countries.

It is eminently fitting that these distinguished members of the British Parliament should meet with us, their American counterparts. However, it is also good that they have the opportunity to travel outside of Washington to various parts of our country. I sincerely hope that, in spite of their schedule, which I fear is a trifle full, they will have an opportunity to meet American citizens in all walks of life. Needless to say, it will be of great value to the people of the United States to have the opportunity of associating firsthand with these leaders of our great ally.

I have studied and traveled in England. Your hospitality was superb. The warmth of your welcome was unsurpassed. I have met many of your students and professors who have visited the United States over the years under the State Department's exchange program. You will surely be pleased to know that all of your people give a good account of themselves in our schools and colleges. We are delighted to have them as we are to have you.

Ladies and gentlemen, I hope that your stay will be both pleasant and profitable. I know that, as a result of your being here, the many ties that bind our two countries together will be made even stronger than before.

Mr. GREEN. Mr. President, we are privileged to have in the Senate Chamber today 12 distinguished Members of the British Parliament who are visting the United States under the Department of State's International Educational Exchange Service. Our British colleagues are returning a visit made by a delegation from both Houses of Congress to the United Kingdom as the guests of Parliament in the fall of 1955.

Those of us who had the great pleasure of making that journey, and, indeed, anyone who has ever had the pleasure of visting the British Isles, will always remember a most hearty and pleasant reception. Such visits do permit the making of valuable firsthand impressions. The ladies and gentlemen of the British Delegation, after leaving Washington at the end of this week, will journey to Williamsburg, where they will see mirrored our common Anglo-Saxon heritage. From there they will proceed to New Orleans, and then individually to those parts of the United States which are of the greatest personal and professional interests to them.

It is indeed a pleasure to be able to welcome you here, and I express the fervent hope that your visit to this country will be as pleasant as was ours to the United Kingdom. I assure you that you will have the opportunity to observe at firsthand the great reservoir of good will and friendship which your country enjoys on this side of the ocean. Visits of this type cannot but break down the many barriers of misunderstanding, and result in ever closer bonds between our countries. I am sure that I am expressing the sentiments of my colleagues in the Senate when I say that I hope that when you return home you will do so in the knowledge that your visit has further strengthened the many bonds of understanding between the United Kingdom and the United States.

Mr. KNOWLAND. Mr. President, as minority leader of the Senate, I should like to join in extending a bipartisan welcome to our distinguished visitors from overseas. All of us are mindful of the common heritage of our two countries. Some of us were privileged during the dark days of World War II to observe the stoutheartedness of the British people under attacks which were then being made. I, myself, happened to be in London on the night of the last of the so-called old-fashioned raids there, at the time the V-1's and V-2's first came to the British Isles and over their capital.

I believe no ally which this country has had over the years has been a stouter one in time of trouble than the British people. If we were ever challenged again to preserve human freedom, there is no nation which I should like to know we were standing shoulder to shoulder with to help maintain a Free World of free men, than the nation so ably represented by the delegation visiting us today.

I might say parenthetically I am pleased that by happenstance the Members of Parliament came to sit on this side of the aisle, for if I only had this many additional Senators, the minority party would be the majority one.

However, I do not greet you in any partisan sense, because I want you to know that while the center aisle divides our two great parties in the Chamber of the Senate of the United States, the welcome you receive is from a unanimous Senate speaking on behalf of the American people to the British people, and we are pleased to have you here.

Mr. FULBRIGHT. Mr. President, if I may, I should like to introduce the members of the British Parliament in the visiting delegation. As I read their names I ask them to rise, so that my colleagues may identify them. Then I hope we shall have an opportunity to shake hands and greet each other.

The leader of the delegation, Sir James Henderson-Stewart.

Lord Rea.

Lord St. Oswald.

Mr. Charles Doughty.

Miss Margaret Herbison.

Mr. Michael Hughes-Young.

Mr. R. Godman Irvine.

Dr. J. Dickson Mabon.

Mrs. P. McLaughlin.

Mr. E. Popplewell.

Mr. W. A. Wilkins.

The Reverend Llywelyn Williams.

(As their names were read, the distinguished visitors rose in their places, and were greeted with applause.)

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that a statement regarding our distinguished visitors be printed in the RECORD at this point.

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

BRITISH PARLIAMENTARY DELEGATION

Sir James Henderson-Stewart, Bart., Member of Parliament, leader of the delegation: Born 1897. Liberal Unionist Member for East Fife since 1933. Educated Edinburgh University. Created a baronet in 1957. Served with the British Expeditionary Force, 1917–19 and in World War II.

Joint Parliamentary Under Secretary of State for Scotland, 1952. Former leader of the National Liberal Party in the House of

Commons. Member of the council, Royal College of Veterinary Surgeons.

Lord Rea, O.B.E.: Born 1900. Educated Westminster and Christ's College, Oxford, and at Grenoble University. Served in the Grenadier Guards, 1918–19.

Liberal leader in the House of Lords since 1955. President of the Liberal Party, 1955–56. Justice of the peace. Lord Rea led a British Parliamentary delegation under the Inter-Parliamentary Union to Burma and Indonesia in 1954.

Lord St. Oswald, Member of the House of Commons: Born 1916. Educated at Stowe. Took his seat in the House of Lords on March 19, 1957. Captain, acting major, Eighth Royal Irish Hussars. Served in southeast Asia, 1943–45. Wounded, mentioned in dispatch. Korea, 1950–52.

Mr. Charles Doughty, Q. C., Member of Parliament: Born 1902. Conservative Member for Surrey, eastern division, since 1951. Educated Eton and Magdalen College, Oxford. Barrister-at-law. Served in the Coldstream Guards, 1940–45. Mrs. Doughty will accompany her husband.

Miss Margaret Herbison, Member of Parliament: Born 1907. Labor Member for Lanark, northern division, since 1945. Educated at the University of Glasgow. Tutor for the National Council of Labor colleges. A member of the National Executive of the Labor Party.

Was Joint Parliamentary Under Secretary of State, the Scottish Office, 1950–51.

Mr. Michael Hughes-Young, M. C., Member of Parliament: Born 1912. Conservative Member for Wandsworth Central since 1955. Educated at Harrow and the Royal Military College, Sandhurst. Before the war, he was commissioned in the Black Watch and served with the French Army and with the King's African Rifles in Africa. He retired as a lieutenant colonel in 1948.

He was on the staff of the publicity department, Conservative central office, and was Parliamentary Private Secretary to the Minister of State, Board of Trade, March-April 1956. Created as assistant government whip in April 1956.

Mr. R. Godman Irvine, Member of Parliament: Born 1909. Conservative Member of the Rye division of East Sussex. Educated at St. Paul's School and Magdalen College, Oxford. Barrister. Served with the Royal Navy Volunteer Reserve, 1940–46, as a lieutenant commander. He was chairman of the National Farmer's Union branch and chairman of the Agricultural Land Tribune, Southeastern Provinces. He farms in Sussex. Mrs. Irvine will accompany her husband.

Dr. J. Dickson Mabon, Member of Parliament: Born 1925. Labor and cooperative Member for Greenock, Scotland, since 1955. Educated at the University of Glasgow. Served in the mines. President of the Glasgow Union, 1951–52, and of the Scottish Union of Students, 1954.

Mrs. P. McLaughlin, Member of Parliament: Born 1917. Conservative Member for Belfast West since 1955. Educated at Trinity College, Dublin. Member of the executive committee of the Ulster Women's Unionist Council. President of the Allen Club for Old People. District Commissioner, Girl Guides.

Mr. E. Popplewell, C. B. E., Member of Parliament: Born 1889. Labour Member for Newcastle on Tyne West since 1945. Government whip since May 1946. Justice of the peace. Vice Chamberlain of Her Majesty's Household, 1947–51. Created a C. B. E. in 1951.

Mr. W. A. Wilkins, Member of Parliament: Born 1889. Labour Member for Bristol South since 1945. Assistant whip since October 1947. A Lord Commissioner of the Treasury, 1950–51. Member of the Bristol County Council, 1936–46. Mrs. Wilkins will come to the United States with her husband but will probably not accompany him on his Washington visit.

The Reverend Llywelyn Williams, Member of Parliament: Born 1911. Labour Member for the Abertillery Division, Wales, since November 1950. Educated Swansea University. Congregational minister of religion, 1936–50. He was a propaganda speaker for the Labor-Party for many years and a lecturer in the Workers' Educational Association. He was a delegate to the Council of Europe, Strasbourg, 1952–53.

Mr. THYE subsequently said: Mr. President, I prepared some brief remarks which I had intended to deliver at the time the members of the British Parliament were in the Chamber, just prior to the short recess, when the Senate received its distinguished visitors.

I ask unanimous consent that the statement may be printed in the RECORD just prior to the recess.

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

STATEMENT BY SENATOR THYE

It is indeed a great pleasure to have with us here today this distinguished group of Members of the British Parliament. In the group I understand there are representatives of the Conservative, Labor, and Liberal Parties and of both the House of Commons and the House of Lords. It is particularly interesting to note that there are two lady members in the delegation.

We have all heard of the great friendliness and hospitality shown 11 of our colleagues in Congress when they visited Great Britain in the fall of 1955. It is therefore doubly a pleasant duty to welcome this group to this Chamber today.

In addition to visiting Williamsburg, Va., and New Orleans, I am told that they plan to travel alone or in small groups to various parts of the United States. I hope they will gain thereby an idea of the great scope and variety of our country. It usually comes as a surprise to visitors from abroad to discover that, although the various sections of this country are basically unified, there are also many interesting regional differences.

Over the years the United States Government has invited many guests to our country, but there have been few, if any, visitors more welcome than these outstanding Members of the British Parliament. Today as the Free World faces a greater challenge than ever before in history, it is vital that our two countries, tied together by bonds of language and history, move ever closer together. Our distinguished British colleagues as they mingle with us today stand as a symbol of the closeness of the friendship and cooperation existing between our two countries, which we all hope will become ever closer and closer.

RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senate will now stand in recess subject to the call of the Chair.

At 12 o'clock and 30 minutes p. m., the Senate took a recess subject to the call of the Chair.

The members of the visiting delegation were escorted to a position on the floor of the Senate in front of the Vice President's desk, and were there greeted by Members of the Senate, who were introduced to them by Mr. JOHNSON of Texas and Mr. KNOWLAND.

Following the informal reception, the distinguished visitors were escorted from the Chamber.

At 12 o'clock and 44 minutes p. m., the Senate reassembled, and was called to order by the Presiding Officer (Mr. PAYNE in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1082. An act for the relief of Katina Apostolou;

S. 2062. An act for the relief of Yasna Trevizan; and

S. 2124. An act for the relief of Tasia J. Somas.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10843) to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4544) for the relief of Louis S. Levenson; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FORRESTER, Mr. DONOHUE, and Mr. BURDICK were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 303) establishing that when the two Houses adjourn on Thursday, April 3, 1958, they stand adjourned until 12 o'clock meridian, Monday, April 14, 1958, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 10843) to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments, and it was signed by the President pro tempore.

CURRENT PROBLEMS IN ATOMIC POWER DEVELOPMENT

Mr. ANDERSON. Mr. President, I wish to call the attention of our Members and the public to a significant speech by the Honorable CARL T. DURHAM before the National Nuclear Congress at Chicago on March 19, 1958. As Senators know, he is chairman of the Joint Committee on Atomic Energy during the current session. The title of his speech is "Current Problems in Atomic Power Development," and he covers many of the pressing problems which are confronting us in the atomic energy field.

Of particular importance in the speech is his emphasis on civilian control of the

peacetime development of outer space. He also calls attention to our continuing bottleneck in the production of plutonium—which is much needed for our small atomic weapons program.

The continuing and insidious problem of overclassification of information on research work in atomic energy also comes in for condemnation by Chairman DURHAM. In the past I have had some remarks to make on this subject, and I commend Mr. DURHAM's comments for your consideration.

Lastly he provides a rundown on the status of the atomic power program, and efforts by the Joint Committee to work with the AEC in developing an acceptable program. These efforts are commendable and worthwhile. The junior Senator from New Mexico has been through some atomic power battles and will want to see proof positive on the part of the Chairman and other members of AEC, the Bureau of the Budget, and the White House, as to their idea of an accelerated domestic and foreign atomic power program as a package, before there will be assurance that this country's program will move forward as rapidly as it should.

I ask unanimous consent to have the speech printed in the body of the RECORD.

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

CURRENT PROBLEMS IN ATOMIC POWER DEVELOPMENT

Speech before Atomic Energy Management Conference of Atomic Industrial Forum and National Industrial Conference Board, Chicago, Ill., Wednesday March 19, 1958, by Hon. CARL T. DURHAM, of North Carolina, chairman, Joint Committee on Atomic Energy

It is a pleasure to talk once again to members and guests of the Atomic Industrial Forum and the National Industrial Conference Board at this joint luncheon. I use the phrase "once again" advisedly, since I talked to the forum at your New York meeting last fall, and to the NICB at your Philadelphia congress last year.

Today I propose to discuss some of our current problems in atomic-energy development, both the military and peacetime aspects. These problems for the most part have been disclosed by the joint committee hearings this session, by its informal seminars on the atomic-power program held last fall, and by its trips to atomic installations here and abroad. Because of your interest in questions of management and information, I have tried to emphasize these aspects of the issues of public policy which I discuss.

In a sense my talk today may be said to be a followup on my Philadelphia speech of a year ago. In that address I reviewed some of the hard facts in the atomic-energy field, and attempted to point up some of the hard questions which are necessary to an understanding and solution to the problems which face us. I also made some recommendations as to policies and programs which I believe are necessary to meet our national and international obligations in the atomic-energy field.

BASIC QUESTIONS

I believe we have made considerable progress in recognizing most of the facts and hard questions to which I called your attention last year. For example, the problems of increased costs and slippages in schedules of prototype reactor projects, together with the basic questions of where the money and direction for an expanded program are going to come from, have received considerable attention in the past year.

I regret to say that we are still not out of the woods in terms of revised policies and expanded programs necessary to cope with the situation. The root problem is the question of leadership in atomic technology, and the role of the United States and the AEC in assuming such leadership.

However, I still remain an optimist as to how it will all come out. I am particularly pleased that AEC, with the active participation of its new Commissioners, shows signs of assuming some of the qualities of leadership and a willingness to cooperate with the Congress, which are so necessary to the success of any program.

MILITARY APPLICATION PROBLEMS

Getting down to cases, let me first review some of our problems in the military field. To begin with, let me point out that we continue to make improvements in weapons technology. Our weapons development and production has been in advance of their means of delivery, particularly as to missiles. There has been no lag in the atomic warhead phase of the missile program.

Civilian control

Last year I pointed out that most of our progress under the 1946 and 1954 Atomic Energy Acts is attributable to the fact that we have had a civilian Atomic Energy Commission responsible for the entire atomic energy program.

This policy of civilian control is presently being put in jeopardy in two different ways. First is by the process of nibbling—of proposing detailed changes in the Atomic Energy Act and practices thereunder which may enhance the role of the military. For example, in H. R. 10348, which provides for exchange of information and materials with our NATO allies, there is an obscure provision which extends a Defense Department veto over the declassification of restricted data from weapons to all military applications, including naval reactors, and nuclear aircraft and rocket development conducted by the AEC.

Outer space propulsion

More important, we are also faced with serious challenge to civilian control in the field of outer space propulsion. Hearings held by the Joint Committee revealed atomic energy will play a key role in long-range space ships with heavy pay loads. The atom will be important both as a heat source for the initial thrust, and as a source of electrical power to accelerate possible ion propellents once a ship reaches outer space.

But as recent events have shown, the combination of the Defense Department and the promoters of conventional fuels and aircraft is making a strong play for military development of space vehicles. I recognize that there are reasonable arguments for and against giving the complete responsibility to AEC along the lines of S. 3117 and H. R. 10271 introduced by Senator ANDERSON and myself. However, I do believe we must remain true to the principle of civilian control, and as a minimum preserve AEC responsibilities for atomic power development for space vehicles.

Plutonium production bottleneck

Our second problem in the military field concerns our needs over the next 5 or 6 years for additional amounts of plutonium for an expanded small weapons program. I regret to say that the Defense Department has made no progress in getting out of its bureaucratic treadmill of basing its plutonium requirements on current AEC productive capacity. This absurd situation has been repeatedly called to the attention of the military since the first joint committee meeting was held on the subject in 1947. I hope the new Secretary of Defense will substantially revise his planning procedures in time for his first appearance with the joint committee in the next month. Meanwhile, we are looking forward to the design study for an advanced large-scale plutonium producing reactor which the joint committee authorized last year.

Aircraft nuclear propulsion project

Our third and last problem in the military field, relates to the aircraft nuclear propulsion project, or ANP as it is called. Plans for the so-called early flight program received a serious setback by the Under Secretary of Defense and the President on March 5 of this year. For a while last year and early this year we thought the ANP program was getting on the right track. Management improvements in terms of placing responsibility for the ANP program in a single office under the direction of one man—so long recommended by the joint committee—were finally accomplished.

The project was even able to get by several advisory committees and an Assistant Secretary of Defense for Research and Engineering, now retired. But it came a cropper with another committee, or subcommittee, appointed by Dr. Killian. This committee, after only an afternoon's briefing and a cursory field trip, made its recommendation to the President and Defense Department without even discussing its tentative findings with the officials responsible for the technical direction of the work. In the joint committee's hearing on March 5, it was brought out that a full year has been lost in the shuffle of schedules as presented to the committee a year ago. Thus the ANP program remains as a colossal monument of maladministration by the Defense Department.

Naval reactor progress

We can retain some pride that in the field of naval reactors we continue to make progress under the leadership of Admiral Rickover and the AEC naval reactors branch. During the past year the *Nautilus* accomplished its daring Arctic exploration under the polar ice, and the new and most modern atomic submarine, the *Skate*, set a record on its first run to England. Our main problem with respect to nuclear submarines is how to get more of them, particularly the type from which the Polaris or other intermediate range missiles can be launched.

PEACETIME APPLICATIONS OF ATOMIC ENERGY

Coming now to peaceful applications of the atom, we can point to considerable accomplishment in the last year. The diversified types of experimental reactors in the AEC 5-year program sponsored by the joint committee reached criticality and began low power operations. Our first full scale atomic power plant at Shippingport also went into operation in 1957 and continues full power operations. Progress is being made in some of the private reactor projects, such as the Vallecitos experimental reactor, and the Dresden project near this city of Chicago.

During the past year in the foreign field, the International Atomic Energy Agency was established and the treaty ratified. As you know, our former colleague, Stub Cole, is Director-General of this agency, and Bob McKinney whom you heard last night, is the senior United States Representative. The new Euratom atomic power agency has also been established, and AEC has announced that a cooperative program is being developed.

Declassification

Progress is also being made in other aspects of the atomic energy program. AEC reports that continued emphasis is being given to declassification of civilian reactor technology. Possibly more important has been the declassification of many phases of the controlled thermonuclear project.

Reference to the Sherwood project reminds me of a colloquy during the 202 hearings a

few weeks ago. Representatives of the Commission were pointing out how liberal they were in declassifying parts of this project. At this point, I asked the question which has troubled me for some years: "Why don't you declassify the entire controlled thermonuclear project?" Various reasons were given as to why this would be bad, including the problem of a backlog of unpublished information which would require 2 years to untangle. The latter reasoning points up dangers to research efforts carried out under secrecy wraps, and raises the further question whether the program should ever have been classified.

Certainly, with the Russians probably at a comparable stage of development in controlled thermonuclear research, the Commission ought to ease up on the present stringent criteria blocking widespread industrial access to information being developed in the program. Continued exclusion of competent American industrial firms and their engineering talents from this important work will not only fail to serve national security interests but will penalize us in our efforts to compete effectively with the Soviet bloc nations in scientific advancement.

The overall problem of security classification may need some rethinking in the light of Under Secretary Quarles' statement before the joint committee as to the independent progress achieved by the Russians in their weapons program as follows:

"We believe that there is no important areas of nuclear weapon technology known to the United States that the Soviets will not be able to attain through their own efforts.

"We believe this competence has been achieved in a large measure independently of outside sources of information."

Undoubtedly the technical accomplishments of the Russians, apparently unaided by United States developments, will ultimately require a complete reappraisal of our classification and security policies.

Industry consultation

Improvements have also been made during the year in AEC's policy of consultation with industry as a group. Heretofore, AEC had followed this policy only with respect to its licensing program, with generally good results. With some encouragement from the joint committee, AEC has extended this policy to its indemnity program and then to its reactor development program last December. More recently the Commission has indicated a possible willingness to undertake group consultation on its contract policies. A first step was taken in a recent informal seminar held by the Atomic Forum. The Commission is also undertaking group consultation on its patent policies through a series of public hearings.

Patents

Incidentally, the question of patents also received some consideration during the 202 hearings. The committee was informed once again that AEC is not making an extensive enough effort to protect United States patent rights in foreign countries, to the detriment of all industry in the United States and particularly the industrial contractor which did the development work on which the patent was based. Problems of compulsory cross-licensing of private inventions under the Atomic Energy Act of 1954 were also discussed in the statutory hearings.

Bureau of Budget holdbacks of funds

Possibly the greatest single problem encountered by AEC since Congress adjourned last August—with the exception of the raw materials cutback, and expanded atomic-power program—was the problem of the holdback of funds for AEC authorized projects which the Congress had appropriated. When members of the joint committee returned from their trip to Vienna and European atomic-energy installations last fall, we naturally began to inquire how the program Congress had authorized was coming along. To our surprise, we found that many projects had either been delayed substantially or not started at all. Thus, for example, we found that all funds for construction of the EBR II had been held up, and that no construction funds for the plutonium recycle reactor project had been made available.

In view of these apparent unnecessary delays, I wrote a letter to the Commission dated November 7, 1957, requesting complete information as to the holdbacks, and inquiring as to what efforts AEC was making to get the money. It has taken a series of letters and conferences with the AEC Controller's office over a period of several months to get all the facts. In summary it appears that of December 1, 1957, a total of $360,656,000 in construction appropriations were held back. Analysis of individual cases revealed that AEC was not always diligent in trying to obtain its funds from the Bureau. However the procedure adopted by the Bureau of requiring rejustification of budget requirements each month on an urgent project basis made it extremely difficult for contractors and AEC administrators to come through with the necessary backup each month. It was only after repeated inquiry by the joint committee that action on releasing these funds was begun in December and January of 1958.

From the above discussion, you can see that we on the joint committee were gratified, but not impressed, by a series of AEC announcements in the last month or so about the authorization of design of a large-scale accelerator, and a fuels technology center, at Argonne. They were authorized a long time ago, but false economy and poor management by the executive branch had held them up all the time.

Civilian atomic-power program

Now if the AEC's Government atomic-power-development program could be said to have been stalled for lack of funds last fall, the Commission's power-demonstration program and the private atomic-power-development program perhaps could be said to have been marking time, possibly for the same reason.

As you will recall there appeared to be considerable confusion as to what the objectives of the program were and should be, and what kind of a program was needed to implement various assumed objectives. Various responsible groups such as the Atomic Industrial Forum, the American Assembly of Columbia University, and the National Planning Association, pointed out the seriousness of the situation and the necessity for arriving at some solution as to objectives, program, and methods.

The Joint Committee on Atomic Energy, as the Congressional "board of directors" for the Nation's atomic energy program, has long felt the need for positive and vigorous action in our atomic power development program. In view of the confusion over the existing program and its objectives, the committee convened a series of informal seminars this past November to consider the views of reactor experts and representatives of the atomic industry.

The results of these seminars confirmed the committee's belief that greater efforts will be needed to spur a program which is still very much in the research and development stage. The results also tended to confirm the impression that there is no present general shortage of engineers and scientists and that the main roadblocks are technical and financial.

It was in this context that I wrote a letter to Chairman Lewis Strauss of the Atomic Energy Commission, on November 27, 1957, requesting the Commission to develop, with the cooperation of the Joint Committee, some realistic program objectives and an accelerated program to carry them out. The Commission accepted this invitation and considerable progress has been made toward a definition of objectives. Progress has also been made on the scope of the program, but there are outstanding questions as to methods of getting the job done which must be resolved.

While it obviously is not possible or appropriate to reveal the details of what the Forum Memo has called "Suspense in Washington" I believe it is in the public interest to sketch the program objectives which have been discussed and to which no serious disagreement has been raised. These objectives may be summarized as follows:

1. To achieve economic atomic power in the United States at early date.
2. To render maximum help to our foreign friends, particularly our NATO allies, in their program to achieve nuclear power in large quantities as soon as possible.
3. To fortify our worldwide leadership in the peaceful applications of atomic energy, particularly atomic power.
4. To obtain more plutonium.

As you can see, they are pretty much the same ones that we all have been talking about for some time. But it does do some good to get them down on paper, and then begin to set target dates, and monetary levels of effort. Then we have to scope it out and figure out the methods of financing and direction.

But no matter what methods are adopted, we can be sure that any expanded program will take substantially more funds, Government and private, and a great deal of effort by all participating organizations.

This raises the final question of whether it is worth it. I think such an accelerated atomic-power program is at least as important as building post offices and levee projects ahead of schedule to combat the recession. In this connection we should note that reactors and laboratories and reprocessing facilities use a great deal of concrete and steel.

But far more important, it seems to me, is our obligation to ourselves and the Free World to maintain our world leadership in atomic technology. We all know that the Soviet Communists are engaged in an all-out effort to beat the United States in science and technology, including atomic energy. History has shown that when a nation starts on the downgrade in its leadership, as measured in the development of its energy resources, it usually loses out as a world power. I don't think we want that to happen here.

I would like to emphasize that the program which I hope we can come up with will be one which provides for a cooperative effort with, rather than an all-out competitive effort against, our friends and allies in Britain and the North Atlantic countries represented in EURATOM and the OEEC. In cooperating with them, we help our own atomic equipment industry get some experience in building reactors.

In conclusion, I should like to point out that we have time enough—but with precious little to spare—to come up with an adequate atomic-power program in this Congress. I believe that the AEC in good faith is trying to develop a workable program which will be acceptable to all concerned. If despite these efforts, for reasons of fiscal policy or otherwise, the Commission is not able to come up with an adequate program, then the joint committee and the Congress must try to fill the gaps.

Well, gentlemen, that about completes my sketch of some of our current problems in atomic-energy development. I couldn't cover them all, such as the raw-materials problem, but I hope you may have obtained some insights on the way our mutual problems are viewed from Capitol Hill.

Thank you very much.

LOUIS S. LEVENSON

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 4544) for the relief of Louis S. Levenson, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSON of Texas. Mr. President, on August 30, 1957, the Senate passed, with an amendment, H. R. 4544, for the relief of Louis S. Levenson.

The House has disagreed to the Senate amendment, and has requested a conference.

I move that the Senate insist on its amendment, agree to the conference asked by the House; and that the Chair appoint conferees on the part of the Senate. This motion has been cleared with the minority.

The motion was agreed to; and the Chair appointed Mr. CARROLL, Mr. ERVIN, and Mr. HRUSKA conferees on the part of the Senate.

KATINA APOSTOLOU

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1082) for the relief of Katina Apostolou, which was, in line 7, after "States" insert: ": *Provided,* That the natural parents of Katina Apostolou shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

YASNA TREVIZAN

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2062) for the relief of Yasna Trevizan, which was, in line 7, after "States" insert ": *Provided,* That the natural parents of Yasna Trevizan shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

TASIA J. SOMAS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2124) for the relief of Tasia J. Somas, which was, in line 7, after "citizen" insert ": *Provided,* That the natural parents of Tasia J. Somas shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

Mr. JOHNSON of Texas. Mr. President, on June 26, 1957, the Senate passed S. 1082, and on August 20, 1957, it passed S. 2062 and S. 2124. These bills would grant to the minor children adopted or to be adopted by citizens of the United States the status of nonquota immigrants, which is the status normally enjoyed by the alien minor children of United States citizens. On March 18, 1958, these bills were passed by the House of Representatives, each with an amendment to provide that the natural parents of the beneficiaries shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

This language is acceptable, and I move that the Senate concur in the House amendment to the bills S. 1082, S. 2062, and S. 2124.

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

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to inform the Senate that we hope to conclude consideration of the highway bill sometime during the day. I then expect to move that the Senate proceed to the consideration of Order No. 1427, H. R. 8268, to amend section 512 of the Internal Revenue Code of 1954.

The bill has been cleared by the minority, and I understand it was favorably reported by the Committee on Finance. I hope Members will take notice of this announcement.

SOUTH-POLE DOG

Mr. THYE. Mr. President, a week ago today, I introduced a bill, S. 3529, to prevent the separation of a sled dog from his master. I introduced that private bill to provide that when Navy Lieutenant Tuck was mustered out of the service, he might keep the service dog he raised at the South Pole. I was informed at that time that the Navy Department, according to laws and regulations, had to consider this sled dog as being surplus defense property and subject to public auction, and that Lieutenant Tuck would be precluded from bidding at that auction.

I have now received a letter from the Navy Department, informing me that positive action has been taken to circumvent the regulations and allow Lieutenant Tuck and his dog, Bravo, to be mustered out of the Navy together. Mr. President, in order that the RECORD may be complete on this case, I ask unanimous consent that the letter I received from Rear Adm. C. C. Kirkpatrick, and a newspaper article, be printed in the RECORD at this point as a part of my remarks.

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

DEPARTMENT OF THE NAVY,
OFFICE OF INFORMATION,
Washington, D. C., March 26, 1958.

Senator EDWARD J. THYE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR THYE: I wish to thank you for your personal interest and assistance in restoring a dog, namely Bravo, to his master, Lt. (jg.) Jack Tuck.

As you know, Lieutenant (jg.) Tuck raised Bravo, the only remaining pup from a litter of nine Huskies, during the past Navy Antarctic Expedition, Deep Freeze III.

Certain regulations, which stem from the laws of the country, exist to protect Government property for personal use. We both recognize the need for these regulations but when they involve the love of a dog for his master, I am sure they do not apply.

With your great interest, Senator, and positive action taken within the Navy, we were able to circumvent the redtape in order to accomplish a humane act.

Bravo will be given an honorable discharge for his heroic service to man during the long 6 months he spent at the South Pole and turned over to the custody of his master, Lt. (jg.) Jack Tuck.

Let me again express the Navy's gratitude to you for all your assistance in this comparatively minor incident in the affairs of the world today but of tremendous interest to a dog and his master.

Most sincerely,

C. C. KIRKPATRICK,
Rear Admiral, United States Navy,
Chief of Information.

BRAVO, NAVY SLED DOG, IS NO LONGER SURPLUS

Bravo, the part-wolf sled dog born in Antarctica, won't be sold by the Navy as surplus property after all.

With magnificent disregard for legal obstacles, the Navy has slashed redtape and will give Bravo an honorable discharge in the near future.

This will enable the dog to remain with Lt. (jg.) Jack Tuck, one of the Navy men and scientists who lived at the American South Pole base last year.

Lieutenant Tuck, who was Bravo's principal nursemaid and trainer, will be leaving the Navy soon to enter college. If all goes well, he and Bravo will get their discharges about the same time.

Involved in making this possible were Secretary of the Navy Gates, a fine hand at snipping entangling redtape, three admirals, two United States Senators, and a host of others.

The Navy's preoccupation with Bravo began with a telephone call Friday, March 14, from Dr. Thomas W. McKnew, vice president of the National Geographic Magazine, to Rear Adm. Charles C. Kirkpatrick, Navy Chief of Information.

Dr. McKnew was passing on the concern of Dr. Paul A. Siple of 131 North Jackson Street, Arlington, scientific leader of the American expedition, about Bravo's fate. According to Dr. Siple, Lieutenant Tuck was heartbroken over the prospects that Bravo, who will be featured in an article in the magazine's April issue, would be sold along with four others for which the Navy paid $233 each.

"Wouldn't it be a good thing for the Navy," Dr. McKnew wondered, "to keep the dog or turn him over to Lieutenant Tuck?"

"Tom," said Admiral Kirkpatrick, "I think it's wonderful. I'll guarantee you, and I don't know how I'm going to do it, that this dog will be sold only over my dead body."

He set Navy machinery in motion and in time the case of Bravo came before Rear Adm. R. J. Arnold, chief of the Bureau of Supplies and Accounts.

"All right," agreed Admiral Arnold, "we won't sell the dog."

Navy business took Admiral Kirkpatrick off to Florida. Before leaving, to make sure there'd be no slip-up, he left instructions, "Don't let anything happen to this dog without informing me."

When the admiral got back, nothing had happened, literally nothing. The inevitable legal questions had arisen. The obstacles were (1) the dog had been declared surplus and (2) there was no legal way, it would be against the law, in fact, to give him away.

By this time, Senator THYE, Republican, of Minnesota, was taking a hand in Bravo's favor. He telephoned Rear Adm. Thomas L. Becknell, Jr., Deputy Chief of the Bureau of Supplies and Accounts, and learned about the difficulties.

"I'll introduce a bill," promised Senator THYE.

"Wonderful, go ahead," said Admiral Becknell.

And now, Senator CLARK, Democrat, of Pennsylvania, had become interested (Lieutenant Tuck is from Erie), but the Navy was of a mind to take matters into its own hands even at the risk of a Congressional investigation. Not only would Bravo not be sold, but he would be turned over to Lieutenant Tuck if the officer wanted him. With customary Navy thoroughness, a call went through to the lieutenant, and he certainly did want the dog.

CLARK CALLS GATES

That was about the time Senator CLARK got on the telephone direct to Secretary Gates, an old friend and fellow Philadelphian.

"What are you doing to this dog?" Senator CLARK asked.

"What dog?" asked Secretary Gates, who has a few other matters on his mind.

Senator CLARK told him.

"I'll get on it right away," Mr. Gates replied.

A little later he was consulting with Admiral Kirkpatrick. "Let's just give him to Lieutenant Tuck," it was suggested. "Never mind the law and hang the consequences."

"Fine, let's do it," the Secretary replied.

That's how it came about that Bravo, now at the Seabees base at Davisville, R. I., will get his honorable discharge.

MINNEAPOLIS JUNIOR CHAMBER OF COMMERCE

Mr. THYE. Mr. President, the junior chamber of commerce in Minneapolis has for the past 4 years been active in promoting a program for the improvement of labor-management relations. On Tuesday of this week, the Minneapolis JC's opened their Jaycee labor-management relations forum for the fourth year, and it was announced last week that the national board of directors of the Jaycees, meeting in Tulsa, Okla., recently, decided to adopt the Minneapolis plan as a national project. This will mean that the plan will be featured at the Junior Chamber International World Congress in Minneapolis in November of this year.

Mr. President, in recognition of the service being rendered by the Minneapolis Junior Chamber of Commerce in the field of labor-management relations, I ask unanimous consent that an article which was published in the Minneapolis Sunday Tribune of March 23, 1958, be printed at this point in the RECORD.

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

CITY JAYCEE PROJECT IS MODEL FOR UNITED STATES

(By Sam Romer)

A made-in-Minneapolis Jaycee project will become the pattern for a national—and perhaps an international—junior chamber of commerce program for promotion of improved labor relations.

It is the 4-year-old Minneapolis Jaycee labor-management relations forum, which gets under way this year Tuesday at the Leamington Hotel.

Jaycee officials Saturday disclosed that the national board of directors, meeting at Tulsa, Okla., decided to make the Minneapolis plan a national project—the only national project approved by the board this year.

This will mean that the plan will get special attention when the Junior Chamber International World Congress is held in Minneapolis in November. A specially prepared booklet will be distributed to some 750 delegates from 52 nations explaining the program.

A special feature of the forum is the annual awards dinner when a labor-nominated employer and a management-nominated union leader are honored for their contributions to industrial peace.

This year the award winner will be Marshall J. Diebold, vice president of Northrup, King & Co., and Harry E. Leonard, financial secretary of International Brotherhood of Electrical Workers, Local 1160.

A feature of the awards dinner this year will be the presentation of a special award to Dr. Herbert G. Heneman, Jr., University of Minnesota industrial relations professor and assistant director of the university industrial relations center.

Heneman, who has been an adviser to the Jaycee group since its inception, will be given an honorary life membership in the committee.

Principal speaker at the dinner, which will start at 6:30 p. m., will be Joseph Finnegan, Washington, Director of the Federal Mediation Service.

The committee is headed by Kenneth Hall, with Robert Fjerstad as vice chairman and Al Arbeiter, secretary. It has about 25 active members.

DEATH OF L. M. WINTERS, LIVESTOCK EXPERT

Mr. THYE. Mr. President, one of the world's leading authorities on livestock breeding was recently struck down by a heart attack while serving with the International Cooperation Administration in Baghdad, Iraq. Mr. L. M. Winters served on the staff of the University of Minnesota from 1928 until his retirement in 1956 as professor of animal husbandry. In his position as livestock adviser with ICA, Mr. Winters was bringing to Iraq his wealth of experience and knowledge of animal husbandry. Our Nation has lost the services of an excellent goodwill ambassador.

In tribute to the contribution which Mr. Winters has made to our country's livestock industry and that of Iraq, I ask unanimous consent, Mr. President, that an article and an editorial which were published in the Minneapolis Star of March 18 and March 19, respectively, be printed at this point in the RECORD.

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

[From the Minneapolis Star of March 18, 1958]

L. M. WINTERS, LIVESTOCK EXPERT, DIES

L. M. Winters, one of the world's leading authorities on animal breeding who developed the Minnesota No. 1, No. 2, and No. 3 breeds of hogs, died following a heart attack Sunday in Baghdad, Iraq, it was learned today.

Winters, 66, had been in Iraq since August 1956, as livestock adviser with the International Cooperation Administration mission to that country.

A member of the University of Minnesota staff since 1928, Winters retired in July 1956 as professor of animal husbandry.

In addition to his work in developing the famed Minnesota hogs, Winters was instrumental in developing two new sheep breeds, the Minnesota No. 101 and Minnesota No. 102. He also helped develop miniature pigs for livestock and medical research.

Mr. Winters was a native of Lake City, Minn. He earned his bachelor of science degree at Minnesota in 1919, a master of science degree at Iowa State College, Ames, Iowa, in 1920, and a doctor of philosophy degree at Minnesota in 1932.

He was professor of animal husbandry at the University of Sackatchewan from 1920 to 1928, when he came to Minnesota.

He is survived by his wife, who is expected to fly back from Iraq this week, and a niece, Mrs. Ernest R. Mose, 110 East Eighth Street, Minneapolis.

[From the Minneapolis Star of March 19, 1958]

L. M. WINTERS

When L. M. Winters died in Iraq this week he was setting up a livestock research program, the same work he carried on so successfully for 28 years at the University of Minnesota.

He is known to the public for his development of new breeds of hogs—Minnesota No. 1, No. 2, and No. 3. But much of his achievement came ahead of that. He first learned how to measure the results of experimentation. Then he determined that the crossing of swine breeds brought increased vigor. Then he established systems of continuous crossing of bloodlines. His methods are the basis of most swine breeding in the Midwest. The experimentation now going forward borrows heavily from his pioneering.

Dr. Winters liked to share with his associates any credit for accomplishments. He was responsible in large measure for the cooperation in livestock research by the six university experiment stations. One station director has said, "Winters taught us how to work together." That is what he was teaching a Middle East country when he died.

MAINTENANCE OF DAIRY PRICE SUPPORTS

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the text of a telegram I have received from William J. Quinn, vice president, Red Owl Stores, Inc., Minneapolis, Minn., relating to the proposed reduction in dairy price supports. I think it is an important message.

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

MINNEAPOLIS, MINN., *March 26, 1958.*

Senator EDWARD THYE,
Washington, D. C.:

The following wire was today sent to President Eisenhower:

"A cut in dairy price supports will result in no appreciable reduction in consumer prices but will materially reduce dairy incomes. We urge you to sign the bill pending on dairy price supports to function at least until a new comprehensive program can be adopted."

WILLIAM J. QUINN,
Vice President, Red Owl Stores, Inc.

Mr. THYE. Mr. President, I ask unanimous consent also to have printed in the body of the RECORD, a letter dated March 20, 1958, which I have received from the Dodge County Farm Bureau, Dodge Center, Minn., also favoring the freezing of price supports of milk at present levels.

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

DODGE COUNTY FARM BUREAU,
Dodge Center, Minn., March 20, 1958.

Senator EDWARD THYE,
United States Senate,
Washington, D. C.

DEAR MR. THYE: Our farm bureau dairy committee met Wednesday, March 19, 1958,

and passed a motion that we favor the freezing of price supports of milk at present levels.

DODGE COUNTY DAIRY COMMITTEE.

DEATH OF JAMES A. FINNEGAN, SECRETARY OF THE COMMONWEALTH OF PENNSYLVANIA

Mr. CLARK. Mr. President, it is with a deep sense of personal loss that I call to the attention of my colleagues the untimely death of the Honorable James A. Finnegan, secretary of the Commonwealth of Pennsylvania, formerly president of the Philadelphia City Council, and an active leader in the ranks of my party on the national scene. During the campaigns of 1952 and 1956, he took a very active part traveling throughout the country in support of the presidential candidate of my party, and in the latter campaign he served as campaign manager.

While Jim Finnegan devoted his life to advancing the cause of the Democratic Party, he had a host of friends among my colleagues on the other side of the aisle and throughout the ranks of all Americans who are interested in public affairs.

Born and brought up in the city of Philadelphia, he served as administrative assistant to my distinguished predecessor, the late Francis J. Myers, Senator from Pennsylvania. With a record in World War II of active combat in France with a troop-carrier group, Jim Finnegan returned to Philadelphia after the war to become a leader in the reform movement which did, I think I may say, have an impact on the life of our city and of our community, beyond its borders.

Mr. Finnegan was the kind of man who made of the art of practical politics an honorable profession.

Just as every Member of this body reached the Senate through the use of his own talents in the field of politics, so Jim Finnegan, using his talents in that field, was able to advance the cause of good government and liberal government, and to hold up to the young people of America the politician as a figure of integrity and decency.

I mourn his passing as a close and dear friend. I am certain that his memory will linger long with many a favorable thought in the minds of all who follow the affairs of my city, my State, and the Nation for many years to come.

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

Mr. CLARK. I yield.

Mr. KENNEDY. I associate myself with the Senator from Pennsylvania in his testimonial to the character of Jim Finnegan. I knew Jim Finnegan during the last 6 or 7 years. While I was in agreement with him on the political course which he took, my affection for him went far beyond that.

He was one of the men who make our political system work for the best interests of all the people. I think he established himself in the minds of all who were associated with him as a man of the strongest character. Even though he was soft spoken, and even though his relations with those with whom he disagreed always remained good, nevertheless he did what he thought was right under favorable and, frequently, under unfavorable conditions.

I think his passing is a real loss. I extend my sympathy to his sister. I think all of us have lost not only a good friend, but also a valued public official.

Mr. CLARK. I thank my friend from Massachusetts.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. JOHNSON of Texas. Mrs. Johnson and I join with the Senator from Pennsylvania and my colleagues in extending to the family of Jim Finnegan our deepest sympathy. He was a dedicated man and a strong party man. He believed in the little people of the Nation. He devoted a great part of his time and his efforts to making the Nation a better place for them in which to live. I deeply regret his passing. I know he will be missed, not only in Pennsylvania, but throughout the Nation.

Mr. CLARK. I thank the Senator from Texas.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to my colleague.

Mr. MARTIN of Pennsylvania. Mr. President, I join with my distinguished colleague from Pennsylvania, although with extreme regret, in what he has said relative to Jim Finnegan. Jim Finnegan and I belonged to different political parties. He was a strong party man. I think that in our country we need men and women, both Democrats and Republicans, who believe sincerely in the ideals of their parties and work at all times to carry those ideals into effect. Jim Finnegan was a man of that type.

I deeply regret his passing. His death is a real loss to Philadelphia and the Commonwealth of Pennsylvania.

Mr. CLARK. I thank my colleague.

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

Mr. CLARK. I yield.

Mr. MANSFIELD. I join with my colleagues in expressing sorrow over the passing of Jim Finnegan. He was a fighter—a clean fighter—but a man who always went into the battle to win.

We will miss him. We will miss the spirit and the inspiration which he furnished to Democrats all over the country.

It is indeed sorrowful that at a comparatively early age this man of great promise has passed to his reward.

Mr. CLARK. I thank my friend from Montana. I shall be happy to carry to his bereaved family the kind things which have been said about him by so many of my distinguished colleagues.

Mr. KEFAUVER subsequently said: Mr. President, I want to join in paying tribute to a really fine citizen, Jim Finnegan, of Pennsylvania, whose death has saddened all who knew him. And all who knew him, loved him.

Jim Finnegan was one of the finest men in politics that I knew—one who never lost his idealism. The Philadelphia story is one which has thrilled all those who believe in good government. Senator JOSEPH CLARK, now a Member of this body, was one of those good citizens who banded together to bring a new day to Philadelphia and Pennsylvania, but I doubt if they would have been successful in the long run if it had not been for the support they got from Jim Finnegan.

I knew Jim as a campaigner. In the primary campaigns of 1956 he was the manager of Adlai Stevenson when Adlai and I ran against each other in many States. Never have I had a fairer or more honorable contest. In the general election campaigns of that year both Adlai and I went to the people under the same guiding hand—that of Jim Finnegan. Again I have never known a more scrupulously sincere or honorable or resourceful manager. During that time I got to know him as a friend, and I shall miss his friendship very much. We shall all miss him.

THE BRUSSELS FAIR

Mr. JOHNSTON of South Carolina. Mr. President, in recent years within the realm of propaganda our State Department seems to possess a genius for stumbling along from one blunder to another. For some reason our State Department at times seems to put our worst foot forward when we step out onto the international stage.

Once again we appear to have done just that in connection with the costly United States exhibit for the upcoming World's Fair in Brussels, Belgium. Not only is a major section of our United States exhibit an exercise in bad judgment and poor taste, but it puts undue emphasis on problems and completely ignores progress. It is especially objectionable in that it constitutes a serious reflection against the American South. And the devilish part of all this is that the exhibit, so destructively critical of the American Southland, is being paid for by American taxpayers, who are already overburdened. This exhibit could not have been more designed to reflect against the American Nation if it had been made in Moscow by the Kremlin.

A timely and effective editorial in the Anderson (S. C.) Independent, entitled "Big United States Exhibit at Brussels Plays Up 'Problems'" is an informed commentary on this latest bit of "screwballism" by our alleged propagandists.

According to the editorial in the Independent's issue of March 18, the New York Times is quoted as authority for the story that three architecturally symbolic buildings at the fair will house a report on three of the Nation's big problems—segregation, the city, and nature.

Then the Independent's editorial further quotes, in part, the New York Times story as follows:

> 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 erosions.

The pavilion housing this phase of our exhibit, we are told, is 20 feet long, 12 feet high, and 12 feet wide.

The Anderson Independent then inquires editorially if this "Is the sort of exhibit on which we are going to spend millions to try to impress the world with the United States?"

Mr. President, the question is well taken.

And I am sure there will be general agreement with the Independent's conclusion: "If this is the way to do it, somebody is crazy as a loon."

Before reaching this well-warranted conclusion, the Independent's editorial tells us:

A conference at the Massachusetts Institute of Technology last year advised the State Department to play down the self-righteousness of this country and play up the evils and sore spots. For what reason we would not know. Dr. Walt W. Rostow, an economist, suggested the exhibition be in the nature of unfinished business.

What I should like to know, and I am sure the other Members of this body would appreciate learning, is what makes any one man, especially an economist, a propaganda expert? I thought we had such experts already on the State Department's payroll.

It would be enlightening to know what body of experts helped dream up this nightmare.

Did the State Department special planners hatch out this one?

Did the Voice of America strategists have their hand in this pie?

How about the international office of the Department of Commerce? Did they concur?

Perhaps the CIA was solicited for its opinion.

And how about the White House adviser on psychological strategy—or was he even consulted in this miscarriage of how to win friends and influence people?

As the Independent's editorial pertinently states:

You can safely wager that Russia won't have pictures and displays of its crowded slums, its long lines waiting to buy food, its prison slave camps, its executions, and its women digging sewers.

It is worthy of special mention, as the Independent points up editorially, the Senate has approved tentatively a total of $14,300,000 for United States participation at the fair, and then the Independent drives home a haymaker editorial comment as follows:

The American taxpayers would be suckers to throw away their money on such poisonous propaganda. It is not too late to call a halt.

In enlightened self-interest, in the name of American achievements since the foundation of the Republic, in consideration of the harassed United States taxpayer, I feel we have the duty to inquire further into this propaganda fiasco before we in the Senate become a final part of this sabotage of our information program.

Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD the editorial which was published in the Anderson, S. C., Independent.

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

[From the Anderson (S. C.) Independent of March 18, 1958]

WHO'S CRAZY NOW?—BIG UNITED STATES EXHIBIT AT BRUSSELS PLAYS UP PROBLEMS

The costly exhibit of the United States at the world's fair in Brussels, Belgium, this spring and summer will reflect against the South as effectively as if Russia instead of the United States taxpayers were paying for it. A so-called side attraction to the big building in the United States area arouses our ire.

We hereby quote from a news story in the New York Times which describes three architecturally symbolic buildings at the fair which will house a report on three of this Nation's big problems—segregation, the city, and nature.

Here is the paragraph that describes the first of the three pavilions which is 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 erosions."

The second and third fancy buildings, presumably as curiously concocted as the jumbled crystal shape of the first, will have less chaotic walls, according to the Times. There will be photos and charts documenting moves toward the improvement of the Negro's status and so on. One picture in the third building will show white, Negro, and oriental children playing together.

Now is this the sort of exhibit we are going to spend millions on to try to impress the world with the United States? If this is the way to do it, somebody is crazy as a loon.

The Senate approved tentatively a total of $14,300,000 for United States participation at the fair, to which 51 countries have been invited.

The appropriation is supposed to match that of Russia, which has been putting out all kinds of propaganda and rumors that it would spend a vast fortune on its exhibits.

It seems at the moment the United States is merely trying to beat Russia's spending instead of doing an intelligent job of telling the world about our country.

Is bragging about the Little Rock school mess and the illegal enforcement of a Supreme Court decision by Federal troops, displaying the worst side of the bus problem and all the sore spots in our growing country the proper way to spend money to show the rest of the world the greatness and goodness of America?

What is the purpose of the United States exhibit anyhow?

Is it to give the United States a black eye or to show some of the many good qualities?

Does the United States have any obligation to the rest of the world to dramatize slums, social disputes, our unemployment, our highway deaths, and our mental institutions? We have plenty of evils, and every other country has them.

You can safely wager that Russia won't have pictures and displays of its crowded slums, its long lines waiting to buy food, its prison slave camps, its executions, and its women digging sewers.

There'll be plenty of pictures of the Bolshio Ballet, the Russian art museums, plenty of other modern machines, including of course, old and new model sputniks with perhaps a slice of the moon.

A conference at the Massachusetts Institute of Technology last year advised the State Department to play down the self-righteousness of this country and play up the evils and sore spots—for what reason we would not know. Dr. Walt W. Rostow, an M. I. T. economist, suggested that the exhibition be in the nature of unfinished business.

The American taxpayers would be suckers to throw away their money on such poisonous propaganda. It is not too late to call a halt.

BACK-DOOR APPROACH TO REDUCTION OF THIRD-CLASS MAIL RATES

Mr. NEUBERGER. Mr. President, the wonderful world of Washington lobby activity is woven from illusions with many subtleties. This realm of make-believe takes on many forms. But the motives are always the same—to achieve by flanking action that which cannot be won by frontal assault. An example of this approach to influencing the course of legislation has come to public attention in recent days, in connection with the bills recently enacted to raise postage rates.

During consideration of the postal-rate bill, Washington metropolitan newspapers carried large advertisements, over the imprint of the Association of First Class Mailers, protesting the 5-cent rate for out-of-town first-class mail. The ads exhorted: "Stop the Stamp Tax. Defeat the 5-Cent Stamp." Since those advertisements appeared, some interesting information has come to light about the purposes of the Association of First-Class Mailers. These facts indicate that when we scratch a first-class stamp, we may find a third-class mailing permit.

In the issue of the Washington Daily News of Friday, March 21, 1958, Mr. Jack Steele, a Scripps-Howard staff writer, reported that the president of the Association of First Class Mailers is Horace H. Nahm, of New York City. Mr. Steel reported:

The ad listed the association's headquarters at 352 Fourth Avenue, New York. This is the address of Hooven Letters, Inc., of which Mr. Nahm also is president. Hooven letters is a printing firm and mailing service which handles primarily third-class (or so-called "junk") mail.

Mr. Nahm, in testimony last year before the House Post Office Committee, identified himself as a former director of the Direct Mail Advertising Association—a group of "junk" mailers. A check of the directors of the Association of First Class Mailers revealed that several others are primarily users of third class mail.

In view of what Mr. Steele has reported, there is great significance in material contained in the Postal Affairs Newsletter of the Mail Advertising Service Association, an organization of direct-mail advertising producers and distributors. This newsletter, signed by Mr. Max T. Lloyd, executive secretary of the Mail Advertising Service Association, states:

Part of the funds contributed to MASA's postal affairs fund have been used to support a two-thirds page ad by the Association of First Class Mailers in the Washington Post headed "The Wooden Nickel Comes Back." Harry Maginnis at ATCMU (Association of Third-Class Mail Users) also contributed generously to the cost of the ad. * * * Since the burden of the fight has been shifted to the first class issue, there may be occasion for other such ads.

Mr. President, I have wondered why third-class mail users would wish to shift "the burden of the fight" to first-class postage. Perhaps the answer is given by other material which appeared in Mr. Lloyd's newsletter to members of the Mail Advertising Service Association. Mr. Lloyd's newsletter stated:

The 5-cent rate is crucial to every other rate in the bill. There has been strong argument on the 2-to-1 ratio for first and third class. If the 4-cent first-class rate is voted in conference, it might possibly bolster the defense for a 2-cent minimum bulk third class.

Although this evidence may not be conclusive, there is every indication that much of the assault against a 5-cent stamp for out-of-town first-class letters has been engineered by third-class mail users, in the hope of winning a 20-percent reduction in the 2½-cent rate approved by the Senate. And there are indications that this manipulation may be continued, since Mr. Lloyd's newsletter reports:

We would like to financially back the AFCMU, ATCMU and continue our campaign via phone, telegrams, and newsletters. But to do this, we need more money.

The newsletter of the Mail Advertising Service Association also contained material critical of my position in favor of raising postage rates in order to have them more nearly cover the Post Office Department deficit. I have no reason to apologize for changing my mind about the need for increases, after having heard the Postmaster General and members of his technical staff testify on behalf of more realistic rates. If Senators cannot change their minds after weighing facts and information, there is little need for us to gather on this floor to debate and to cast our votes on decisive issues of national policy. We could stay at home and be polled by mail, or we could run a set of punch-hole cards through a Univac machine, to decide these major issues.

I changed my mind on postage rates because, as I have stated earlier, the Postmaster General and his staff made an effective case before our subcommittee, while the so-called user groups made a weak case. I note, too, that the user groups are now attacking the Postmaster General because he allegedly changed his mind, over a period of 2 years, with respect to a local and out-of-town differential on first-class mail rates.

Mr. President, the Postmaster-General, Mr. Arthur Summerfield, and I are not of the same political party. But I defend his right to change his mind on a vital issue, as I changed my mind on a different aspect of the postal question. Only recently, the able and distinguished junior Senator from California [Mr. KUCHEL], a man whom I value as a friend, changed his mind on signboard regulation. If I recall correctly, the great, late Senator Arthur H. Vandenberg, of Michigan, changed his mind on foreign policy, and became an advocate of international cooperation, after having once been a leading isolationist. I glory in the right of public officials—yes, and of ordinary citizens—in this great free Nation to change their minds.

If I am not mistaken, the authors of our great Federal Constitution changed their minds a few years after it was written and adopted, and added the first 10 amendments, which we know now as the Bill of Rights.

Mr. President, I do not wish to labor the point as to the origin of much of the public clamor against increases in first-class postage rates. All groups of mail users make significant contributions to our channels of information and to the vitality of our economic life. Perhaps the third-class users are justified in using whatever means are at hand to protect what they believe to be their best economic interests. That is for them to decide. But the Senate should know, I believe, that some of the big users of third-class mail are "wrapping themselves in first-class stamps" because such fantasy may give leverage to reduce the rates for so-called junk mail.

The postage rates adopted in the Senate bill are fair and realistic, in my opinion. If the bill which I supported becomes law, these will be the increases in all major categories since the end of World War II:

	Percent
1st-class letters	51
Airmail letters	60
2d class (newspapers, magazines)	95
2d class (advertising portions only)	108
3d class	103

The post office deficit has been running at the rate of $700 million annually. During the past decade this deficit has totaled $5.4 billion. The interest alone on the postal deficit has been $648 million—enough to pay for both Hells Canyon and John Day Dams, in the Columbia Basin. When the cost of Government operations is not covered by revenues, the deficit must be made up from taxes or from increased borrowing. Why should the huge sum of the postal deficit be assessed against all the taxpayers of the Nation, rather than to be paid by the users of the mails?

Mr. President, I ask consent to have printed in the RECORD, in connection with my remarks, the article entitled "When Is a Lobby?" which was written by Mr. Jack Steele, an able Scripps-Howard staff writer, and was published in the Washington Daily News of March 21, 1958.

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

[From the Washington Daily News of March 21, 1958]

EYEBROWS RAISED OVER MAIL GROUP'S ACTIVITIES

(By Jack Steele)

It's getting hard to tell a lobby without a program.

Take a group that calls itself the Association of First Class Mailers. It is trying hard to induce Congress to vote down the proposed 5-cent letter rate.

Several Members of Congress have raised some questions—as well as their eyebrows—as a result of an advertisement by the association in a newspaper here.

The ad proclaims in big, black type:

"We urge Congress: Stop the stamp tax. Defeat the 5-cent stamp."

Inquiries today developed this information which may answer some of the questions raised by Members of Congress:

Neither the association nor its president, Horace H. Nahm, of New York, is registered as a lobbyist—according to the secretary of the Senate's office where such registrations are filed.

However, a heated denial that the association has failed to register came from its representative here, William L. Sturdevant, Jr.

Mr. Sturdevant was located in the Wyatt Building which was given in the ad as the association's office here.

The ad listed the association's headquarters at 352 Fourth Avenue, New York.

This is the address of Hooven Letters, Inc., of which Mr. Nahm also is president. Hooven Letters is a printing firm and mailing service which handles primarily third-class (or so-called junk) mail.

Mr. Nahm, in testimony last year before the House Post Office Committee, identified himself as a former director of the Direct Mail Advertising Association—a group of junk mailers.

A check of the directors of the Association of First Class Mailers revealed that several others are primarily users of third-class mail.

And at least one is an official of a big magazine publishing house which uses both second- and third-class mail.

Mr. Nahm insisted, however, that the 200 members of the group were "dedicated to protecting the interest of first-class mail."

And Mr. Sturdevant vigorously denied that the association is a front for junk-mail users.

CONSUMERS WILL NOT GAIN FROM DAIRY PRICE CUT

Mr. PROXMIRE. Mr. President, only 5 days now remain before the deadline on which the price supports for dairy commodities are scheduled to be reduced by order of Secretary of Agriculture Benson.

It has often been pointed out, Mr. President, that this proposed cut in dairy farmers' incomes will not benefit the consumers of milk. Yesterday, I received from one of the leading grocery executives in the North Central States a telegram which bears this out.

This is impressive testimony, Mr. President. This man knows what he is talking about. He knows the facts—that consumer prices do not reflect the cut in farm prices which has been taking place in recent years. The margin is simply sopped up by higher profits and higher wages in the processing and marketing trades. While times are made harder for the farmers, it becomes easier and easier for the big dairy processing and marketing corporations to increase their returns.

I wish to read into the RECORD the telegram which I received from this grocery company executive. It comes from Mr. William J. Quinn, vice president of Red Owl Stores, Inc., of Minneapolis, Minn. His telegram reads as follows:

Senator PROXMIRE,
Washington, D. C.:

The following wire was today sent to President Eisenhower: "A cut in dairy price supports will result in no appreciable reduction in consumer prices but will materially reduce dairy incomes. We urge you to sign the bill pending on dairy price supports to function at least until a new comprehensive program can be adopted.

Mr. President, I wish to compliment Mr. Quinn most highly, not only for his accurate understanding of the economic facts concerned in this issue, but also for his courage and statesmanship in speaking out on behalf of the farmers who live in the communities served by the Red Owl stores. He demonstrates a real understanding of the interdependence of the entire economy in these farming communities.

I earnestly hope President Eisenhower will heed Mr. Quinn's advice. I can think of no one better qualified by practical experience and knowledge to give a businessman's judgment of the terrible

consequences that will follow from this step to further depress farmers' incomes.

Mr. President, I have another matter to present during the morning hour.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The Senator from Wisconsin may proceed.

CANON OF ETHICS FOR THE SECURITIES AND EXCHANGE COMMISSION

Mr. PROXMIRE. Mr. President, several weeks ago I introduced a bill to remove from the law the present provision that permits the Commissioners of the regulatory agencies and others to accept honorariums and gratuities from persons and groups whom their agency is set up to regulate.

This morning I received in the mail from the Chairman of the Securities and Exchange Commission a letter and an enclosed draft of a Canon of Ethics which is being considered by the SEC. This Canon of Ethics has been forwarded to the respective chairmen of the other five major, regulatory agencies.

Mr. President, this Canon of Ethics is an excellent beginning in establishing a firm moral code for the independent agencies. I call particular attention to two provisions proposed in the preamble to the code:

> It is deemed contrary to Commission policy for a member or employee of the Commission to—(a) engage, directly or indirectly, in any personal business transaction or private arrangement for personal profit which accrues from or is based upon his official position or authority or upon confidential information which he gains by reason of such position or authority; (b) accept, directly or indirectly, any valuable gift, favor, or service from any person with whom he transacts business on behalf of the United States.

Mr. President, I wish to commend the SEC for proposing to prohibit the acceptance of gifts of any kind from persons with whom the agency transacts business.

I hope that a code similar to this draft will be accepted by the regulatory agencies and by all other departments of Government.

But regardless of whether this code is accepted, I feel it is absolutely mandatory to secure the passage of the bill I have introduced, to strike from the law the present legal approval of the acceptance by public officials of honorariums and expenses from persons whom their department or agency has been established to regulate.

Mr. President, I ask unanimous consent that a part of rule 1 of the Canon of Ethics for members of the SEC, enunciating the general statement of policy, be printed in the RECORD at this point in my remarks.

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

> It is deemed contrary to Commission policy for a member or employee of the Commission to—
>
> (a) engage, directly or indirectly, in any personal business transaction or private arrangement for personal profit which accrues from or is based upon his official position or authority or upon confidential information which he gains by reason of such position or authority;
>
> (b) accept, directly or indirectly, any valuable gift, favor, or service from any person with whom he transacts business on behalf of the United States;
>
> (c) discuss or entertain proposals for future employment by any person outside the Government with whom he is transacting business on behalf of the United States;
>
> (d) divulge confidential commercial or economic information to any unauthorized person, or release any such information in advance of authorization for its release;
>
> (e) become unduly involved, through frequent or expensive social engagements or otherwise, with any person outside the Government with whom he transacts business on behalf of the United States; or
>
> (f) act in any official matter with respect to which there exists a personal interest incompatible with an unbiased exercise of official judgment;
>
> (g) fail reasonably to restrict his personal business affairs so as to avoid conflicts of interest with his official duties.

ORGANIZATION OF THE BLIND

Mr. NEUBERGER. Mr. President, today I wish to announce my support for S. 2411, the bill introduced by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], to assure the right of the blind to organize.

No one can deny that the blind—as well as any other group of citizens—should have the right to organize freely and to speak for themselves.

In law and in theory, the blind do have this freedom now. But in practice, all too often they do not. The National Federation of the Blind feel very strongly that often they are denied the right to organize and to be heard. Through their national organization, which now covers 43 States, and through similar organizations, the blind have associated to promote their own viewpoints in dealing with the many professional and governmental agencies which are responsible for programs on behalf of the blind.

Among our blind citizens there is widespread feeling that professional social workers and officials in the State and Federal agencies for the blind operate on a "papa-knows-best" basis. Efforts of the organizations of the blind to help formulate and carry out policy are often rebuffed, and efforts have even been made to punish those who participate in these organizations.

The AFL–CIO recognized the need for official sanction for the right of the blind to organize, when, at its recent convention in Atlantic City, it endorsed S. 2411.

The bill would do two things: First, it would direct that in forming and carrying out its programs, the Secretary of the Department of Health, Education, and Welfare, to the fullest degree possible, consult with representatives of organizations of the blind, and that the Secretary encourage participating State agencies to do likewise.

Second, it would direct the Secretary of Health, Education, and Welfare to adopt regulations to prevent Federal employees who deal with the blind from using their office or influence in any way to oppose the right of the blind to organize or to oppose in any way the work of organizations of the blind.

The difficulties encountered by organizations of the blind have persisted for so long that it is not reasonable to hope that the problem will cure itself. Therefore, I urge the Senate to join in supporting this proposed legislation, so as to assure that the blind will have the right to associate and to speak for themselves.

URBAN RENEWAL

Mr. CLARK. Mr. President, on Monday of this week, 7 Senators on the minority side of the aisle, led by the able junior Senator from New York [Mr. JAVITS], introduced a measure to authorize an additional $500 million for urban renewal. As explained by the junior Senator from New York, the purpose was to stimulate and accelerate urban renewal throughout the United States during this period of economic downturn.

Mr. President, this is a move with which I am wholly in accord. I desire to commend my colleagues across the aisle in seeking to step up the pace of this vital program, which not only provides jobs but creates opportunity for private enterprise to invest and provide employment. For every dollar which the Federal Government expends for urban renewal, it is estimated that at least $10 are spent by local communities and private enterprise to develop the areas which are cleared of slums and made available for higher uses. The net result is a major economic boost to our hard-pressed cities—large, middle size, and small—as well as a vast social improvement through the wiping out of slums which are costly pockets of social as well as economic deterioration.

I hope to cooperate with Members on both sides of the aisle who favor speeding up urban renewal, and am confident that with their help we can get the Senate to approve a much more nearly adequate program.

However, the enthusiasm shown by my seven Republican colleagues inspired me to check on what the Republican administration downtown was doing with the funds already authorized for urban renewal and other phases of the housing and related programs. I believe all of the seven Senators who are cosponsoring the urban-renewal measure are usually listed among those calling themselves Eisenhower Republicans. I find that Mr. Eisenhower himself has impounded or failed to allocate $305.4 million of funds already authorized by the Congress, of which $204 million was authorized for urban renewal. So with all good will toward my distinguished colleagues—with whom I repeat that I desire to cooperate—I suggest that enthusiasm should begin at home, and perhaps these Eisenhower Republicans can prevail upon their leader to release the impounded funds so that the speedup which they advocate can begin at once without waiting for the enactment of their bill.

I ask unanimous consent to have printed in the RECORD as a part of my remarks, a table showing the housing and urban-renewal funds authorized by the Congress which are, as of this date, either impounded or withheld by the President's Budget Bureau.

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

Balance of housing funds impounded or withheld by Budget Bureau as of March 26, 1958

[In millions of dollars]

	Authorized	Released	Unallocated or impounded
FNMA special assistance:			
Available to President	450	413.6	36.4
Cooperative (sec. 213)	200	160.0	40.0
College housing	925	900.0	25.0
Urban renewal: Capital grant fund:			
Total	1,450	1,246.0	204.0
Regular fund	1,350	[1] 1,246.0	[1] 104.0
President's reserve	100	None	100.0

[1] $50 million to be released on Apr. 1, 1958.

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement which amplifies the description of the $305,400,000 funds to which I have referred, and which also discusses administrative policies which are holding back the use of $972 million in FNMA funds and retarding the public housing program.

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

The 305.4 million shown in this table consists of $204 million for urban renewal, $25 million for college housing, $40 million for cooperative housing and $36.4 million in Fannie May (FNMA) special assistance funds.

Now, I want to be absolutely fair and admit that for part of this money there are mitigating circumstances. It is my understanding that the $40 million for cooperative housing cannot now be spent because there are insufficient applications coming in. I also understand that $50 million of the $204 million authorized for urban renewal is to be released April 1. One may well inquire why the $50 million has been withheld so long while the recession was deepening, but even taking these two items into account, there still remains $215.4 million impounded in these various programs for which I have been unable to find any mitigating circumstances whatsoever.

Of the urban renewal money, $100 million was intended by the Congress to be released under circumstances exactly like those which have prevailed by the last several months. Section 103 (b) of the Housing Act of 1949 provided a reserve fund of $100 million to be released "upon a determination by the President, after receiving advice from his Council of Economic Advisers, as to the general effect of such increase upon the construction in the building industry and upon the national economy, that such action is in the public interest."

The conditions in the building industry have been depressed not just for the last few weeks but for many months. Private housing starts totaled less than 1 million last year—which was the poorest year since 1948—and the rate in the first 2 months of this year was even lower.

Not only should this $100 million be released immediately by the President but all of the other remaining funds in the $305.4 million should be released to accomplish the objectives that it is now clear that some Senators on the other side of the aisle join with the Democratic members of the Housing Subcommittee in advocating.

In addition to the programs held back by the President's action in impounding available funds, other programs have been slowed down as a matter of policy by the administration. For example, one of the important purposes for which Fannie May (FNMA) was created was to purchase VA and FHA mortgages so that mortgage credit could be drawn into these programs.

Fannie May (FNMA) is authorized by law to establish the purchase price which it will offer. Obviously, if it sets large discounts, it will make the sale of such mortgages unattractive and reduce the number which it buys. This is precisely what it has done, and the result has been that Fannie May (FNMA) has failed to accomplish the purpose of this program. In fact, many experts in this field testify that the effect has been to draw down the entire market and thereby adversely influence the entire FHA and VA mortgage money supply.

I include at this point a table which shows that of the $2,754,000,000 authorized so far by the Congress for the purchase of mortgages at the Fannie May (FNMA) secondary mortgage market less than two-thirds has been spent or committed. A total of $972 million is available for the purchase of mortgages. A modification of Fannie May (FNMA) policy at this time would have a tremendous influence upon the rate of home construction under these two programs.

FNMA secondary mortgage market

Authorized by Congress for purchase of mortgages	$2,754,000,000
Expended or committed as of February 28, 1958	1,782,000,000
Available for purchase of mortgages	972,000,000

Much the same deliberate slowup by the administration has virtually throttled the public-housing program. The Congress, in the Housing Act of 1956, authorized 70,000 additional public-housing units. As of this date, only a negligible number is under construction. Only 8,200 have been placed under annual contributions contract after 21 months.

The hearings conducted by our Housing Subcommittee in the field last December produced considerable evidence that the program has been throttled by redtape and that a change of attitude in the administration would cause this important program to move forward along with the housing programs which I have already discussed.

Mr. CLARK. Mr. President, in conclusion, I respectfully urge upon my friends across the aisle to join Democratic advocates of housing in a truly adequate housing bill this year. I submit that it should include:

First. An urban-renewal program at the rate of $500 million—not merely for 1 year ahead, but for the next decade, so that cities all over the country can plan ahead with assurance the funds will be forthcoming.

Second. Steps to revive the public-housing program and make it again a living force for better housing.

Third. A program for moderate-income people who simply have not the earning power to get decent living quarters in the private housing market.

Fourth. Revisions in FNMA and FHA policies and practices which will make the governmental programs already established fully effective in boosting home building as a major means of creating jobs and ending the recession.

I regret the junior Senator from New York could not be present on the floor when my remarks were made. I gave him notice I would make them. Unfortunately, he could not be present.

I further regret that the eloquent Senator from Maine [Mr. PAYNE], who now occupies the chair, cannot reply, but I have no doubt that in due course a rebuttal will be forthcoming.

ARAB STATES BOYCOTT

Mr. JAVITS. Mr. President, about a week or 10 days ago, I spoke in the Senate about the continued boycott by the Arab States of Americans because of their faith.

I call attention to a resolution on that subject adopted by the presidents of 17 major American Jewish organizations. I have communicated with the Department of State on the subject, and with its permission I ask unanimous consent to have printed as a part of my remarks the reply to my letter of inquiry as to what the State Department is doing about the matter.

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

MARCH 19, 1958.

The Honorable JACOB K. JAVITS,
United States Senate.

DEAR SENATOR JAVITS: Your letter of March 6, 1958, addressed to the Secretary of State is concerned with the Arab League boycott of Israel as it is directed against American firms and citizens. The statement of the presidents of the major American Jewish organizations which was attached to your letter sets forth the effect of the Arab League boycott on persons of the Jewish faith, whether American or otherwise, and reflects the tensions which have existed in the area since the formation of the State of Israel.

The position of this Government on measures of economic warfare being taken on a worldwide basis by certain Arab States against persons of the Jewish faith and firms having connections with such persons is well known to the Arab governments. The United States Government does not recognize this boycott of Israel which is maintained against that country by the Arab League, it does not condone policies of the Arab States which discriminate against United States firms or citizens, and it has protested the boycott to the Arab States.

The statement attached to your letter calls particular attention to the situation in Saudi Arabia and states that this Government renewed the "discriminatory Dhahran agreement" after the adoption by the United States Senate of a resolution condemning religious discrimination against Americans by foreign countries. This Government has made no agreement concerning the assignment of official or military personnel to Saudi Arabia. However, the assignment of all persons is of course subject to the provisions of Saudi Arabian visa regulations and visas are required for all American personnel assigned to Saudi Arabia. On various occasions in the past the Department has expressed to the Saudi Government its special concern over restrictions on the admission of persons of the Jewish faith into Saudi Arabia. In reply, officials of the Saudi Government have informed the Department that their visa regulations are related to the tensions arising from the Arab-Israel dispute and are not designed to discriminate against citizens of other countries on a religious basis. As the United States Government does not countenance any foreign interference with our own visa regulations, we have not felt able to take more direct issue with the visa regulations of a friendly foreign state.

After the adoption of Senate Resolution 323 on July 26, 1956, copies thereof were

transmitted to our Embassies in the Arab countries with the instruction that our representatives were to seek every opportunity to emphasize to the governments to which they were accredited the primary principle of our Nation—that there should be no distinction among United States citizens based on their individual religious affiliations.

The Department is constantly working within and outside the United Nations toward a settlement of the basic problems in the Arab-Israel conflict. The Department will continue to take every appropriate opportunity to emphasize the concern of the United States over the existence of restrictions enforced by certain Arab countries with respect to persons, including American citizens, of the Jewish faith. Certainly the Department will not administer treaties or executive agreements in a manner which will discriminate against American citizens because of religion.

Sincerely yours,

WILLIAM B. MACOMBER, Jr.,
Assistant Secretary.

Mr. JAVITS. Mr. President, I am deeply convinced that what is being done by the Government does not have the vigor and the initiative which I think is called for by the spirit of the Senate resolution adopted on this subject in July 1956 protesting against the very kind of discrimination against and boycotting of Americans because of their faith, or of American companies because they have Jews in their management or boards of directors, or because a Jew owns a ship which seeks to enter an Arab port.

The United States fought wars in bygone days for causes lesser than this. Certainly no one wants us to fight a war on this account; but vigorous diplomatic action, I think, is called for; and I hope very much that the State Department will take it.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ADJOURNMENT OF THE TWO HOUSES OF CONGRESS FROM APRIL 3 TO APRIL 14, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 303.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The legislative clerk read the concurrent resolution (H. Con. Res. 303), as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, April 3, 1958, they stand adjourned until 12 oclock meridian, Monday, April 14, 1958.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

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

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement about the legislative program for the information of the Senate.

On completion of action on the road bill, the Senate will proceed to consider today, or as soon as possible thereafter, the following bills:

Calendar No. 1305, H. R. 8794, to provide an exemption from the tax imposed on admissions for admission to certain musical performances;

Calendar No. 1395, S. 3295, to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under such act;

Calendar No. 1417, H. R. 1140, to amend Public Law 85-56 to permit persons receiving retired pay for nonregular service to waive receipt of a portion of that pay to receive pensions or compensation under laws administered by the Veterans' Administration;

Calendar No. 1421, H. R. 4815, to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations, and for other purposes;

Calendar No. 1422, H. R. 7907, relating to contracts for the conduct of contract postal stations, and for other purposes;

Calendar No. 1423, H. R. 7910, to revise the laws relating to the handling of short paid and undeliverable mail, and for other purposes;

Calendar No. 1425, H. R. 9240, to revise certain provisions of law relating to the advertisements of mail routes, and for other purposes;

Calendar No. 1427, H. R. 8268, to amend section 512 of the Internal Revenue Code of 1954;

Calendar No. 1441, S. 3050, to increase the equipment maintenance allowance for rural carriers and for other purposes; and

Calendar No. 1442, S. 3120, to exempt the production of durum wheat in the Tulelake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

I do not know in what order these bills will be considered, but it will not necessarily be in the order I have mentioned them.

I may say that the minority leader has cleared all these bills on his calendar, the one he presents to the majority leader, and so far as I know there is no serious objection to any of them. I should like to have the attachés of the Senate prepared for the consideration of these bills and I should like to have the secretary of the majority and the secretary of the minority inform any Senator who may be interested in the bills that the bills will be considered following the passage of the road bill.

Mr. WILEY. Mr. President, may we have a statement from the majority leader on how long the Senate is expected to stay in session today?

Mr. JOHNSON of Texas. That depends on when we conclude consideration of the road bill. I do not have any idea about it. I would not like to have the Senate sit very late today, but I am anxious to have the Senate complete action on the road bill today. Perhaps the Senator from Tennessee is in a better position to say. How many amendments are at the desk?

Mr. GORE. I am not advised of any more than one or two further amendments which may require debate. It is not a very good idea to hazard a guess, but I should certainly think we should be able to finish by 5 o'clock.

Mr. JOHNSON of Texas. That pleases me very greatly, and I hope the Senator's prophecy will be borne out.

FEDERAL-AID HIGHWAY ACT OF 1958

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of the unfinished business.

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

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 3414) to amend and supplement the Federal-Aid Highway Act approved June 29, 1956, to authorize appropriations for continuing the construction of highways, and for other purposes.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment offered by the Senator from Montana [Mr. MANSFIELD] for himself and his colleague [Mr. MURRAY].

ATTACKS ON CLERGY

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum——

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

Mr. MANSFIELD. For what purpose?

Mr. BUTLER. Before the minority leader left the Chamber, I asked him to yield me 10 minutes. I think the present occupant of the minority leader's chair, the Senator from Pennsylvania [Mr. MARTIN], will be willing to do so, in order that I may make a statement not in connection with the bill before the Senate.

Mr. MANSFIELD. The purpose of having a quorum call was to let the Senate know what the unfinished business was before the Senate. I am perfectly willing to withhold my request, so that the Senator from Maryland may proceed, and at the conclusion of his speech I shall renew the request.

The PRESIDING OFFICER. The Chair states that the Senator from Maryland can secure the time he has requested from the time allotted on the bill itself.

Mr. MARTIN of Pennsylvania. Mr. President, I shall be glad to yield to the Senator from Maryland 10 minutes on the bill.

Mr. BUTLER. Will the Senator yield me sufficient time, not exceeding 15 minutes, on the bill, so that I may conclude my statement without being interrupted, with the understanding that the time not used will be yielded back?

Mr. MARTIN of Pennsylvania. I yield to the Senator from Maryland 15 minutes on the bill.

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

Mr. BUTLER. Mr. President, America's strength, in my opinion, lies in the fact that we are a deeply religious people. Since the days of the Founding Fathers of our Republic, both Houses of the Congress have opened each session with a moment of devotion.

The first amendment to the Constitution provides that "Congress shall make no law respecting an establishment of religion. . . ." The complete separation of church and state provided in the Constitution has engendered a respect on the part of all our citizens for religious leaders of every faith. This respect has served to keep the clergy apart from the day-to-day affairs of collective bargaining and political activity. It is a relationship toward the clergy of all faiths which most of us approve. This American tradition was breached when Emil Mazey, secretary-treasurer of the UAW-CIO, and a trusted lieutenant of Walter Reuther, attacked the clergy before a Senate committee.

Last month the Senate witnessed a most unusual spectacle, the Senate caucus room being taken over by Walter Reuther to denounce the junior Senator from Arizona [Mr. GOLDWATER]. In an unprecedented demonstration of arrogance, Mr. Reuther accused our colleague of cowardice. If the junior Senator from Arizona were a coward, he would have confined his legislative interests to the problems of Arizona, and he would not have incurred the wrath of Walter Reuther.

The Phoenix (Ariz.) Republic, in an editorial on February 28, 1958, commented with respect to this unusual procedure as follows:

> Just who does Reuther think he is anyway? Who is he to tell a Senate committee how it should run its hearing? By what right does he commandeer a Senate caucus room to run a personal press conference? And on what authority does he malign the elected representative of the great State of Arizona?
>
> Everyone who has read the record realizes that Mr. Reuther is determined to capture the National Government. He wants to be President, or at least to put his own man in the White House. But few would have thought him capable of moving in on the United States Senate with the contempt that he showed Wednesday.
>
> Mr. Reuther has allowed his power as a union leader to go to his head. He has shown his ability to take over the Democratic Party in Michigan and to carry the Governor of Michigan around in his hip pocket. He is now demonstrating beyond cavil that he is ready to move from the State to the national level. The American people are fortunate that most of the United States Senators, including BARRY GOLDWATER, are not likely to allow themselves to be pushed around by the Socialist labor leader from Michigan.

The junior Senator from Arizona made the statement, with which many concur, that "Walter Reuther and the UAW are a more dangerous menace than the sputniks or anything Russia might do."

On March 7, Mr. Reuther addressed an 11-page letter to the junior Senator from Arizona which concluded with this most unusual proposal:

> If your charge that "Walter Reuther and the UAW are a more dangerous menace than the sputniks or anything Russia might do" were true, I would have no moral right to be the president of the largest labor union in the United States and Canada nor be a vice president of the largest free trade union center in the world, the AFL-CIO.
>
> Rather than stepping up the volume and the velocity of the name-calling contest, I should like to respectfully propose that we agree to a sensible, sane, and democratic method for resolving the dispute which grows out of your charge against us.
>
> Specifically I propose that each of us select three nationally prominent clergymen, one from each of the three major faiths—Catholic, Protestant, and Jewish—as a panel to weigh these charges that you have made and to hear my refutation of same.
>
> If, after hearing both our cases, a majority of these six distinguished gentlemen of the cloth believe you have substantiated your charge that "Walter Reuther and the UAW are a more dangerous menace than the sputniks or anything Russia might do," I will voluntarily resign from the presidency of the UAW, the vice presidency of the AFL-CIO and from the labor movement entirely.
>
> If they decide you have not substantiated your charge, I would leave it up to your own conscience as to whether you would consider yourself fit to continue to play a role in American public life.

Mr. President, Mr. Reuther's dramatic gesture was made immediately after one of his closest associates attacked the integrity of all members of the clergy before the Senate Select Committee on Improper Activities in the Labor or Management Field. It is clear to me that the real purpose of Mr. Reuther's letter was to cover up the outrageous slander against all men of the cloth voiced by Emil Mazey, secretary-treasurer of the UAW-CIO.

The general reaction to Mr. Mazey's outburst is indicated from the following editorial which appeared in the Detroit News on March 3 entitled "Caesar's Meat":

> The performance of Emil Mazey as a witness before the McClellan Senate committee is one more entry in the case history of the UAW and its curious and growing God-complex.
>
> If not from the throne itself, Mr. Mazey's voice was from on high, from whence he pronounced moral judgments on the clergy of two great faiths, on the legal fraternity and medical profession of Sheboygan County, on a member of the Senate committee and on a Sheboygan court which had dared to jail a UAW goon.
>
> The daily press, long a target of Solidarity House and its anathema mill, finds itself for the moment in excellent company.
>
> The offense, in which all these are joined, appears to be only that they do not believe that the law according to the UAW transcends the law of the land.
>
> The God-complex is not new in American experience, or for that matter in the annals of organized labor. The American spirit puts up with fools. But not with Caesar. What we are witnessing in the McClellan hearing room may very well be the beginning of the end.

In a letter which was released to the press on March 10, the junior Senator from Arizona responded to Mr. Reuther's proposal. Mr. President, I ask unanimous consent that the letter may be printed in the RECORD at this point in my remarks.

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

Mr. WALTER REUTHER,
President, UAW-CIO,
Detroit, Mich.

DEAR MR. REUTHER: Your letter, an 11-page public relations release, has been received by my office. I note with interest that more attention was given to timing your release for the Sunday editions of the newspapers than was devoted to insuring the delivery of this material to the person to whom it was ostensibly addressed.

In your letter you express some fears that this, your most recent personal attack on me, may be, to use your words, construed as a "public relations gimmick." I believe your fears are well grounded.

Let me make clear to you at once that issues of grave public importance are presently being weighed by the committee set up by the United States Senate to explore such matters as the UAW-CIO strike against the Kohler Co. Social evils already disclosed by testimony given under oath go far beyond any question of personalities. For you to attempt now to frame the situation in terms of a personal vendetta is, in my opinion, an attempt to obscure the shocking facts disclosed by the present investigation of the strike against Kohler.

The issue is far too important to be viewed in the light of any personal controversy. The people of the United States are now, among other things, reviewing your activities and the activities of your fellow officials of the UAW-CIO, through the investigating activities of a committee of the United States Senate. You are not required to defend yourself to me. You are required to explain your methods, aims, and activities to the people of the United States, as represented by the present committee.

You are not answerable to me for any crimes you or your officials or hired men may have committed. Nor are you answerable to any group of six clergymen, distinguished as they may be. You are answerable to the people of the United States through their representatives in Congress who have granted to you a position of special privilege and exemption from the law which requires in you a degree of self-discipline and social responsibility far beyond that of the average citizen.

Since you profess to be concerned with the problem of social responsibility, I would suggest that you carefully review the sworn testimony of your own people as presented to date before the present committee hearing. Your tolerance of and acquiescence in such activities would be a measure of your sense of social responsibility.

As one example I would direct your attention, particularly, to the case of William Vinson. This husky young man standing over 6 feet tall and weighing some 230 pounds was turned loose on the village of Sheboygan, Wis., apparently without instructions. He says he was there to build "morale."

In his "morale-building" duties on June 18, 1954, Mr. Vinson visited Zapetto's Tavern in Sheboygan Falls, Wis. At approximately 11:30 p. m., Mr. Willard Van Ouwerkerk, a small, middle-aged local resident, entered the tavern with his wife. The sworn testimony of the record is the most reliable source for the brutal, vicious and unprovoked assault by your UAW-CIO representative upon this local citizen:

"Mr. KENNEDY. On or about June 18, 1954, did you visit a tavern, Zapetto's Tavern?

"Mr. VAN OUWERKERK. I did.

"Mr. KENNEDY. In Sheboygan Falls, Wis.?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. That was about 11:45 p. m.?

"Mr. VAN OUWERKERK. If I remember right; yes.

"Mr. KENNEDY. Approximately that time?

"Mr. VAN OUWERKERK. Approximately, yes.

"Mr. KENNEDY. While you were there, was there a conversation with a woman?

"Mr. VAN OUWERKERK. There was.

"Mr. KENNEDY. And did that woman identify herself as Mrs. Robert Burkhart?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. Would you relate to the committee what occurred during that conversation and then what happened?

"Mr. VAN OUWERKERK. She asked me who I was and I told her.

"Mr. KENNEDY. What was Mrs. Burkhart doing at that time?

"Mr. VAN OUWERKERK. I wouldn't know.

"Mr. KENNEDY. Was she just in the tavern?

"Mr. VAN OUWERKERK. I imagine she was.

"Mr. KENNEDY. Where did you see her?

"Mr. VAN OUWERKERK. She came up to us.

"Mr. KENNEDY. You were sitting at the bar, were you?

"Mr. VAN OUWERKERK. I was sitting at the bar with my wife.

"Mr. KENNEDY. And she came up and started talking to you?

"Mr. VAN OUWERKERK. She did.

"Mr. KENNEDY. Continue, please.

"Mr. VAN OUWERKERK. Well, she asked me if I belonged to the union and I said no. Well, she wanted to know why not, and I told her that—well, I just didn't believe in it, that I figured that if the lines were open, I had a family to support, and I thought I was going to support them.

"So, then we were talking a little while longer. I don't just remember the conversation.

"Mr. KENNEDY. Did she identify herself at that time?

"Mr. VAN OUWERKERK. She did.

"Mr. KENNEDY. Did she know who you were?

"Mr. VAN OUWERKERK. She knew from somebody. I don't know who.

"Mr. KENNEDY. She said you were Willard Van Ouwerkerk?

"Mr. VAN OUWERKERK. That is right. She introduced herself as Mrs. Robert Burkhart.

"Mr. KENNEDY. Continue.

"Mr. VAN OUWERKERK. Well, we talked a little while longer and finally she said, 'Well, I will call somebody.' I don't remember the name. I said, 'No, that wouldn't be necessary.'

"Mr. KENNEDY. Why did she say she would have to call somebody?

"Mr. VAN OUWERKERK. Well, I suppose she wanted somebody else to talk to me. I don't know.

"Mr. KENNEDY. She started to talk to you about not working at the plant?

"Mr. VAN OUWERKERK. She did.

"Mr. KENNEDY. And then she said she was going to get somebody else to talk to you, and she was going to call someone?

"Mr. VAN OUWERKERK. Yes, I told her that wouldn't be necessary because we were leaving.

"Mr. KENNEDY. Was it antagonistic at that time?

"Mr. VAN OUWERKERK. No; I wouldn't say it was.

"Mr. KENNEDY. But you didn't want to get into any kind of an argument?

"Mr. VAN OUWERKERK. I didn't want to get into anything. Then as I got off of the stool, somebody hit me from behind, in the back of the head.

"Mr. KENNEDY. You were struck on the back of the head.

"Mr. VAN OUWERKERK. I was.

"Mr. KENNEDY. And you never saw the person who struck you at all?

"Mr. VAN OUWERKERK. I never saw him.

"Mr. KENNEDY. You were knocked down then?

"Mr. VAN OUWERKERK. I was knocked unconscious. I was on the floor.

"Mr. KENNEDY. You were knocked unconscious.

"Mr. VAN OUWERKERK. I was.

"Mr. KENNEDY. Is that right?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. And when did you regain consciousness?

"Mr. VAN OUWERKERK. I regained consciousness outside.

"Mr. KENNEDY. You regained consciousness outside?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. Afterward, was it related to you as to what happened when you were knocked down to the floor?

"Mr. VAN OUWERKERK. Yes; I heard about it afterward.

"Mr. KENNEDY. What did they tell you as to what happened?

"Mr. VAN OUWERKERK. Well, they told me that this person had worked on me with his feet on my back.

"Mr. KENNEDY. With his what?

"Mr. VAN OUWERKERK. With his feet.

"Mr. KENNEDY. Once you were knocked to the ground from behind, the man then began to kick you; is that right?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. And he kicked you in your ribs?

"Mr. VAN OUWERKERK. My ribs; yes.

"Mr. KENNEDY. And continued to kick you until they pulled him away?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. And finally somebody carried you outside?

"Mr. VAN OUWERKERK. Yes.

"Mr. KENNEDY. When you regained consciousness did you subsequently go to the hospital?

"Mr. VAN OUWERKERK. Do you mean directly?

"Mr. KENNEDY. Well, directly you did not go?

"Mr. VAN OUWERKERK. No.

"Mr. KENNEDY. But subsequently you did go to the hospital?

"Mr. VAN OUWERKERK. I did.

"Mr. KENNEDY. The following day?

"Mr. VAN OUWERKERK. This was on a Friday night. I went to the hospital on Sunday.

"Mr. KENNEDY. Did they take X-rays at that time?

"Mr. VAN OUWERKERK. That I ain't sure of. I couldn't answer that.

"Mr. KENNEDY. Well, did they find, anyway, that you had any ribs broken or any broken bones in your body?

"Mr. VAN OUWERKERK. Yes; through X-rays.

"Mr. KENNEDY. Through X-rays?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. How many ribs did you find were broken?

"Mr. VAN OUWERKERK. It was either 3 or 4.

"Mr. KENNEDY. Three or four of your ribs?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. Were you beaten in any other place?

"Mr. VAN OUWERKERK. Well, had a punctured lung, and then I contracted pneumonia from that lung.

"Mr. KENNEDY. You contracted pneumonia from that lung.

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. How long were you in the hospital?

"Mr. VAN OUWERKERK. I was in there some twenty-odd days. I think it was 22.

"Mr. KENNEDY. So you were knocked down by an unknown assailant and when you were down on the floor, he proceeded to kick you, and you were kicked and knocked unconscious. You were carried outside and ultimately went to the hospital and found that you had 3 or 4 broken ribs, had a punctured lung, and ultimately contracted pneumonia, is that right?

"Was there anything else regarding that?

"Mr. VAN OUWERKERK. In what way?

"Mr. KENNEDY. Well, I mean anything else that happened to you; not that that is not sufficient, but was there anything else regarding this incident?

"Mr. VAN OUWERKERK. No; I wouldn't say so.

"Mr. KENNEDY. Now, subsequently, charges were brought against this man?

"Mr. VAN OUWERKERK. They were.

"Mr. KENNEDY. And that was found to be Mr. William Vinson?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. And he is an international organizer for the UAW?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. He did not come from Sheboygan?

"Mr. VAN OUWERKERK. No.

"Mr. KENNEDY. He was brought in from Detroit?

"Mr. VAN OUWERKERK. The way I understand, he was.

"Mr. KENNEDY. But he had not worked in the plant?

"Mr. VAN OUWERKERK. Not to my knowledge.

"Mr. KENNEDY. And you identified him as an international organizer of the UAW; is that correct?

"Mr. VAN OUWERKERK. Well, I heard he was.

"Mr. KENNEDY. And subsequently there was a trial held and he was found guilty.

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. And the judge sentenced him to 2 years.

"Mr. VAN OUWERKERK. I believe that is right.

"Mr. KENNEDY. That was Judge Schlicting?

"Mr. VAN OUWERKERK. That is right.

"Mr. KENNEDY. Was Judge Schlicting denounced by Mr. Emil Mazey, of the UAW?

"Mr. VAN OUWERKERK. They had a lot of trouble, I don't know what it was.

"Mr. KENNEDY. Did you understand that he was denounced by Mr. Emil Mazey, of the UAW?

"Mr. VAN OUWERKERK. I couldn't answer that.

"Mr. KENNEDY. You don't have any personal knowledge of that?

"Mr. VAN OUWERKERK. No, I don't.

"Mr. KENNEDY. I expect we will go into that.

"Mr. VAN OUWERKERK. Yes, sir.

"The CHAIRMAN. Do I understand that after you received this beating from an international representative of the union, that the court was criticized for the decision it rendered?

"The VAN OUWERKERK. To my knowledge it was.

"The CHAIRMAN. Do you know whether any action was ever taken by the international to condemn or to reprimand or to in anyway punish Mr. Vinson for his vicious assault upon you?

"Mr. VAN OUWERKERK. No; I don't.

"The CHAIRMAN. Do you know whether Mr. Vinson is still a representative of the international union?

"Mr. VAN OUWERKERK. I wouldn't know.

"The CHAIRMAN. Will we be able to show these facts by the witness?

"Mr. KENNEDY. Regarding the attack by Mr. Vinson?

"The CHAIRMAN. The question arises in my mind: Did the international union condone and approve the action of its international representative in making this assault?

"Mr. KENNEDY. We will have testimony on that.

"The CHAIRMAN. All right. Proceed.

"Mr. KENNEDY. I might read from the Supreme Court in upholding Judge Schlicting, circuit court judge, it states: 'The violence of Mr. Vinson's attack on Mr. Van Ouwerkerk, the continuation of the attack by kicking while Mr. Van Ouwerkerk lay helpless on the floor, the serious injuries which

Vinson inflicted, the disproportion in the size and age of two men, which removed fear of personal danger to Vinson from reprisal by Van Ouwerkerk, are matters of evidence which the jury was entitled to consider when reaching a conclusion concerning Vinson's state of mind while he carried on the assault. It is quite impossible to conclude under such circumstances that in so doing, Vinson lacked an intent to hurt Van Ouwerkerk and hurt him badly. Contrary to appellant's contention, the evidence and the inferences from which it was the province of the jury to draw, established beyond a reasonable doubt that the assault was made by Vinson with the intent to inflict great bodily harm on Van Ouwerkerk."

The events above are shocking enough but the people of the United States will be even more shocked, I believe, by the assault which followed upon the judicial system of the United States, by top officials of the UAW-CIO.

The UAW-CIO set about to punish the judge who sentenced Mr. Vinson by going into the judge's hometown to destroy the judge both financially and professionally. As a leading member of the committee stated to Mr. Emil Mazey, secretary-treasurer of the UAW-CIO, after hearing the sworn testimony: " * * * you were leading a powerful and rich organization in a demonstration to intimidate courts in this land."

Outraged by this attack upon the very foundations of our social system, the Roman Catholic clergy of Sheboygan, Sheboygan Falls, and Kohler Village, Wis., issued the following public protest:

"There comes a time when silence is imprudent, and may even be harmful to a community, such as Sheboygan and that time is now. A resident of Sheboygan County was attacked and severly injured by another man. The attacker was tried in circuit court and convicted by a jury of assault with intent to do grave bodily harm.

"The judge of the circuit court, F. H. Schlicting, sentenced the convicted man to prison. The attorneys for the convicted man openly in court complimented the judge for his fairness in the conduct of the trial.

"The State supreme court denied the convicted man a stay of execution of the sentence. In the face of all these facts, the secretary-treasurer of the UAW-CIO, Emil Mazey, closing his eyes to the fact that the injured man was in danger of dying, has accused the judge of obvious bias shown against organized labor.

"He even presumed to question whether the judge is qualified to serve as a judge in this community. He has attacked the integrity of a major court in this country, and deserves to be called decisively to task for his insolence.

"Lawlessness is the result in any society or community when law and order are disregarded and flouted. It is the beginning of anarchy. Is the secretary-treasury advocating either one?"

The names of the clergy who signed the protest are: John J. Carroll, pastor, St. Clements Parish; Robert M. Hoeller, pastor of St. Peter Claver Parish; Anthony J. Knackert, pastor of Holy Name Parish; Louis Koren, pastor of St. Cyril and Methodius Parish; Charles J. New, pastor of St. Mary's Parish, Sheboygan Falls; John A. Risch, pastor of St. John Evangelist Parish, Kohler; James J. Shlikas, pastor, Immaculate Conception Parish; William Weishaupl, pastor of St. Dominic's Parish.

The Sheboygan County Ministerial Association, comprising the Protestant ministers of the local area, also protested this ruthless attack upon the foundations of our democratic society by your organization, the UAW-CIO:

"A very grave issue confronts the community. It is not the issue of the strike at Kohler. It is the issue of an attack upon fundamental institutions which undergird our common life.

"Let us again state the facts which underlie the issue. Mr. Emil Mazey, of UAW-CIO, has attacked the integrity of the highest judicial authority of this county, and has at the same time announced an action to punish the judge for sentencing a man convicted in open court by a jury of his peers.

"The sentence was within the discretion of the court as determined by law. Further the attorneys for the defendant commended the judge for his fairness in the conduct of the trial. And, finally, the convicted man has a remedy for judicial error in appeal to a higher court.

"But the basic remedy for an attempt to intimidate the court can only be found in the stern indignation of the community. Surely a leader of labor betrays his fellow workers when he seeks to destroy or weaken that judicial power which is the bulwark of all groups against injustice, even by the Government itself. Destroy the structure of our liberties and the first group to suffer will be the worker.

"This is the road to lawlessness and violence.

"As ministers of the church who must be concerned with justice and the rights of every individual, we are under compulsion to speak this word."

The Protestant ministers who signed the protest are as follows: Arno Duchow, Baptist Church, Sheboygan Falls; Wildord H. Evans, First Congregational Church; William Genszler, First United Lutheran Church; John Gerber, Ebenezer Evangelist and Reformed Church; T. Perry Jones, First Methodist Church; Clarence Koehler, Zion Reformed Church; Marvin Lehman, St. Paul's Evangelical and Reformed Church; James Saint, First Presbyterian Church; Henry Vermeer, Hope Reformed Church; Richard Werner, First Baptist Church.

The local bar association, the local medical association, and other responsible bodies also expressed their sense of outrage at this attempt by the UAW-CIO to wreak revenge upon a judge whom the clergy, as well as all other responsible elements of the community, and, in fact, the State supreme court, recognized as having merely carried out his judicial responsibilities.

Your secretary-treasurer, Mr. Emil Mazey, when asked to comment on this rebuke by the clergy had this to say, under oath:

"Mr. MAZEY. It is my opinion that the company influences all of the clergy who signed their name to this particular statement.

"Senator CURTIS. Now, Mr. Mazey——

"Senator MUNDT. Will the gentleman yield?

"Senator CURTIS. I will finish this list and before I go to another one I will yield to you.

"Before we started to go over that list one by one, you made the flat statement that the company controlled some of those clergymen. Is that still your statement?

"Mr. MAZEY. I said that in my opinion the company controlled the clergy of Sheboygan, Sheboygan Falls, and Kohler Village, in my opinion.

"Senator CURTIS. Do you mean by that they are not men of integrity?

"Mr. MAZEY. If they are controlled by the Kohler Co., they couldn't be.

"Senator CURTIS. Which ones are you referring to that could not be men of integrity?

"Mr. MAZEY. I said that in my opinion——

Senator CURTIS. I know what you said. I am talking about which individuals are you saying are not men of integrity.

"Mr. MAZEY. All of them.

"Senator CURTIS. I will yield to Senator MUNDT.

"The CHAIRMAN. Did the Senator yield?

"Senator MUNDT. Yes.

"The CHAIRMAN. Senator MUNDT.

"Senator MUNDT. I would like to say for the record, so that my silence will not lead to assent of this performance, that in over 17 years of serving on congressional investigation committees, starting back with the Dies committee, when we were dealing with Communists, I have just heard the most shocking statement from a witness I have heard in 17 years.

"When a witness says that there isn't a single man of integrity in the Catholic clergy of Sheboygan, Kohler Village, and Sheboygan Falls, if he does nothing else he certainly wins whatever kind of award should be made to a fellow who says something which is the most shocking statement I think a Congressional committee has ever had to listen to."

The distaste for Mr. Vinson's activities in Wisconsin, so unanimously expressed by local residents, was evidently not shared by the UAW-CIO in view of the money payments made to Mr. Vinson by your union during the 14 months that he spent in prison. It should also be noted that Mr. Vinson's attorney's fees and legal expenses in his criminal trial were paid for with UAW-CIO dues money which you hold as trustee.

It is clearly beyond the bounds of propriety that matters of such importance to the whole Nation should be considered only within the framework of a personal debate between two individuals.

May I remind you that I represent in the United States Senate along with my respected colleague, Senator HAYDEN, the State of Arizona, and my time is devoted to serving the people of my State in Washington. To the extent that certain national problems impinge on the interests of the people of the State of Arizona or are of sufficient national importance to merit attention I must consider them. Your attempts to gain public relations "points" by vilifying me, or to destroy me politically by sending your paid political operators into my State, are not within the scope of my present attention.

There are published reports that your political action group is coming into my State in an attempt to do me damage with my people. I know Arizonans, and they do not take well to carpetbagging union leaders from the big eastern cities who come into Arizona to destroy Arizona candidates or to manipulate Arizona elections.

Whether the activities of you and your union, the UAW-CIO—whether the irresponsible exercise of power by you and your officials—constitute an important danger to our democratic institutions has already been answered in the affirmative by distinguished members of the clergy who know the facts. This whole crucial realm of public decision is not, however, the province of any pair of individuals or of any group, no matter how distinguished. Judgment on matters of such importance and of such danger to the institutions of this country can properly be made only by the people of the United States.

Sincerely,

BARRY GOLDWATER.

Mr. BUTLER. Mr. President, it is true that Emil Mazey later retracted his attack on the clergy. However, all men of good will will be interested in a letter addressed to Mr. Mazey in care of the Senate Select Committee on Improper Activities in the Labor or Management Field by Mr. T. Perry Jones, minister, First Methodist Church, Sheboygan, Wis. Mr. President, I ask unanimous consent that the letter may be printed in the RECORD at this point in my remarks.

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

DEAR MR. MAZEY: Your telegram of apology for your irresponsible reference to the clergy of Sheboygan County arrived too late to be of any consequence. In fact, it is 2 years too late. The UAW-CIO, through its strike bulletins, and your intemperate statements in public speeches in Sheboygan, vilified the clergy for one reason only.

We were expected to support every word and every technique used by the union. When the clergy turned away from this snide invitation to be spokesman for the union, then we were accused of being spokesmen for the Kohler Co.

Obviously, your greatest insult is to assume that the clergy of Sheboygan County are so lacking in self-respect that they would be stooges for the Kohler Co. or any other group in the community. Whatever faults you may recognize in the Kohler Co., the clergy of this county can assure you that Kohler Co. officials have never tried to influence the churches. We are, Mr. Mazey, as free a group of clergymen as you will find in any part of the country and in spite of your inference, we intend to remain that way.

Had you been as just and honest as you demand others to be, you could have made reference to the many meetings and hours of labor put in by four members of the clergy in an attempt to find an area of usefulness, and to convince the union in its strike techniques that they should be men of integrity.

Because we did not follow the leadership of the union we were castigated for months in the daily strike bulletin and by inference we were accused of cowardice. I do not recall that you came to our defense during this period of intimidation.

It grieves me, Mr. Mazey, that a man of your experience and important office in the union should maliciously poison the minds of labor and alienate the great number of union members from their spiritual leaders.

Sincerely,

T. PERRY JONES,
Minister, First Methodist Church.
SHEBOYGAN, WIS.

Mr. BUTLER. Mr. President, after reviewing the select committee's record of the disgraceful record of violence and slander during the Kohler strike, I would like to associate myself with the remarks of the senior Senator of South Dakota [Mr. MUNDT], who said:

I would like to say for the record, so that my silence will not lead to assent of this performance, that in over 17 years of serving on congressional investigation committees, starting back with the Dies committee when we were dealing with Communists, I have just heard the most shocking statement from a witness I have heard in 17 years.

When a witness says that there isn't a single man of integrity in the Catholic clergy of Sheboyan, Kohler Village, and Sheboygan Falls, if he does nothing else he certainly wins whatever kind of award should be made to a fellow who says something which is the most shocking statement I think a congressional committee has ever had to listen to.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin [Mr. PROXMIRE].

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Senator from Alabama [Mr. HILL] may be permitted to proceed for 2 minutes to make a statement, without the time being charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and the Senator from Alabama is recognized for 2 minutes.

DEATH OF DR. JOHN W. CRONIN

Mr. HILL. Mr. President, regretfully I rise to bring to the attention of the Senate the most unfortunate and premature death of one of our country's finest public servants. I refer to Dr. John W. Cronin, who, as Assistant Surgeon General of the United States Public Health Service and Chief of the Bureau of Medical Services, was suddenly stricken yesterday while at work.

Dr. Cronin was well known and highly esteemed by the Members of the Senate. During the years in which he served as director of the hospital survey and construction program we came to know him particularly well because of his outstanding administration of a program involving many possible difficult relationships between the Federal Government, the States, and local communities. As the administrator of that program, Dr. John Cronin displayed such qualities of wisdom, of tact, and of dedication as resulted in making the program one of the most highly successful and fruitful the Nation has known. Under his wise administration thousands of hospitals and other badly needed health facilities have been built throughout the land. They will serve as constant reminders of the devotion to the public's health of this outstanding American. The Public Health Service and the 170 million people it serves so well will sorely regret his loss.

Mr. President, I ask unanimous consent that there be printed in the RECORD at the conclusion of these remarks the article about Dr. Cronin which appeared in this morning's Washington Post and Times Herald. And, Mr. President, in conclusion, I should like to say to Dr. Cronin's wife and his two children that we share their deep sense of sorrow and of loss. I hope that the memory of the many fine accomplishments of a truly dedicated man will help assuage their grief.

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

DR. CRONIN DIES—PUBLIC HEALTH SERVICE UNIT HEAD

Dr. John W. Cronin, 52, Assistant Surgeon General of the United States Public Health Service, and Chief of the Bureau of Medical Services, died of a heart attack yesterday in an ambulance en route to Casualty Hospital from his office.

Dr. Cronin, his wife, Virginia, and their two children, Virginia May and John Williams Cronin, Jr., lived at 5528 Trent Street, Chevy Chase.

A native of Springfield, Ohio, Dr. Cronin was graduated from Miami University, Oxford, Ohio, and the University of Cincinnati college of medicine. He began his career with the Public Health Service in 1932, and from 1949 to 1956 was Chief of the Division of Hospital and Medical Facilities.

In November 1956 Dr. Cronin was appointed to the post he held at the time of his death, which gave him responsibility for Public Health Service hospitals, nursing and dental resources, the medical services of the Coast Guard, Bureau of Prisons, and Bureau of Employees' Compensation, and administrator of the Hill-Burton hospital and medical facilities construction program.

Dr. Cronin has published articles in widely diversified journals on subjects including psychiatry, medical penology, occupational health, and hospital and health administration.

He was a member of the Industrial Medical Association, Southern Medical Association, an associate of the District Medical Society, and the Association of Military Surgeons of the United States.

As chief of the Hill-Burton program, Dr. Cronin consistently urged States to appropriate money for hospital, nursing home, and clinic construction. He is credited with rallying support for the program, and applying its provisions throughout the country.

FEDERAL-AID HIGHWAY ACT OF 1958

The Senate resumed the consideration of the bill (S. 3414) to amend and supplement the Federal-Aid Highway Act approved June 29, 1956, to authorize appropriations for continuing the construction of highways, and for other purposes.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may be permitted to suggest the absence of a quorum without the time consumed being charged to either side.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana. How much time does the Senator yield himself?

Mr. MANSFIELD. I yield myself 10 minutes.

Mr. President, the amendment offered by my distinguished senior colleague [Mr. MURRAY] and me has to do with a matter which we believe to be of peculiar interest to the State of Montana.

The Federal-Aid Highway Act of 1958, S. 3414, as reported to the Senate, is an excellent piece of legislation prepared to accelerate the construction of highways throughout the Nation. This incentive will apply to the interstate, primary, and secondary highways, as well as the forest and public land highways. This program will stimulate a great increase in construction activity throughout the country, at a time when it is so badly needed.

Most States will be able to take immediate advantage of these liberalized amendments, but there are a few States, including Montana, which will not be

able to take full advantage of the program with the exception of highways and roads that are wholly financed by Federal funds, such as forest highways.

The State of Montana is at present having difficulties in meeting its matching requirements for Federal funds. I am advised that if the State could get $10 million for ABC roads without having to provide matching funds there are enough projects ready to go ahead within 3 to 6 weeks to utilize this amount of money. On these projects all the planning and engineering work has been completed, and they are awaiting the posting of bids.

In the planning of the Interstate System in Montana a number of difficulties have been encountered in purchasing rights-of-way. If the State could get approximately $15 million without matching requirements, the officials feel that within a year there would be enough jobs, such as work on bridge structures, ready to be started.

S. 3414 as reported by the committee would make it possible for the State of Montana to receive 93 percent Federal funds in the construction of the Interstate System, but this would not even help the State in providing immediate sources of employment.

Montana is in need of an immediate source of employment, and it is with this thought in mind that I have sent to the desk an amendment to S. 3414 which would authorize the waiving of all matching requirements for Federal funds allocated under the Federal Highway Act for the period of 1 year, with a $15 million maximum on ABC roads and $20 million maximum on the Interstate System.

The recession has hit hard in Montana, and the State now has the dubious distinction of having the highest insured unemployment rate in the Nation, as of March 8. An accelerated highway program is a natural for providing new employment for the unskilled, as well as the skilled workers who are now seeking employment.

Since Federal construction has been decided upon by the Congress as one of the chief means of combating the recession and granting employment to the many unemployed, it does not seem to me that I am requesting too much, especially in view of the fact that Montana is the hardest hit State in the Nation, and it is urgent that immediate assistance be given to enable the State to achieve some economic stability. Montana has, in addition to the recession problem, the handicap of being the third largest State in the Union with a very small population, which in turn affects the State's revenue. These two problems make it virtually impossible for Montana to take full advantage of the highway program as it now stands.

Under my amendment the vast majority of States will be able to proceed under the accelerated program, contributing their matching share in order to keep their road building program on schedule. It will also help those few States which have had difficulties similar to Montana's, in financing their road programs.

Mr. President, I urge that this amendment be agreed to. Its adoption will provide the immediate stimulant which is so badly needed to meet mounting employment problems.

Mr. MARTIN of Pennsylvania. Mr. President, I yield 3 minutes to the Senator from Tennessee.

Mr. GORE. Mr. President, the able junior Senator from Montana has made a strong and an appealing speech and plea. In essence, the Senator pleads the cause of the States which will have difficulty in matching supplementary funds for fiscal 1959.

The committee anticipated these difficulties by temporarily increasing the matching formula from 50–50 to 70–30 for a 1-year apportionment of $400 million. The committee further anticipated the difficulty several States will have in matching funds by providing in the bill that two-thirds of the 30 percent, which is required of the State as a matching fund, can be borrowed from the United States Treasury. Thus the cash to be supplied by the States will be 10 percent of the cost of the project, as a bedrock requirement.

The distinguished Senator says that even this will be difficult for the State of Montana. I believe it will be difficult for a few other States also. However, the committee feels that the States can and will find a way to provide 10 percent of the cost of the primary, secondary, and urban projects.

Even if the committee's view should not be sustained, the amendment which the able Senator has offered would go much further than that. In the case of the Interstate System, it would provide, not in excess of $20 million, to every State without matching, whether or not the State was having difficulty in matching funds, and not in excess of $15 million to every State for projects on the primary and secondary Federal-aid systems. This would mean a total grant of $35 million to every State, without any requirement that the State provide any matching funds whatever.

Although I am usually in accord with whatever the able junior Senator from Montana suggests—and that record of cooperation and conformity of views is now in its 20th year——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MARTIN of Pennsylvania. I yield 2 additional minutes to the Senator from Tennessee.

Mr. GORE. I find myself unable to support the amendment, because it would apportion to States, without any recognition of territory, mileage, and financial ability, not to exceed $35 million, and that apportionment would be made to every State.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MARTIN of Pennsylvania. Has anything of that kind ever been done, since we started granting Federal aid for the highway systems? Have we ever appropriated a certain sum to a State without taking into consideration population, mileage, and other factors?

Mr. GORE. I do not believe so. Yesterday the distinguished junior Senator from Montana made an eloquent and effective plea for the allocation of vast sums to the forest highways. He and other Senators from the West were successful in persuading the Senate in that regard.

I believe, however, that the pending amendment goes farther than the Senate can, with prudence, afford to go. It is offered with the best of motives. So far as it would apply to Montana and other States similarly situated with respect to difficulties in matching funds, it possesses a good deal of equity. But when applied nationwide, I do not think the Senate should adopt it. I ask the Senate to reject the amendment.

Mr. MANSFIELD. Mr. President, I yield myself 1 minute. I appreciate what the distinguished chairman of the Subcommittee on Public Roads has said. I know he is a friend of the West. I know that if there were some way in which he could help us, he would go more than half way to do so.

I point out that what the senior Senator from Montana and I are requesting in the amendment is a moratorium for 1 year. We do that on the basis of two factors. First, the Montana Legislature will not meet until January 1959. Second—and I dislike to make this statement, but I must do so in all honesty—my State has the shameful distinction, on a percentage basis, of having the largest number of people drawing unemployment compensation at this time of any State in the Union. As of March 8, 1958, the figure was 14.9 percent.

It was because of the peculiarly difficult economic situation in which Montana found itself that I was constrained to offer the amendment on the advice of persons in whom I have great trust and faith, who understand the State's economic situation, and realize the importance of an accelerated highway-construction program, especially so far as it will affect secondary roads.

I most sincerely hope that the Senate will see fit to agree to the amendment at this time.

Mr. MARTIN of Pennsylvania. Mr. President, I yield 2 minutes to the distinguished Senator from Nebraska.

Mr. HRUSKA. Mr. President, yesterday during the discussion of the amendment which sought to strike out section 11 of the bill, some comments were made about the cost of the relocation of utilities. Inasmuch as the discussion was somewhat indefinite, I thought it might be well to have the RECORD contain, during the course of the debate on the entire bill, the testimony on this particular subject as it was adduced before the Committee on Public Works in the form of a supplemental statement by E. C. Yokley, vice chairman of the Committee on Municipally Owned Utilities, National Institute of Municipal Law Officers. The supplemental statement will be found on page 626 of the hearings which were held between January and March of this year.

I ask unanimous consent that the statement be printed at this point in the RECORD.

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

SUPPLEMENTAL STATEMENT OF E. C. YOKLEY, VICE CHAIRMAN, COMMITTEE ON MUNICIPALLY OWNED UTILITIES, NATIONAL INSTITUTE OF MUNICIPAL LAW OFFICERS, RE S. 3150

Secretary Weeks and Mr. Tallamy, when they appeared before the Senate Roads Subcommittee on January 8 and 9, 1958, referred to an increase of approximately $10 billion since 1956 in the estimates for building the Interstate System. On January 9, 1958, Senator Case asked Mr. Tallamy to what extent the cost of reimbursing utilities entered into the increase of estimates of the States for completing the Interstate System. Mr. Tallamy replied that the total increase in cost of utilities, which also includes certain other costs to which he referred, involves a 3 percent increase in costs.

In order to offer some clarification of the amount of utility relocation costs, I would like to call the committee's attention to the statement of John A. Tenbrook for the Edison Electric Institute (hearings before the Committee on Public Works, House of Representatives, on H. R. 4260, 1st sess., 84th Cong., p. 943). Mr. Tenbrook analyzed the study made by the Secretary of Commerce (H. Doc. 127) and found that total utility relocation costs were 2.5 percent of total highway construction costs. He further found that under existing laws and practices in various States two-fifths of this amount was presently reimbursed. Thus the amount of utility relocation costs involved in further provision for reimbursement was about 1.6 percent of total road construction costs. Since 1954, when the study was made by the Secretary of Commerce, the costs involved in relocating utility facilities, has not, according to any information I have been able to obtain, increased substantially. The $10 billion increase in the estimates of cost of constructing the Interstate System caused by increased costs of rights-of-way acquisition and other increased costs should not be considered as reflecting a similar increase in costs of utility relocation. In other words, if 1.6 percent of the total cost of constructing the Interstate System in 1956 represented additional utility relocation costs, the present amount of these costs should be less than 1.6 percent—in fact not much over 1 percent.

Mr. HRUSKA. Mr. President, I point out that instead of the cost of relocation being 3 percent, it is nearer one percent. On that basis, instead of involving a figure of approximately $1 billion, the difference between 70 percent of the cost and 90 percent of the cost is approximately $74 million. Even in the fiscal matters of the United States Government there is a vast difference between $74 million and $1 billion.

I should say that the Senator from South Dakota [Mr. CASE] correctly approximated the situation in his discussion of the subject, as will be seen by comparing the explanation which he gave on that point concerning the cost of relocation and the statement which Mr. Yokley gave, and which has now been incorporated in the RECORD. The Senator from South Dakota is to be commended for his very keen, retentive memory, especially when there is taken into consideration the vast volume of testimony which was adduced. Nevertheless he was able to retain its essence in this particular.

Mr. MARTIN of Pennsylvania. Mr. President, I yield 5 minutes to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, although I have risen to speak about the pending amendment, I should not care to let so nice and generous a compliment as was paid to me by the Senator from Nebraska go unacknowledged. I appreciate his very generous remarks.

Concerning the pending amendment, as the distinguished chairman of the subcommittee has said, the committee has given consideration to the economic situation and, in my personal judgment, has been overly generous in that regard.

I expect to offer later in the day an amendment which would reestablish the 50-50 basic matching formula for the $400 million of emergency funds allocated to the ABC roads. Consequently, I shall, of necessity, be obliged to oppose the pending amendment which would waive all matching requirements for one year to the extent of the $15 million or $20 million figure which the Senators from Montana have proposed.

South Dakota is very similar to Montana in many respects. Our economies are much the same. Citizens of South Dakota are engaged in cattle and stock raising and grain farming in the prairie areas of the State. There are lumbering and mining in the mountainous sections of the State. So I think our economy is much like that of Montana, and I have great sympathy for the problems which the Senator from Montana has stated.

At the same time, I recognize that if we are to have any standards in relation to public roads, and are to maintain the Bureau of Public Roads as a construction agency, and not convert it into, presumably, a relief agency, as such, it will be necessary to maintain the same requirements for matching for the several road funds.

The Western States which have public lands within their boundaries get some concession in matching under present circumstances. On page 13 of the committee report, there appears a table entitled "Sliding Scale Rates of Federal-Aid Participation in Public Lands States Effective February 1, 1958." From the table, I note that my own State of South Dakota does not match on a 50-50 basis. The Federal Government contributes 55.83 percent of a dollar.

As to Montana, the Federal Government puts up 56.54 percent of a dollar, instead of 50 cents, as is the case in the States which do not have public domain or land owned and controlled by the Federal Government and not subject to local taxes.

The amount contributed by the Federal Government runs as high as 83.74 percent in Nevada, and 71.96 percent in Arizona.

So the Western States, where there are depressed conditions in the mining communities, have the benefit of a better matching ratio than do some other States. That applies to the ABC roads—the Federal primary, the Federal secondary, and the Federal urban roads. In addition, some type of credit is given on the Interstate System.

So the public-lands States get a little better break than 90 cents on the dollar on the Interstate System. In South Dakota, it is 91.17 percent; in Montana, it is 91.31 percent.

In view of these circumstances, and in view also of the provisions in the bill for an emergency fund from which a portion of the matching money could be borrowed by the States, it seems to me that the amendment should not be adopted. Yet I respect, not only the right of the Senators from Montana to present the amendment at this time, but also their diligence. I feel, however, that we should maintain the standard and principle of contribution by the States. This is necessary if we are to keep the public-roads program on a sound basis throughout the years.

For these reasons, I hope the amendment will not be agreed to.

Mr. MARTIN of Pennsylvania. Mr. President, I am willing to yield back the remainder of my time.

Mr. MANSFIELD. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from Montana [Mr. MANSFIELD] for himself and the senior Senator from Montana [Mr. MURRAY].

The amendment was rejected.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at this time I may suggest the absence of a quorum, and that the time required for calling the roll not be charged to the time available under the unanimous-consent agreement.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there objection? Without objection, it is so ordered; and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. President, I call up my amendment identified as "3-24-58—D," which is at the desk. I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 24, after line 9, it is proposed to insert a new section, as follows:

"SEC. 13. Section 116 (c) of the Federal-Aid Highway Act of 1956 is amended by inserting therein, immediately before the colon preceding the proviso, a semicolon and the following: "and any State highway department which submits plans for an Interstate System project shall certify to the Commissioner of Public Roads that it has had public hearings at a convenient location, or has afforded the opportunity for such hearings, for the purpose of enabling persons in rural areas through or by whose property the highway will pass to express any objections they may have to the proposed location of such highway."

Renumber the succeeding sections.

Mr. THYE. Mr. President, will the Senator from South Dakota yield 4 or 5 minutes to me?

Mr. CASE of South Dakota. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

A NATIONAL SCHOLARSHIP PROGRAM AND LOANS TO COLLEGES AND UNIVERSITIES FOR SCIENCE EQUIPMENT AND FACILITIES

Mr. THYE. Mr. President, I thank the Senator from South Dakota for his courtesy in yielding to me.

Let me say, Mr. President, that on the first day on which bills could be introduced at this 2d session of the 85th Congress, I introduced Senate bill 2917, which calls for a national scholarship program. A few weeks later, I introduced Senate bill 3281, which would provide loans to colleges and universities for science equipment and facilities. Many of my colleagues have introduced similar bills of their own pertaining to this much needed legislation.

Mr. President, I am deeply concerned with the fact these bills are still in committee, and we do not know how long it will be before they will come before the Senate for consideration. Time is of the essence. If we are to institute a scholarship program which will effect an increase in the number of students who will enroll in courses in science, mathematics, and technology next fall, we must act quickly. High-school seniors are now making up their minds as to what they will do after their graduation next May or June. Even after these proposals are enacted into law, we know it will take many weeks to establish a scholarship program.

One of the main purposes of a national scholarship program is to encourage young men and women who would otherwise not be able financially to go to college, to continue their education beyond the high-school level. I repeat, Mr. President, that these high-school seniors are now making up their minds as to whether they can afford to continue their education. Any material encouragement we are to give them must come quickly, if it is going to affect their decision.

Furthermore, if our colleges and universities are to prepare to train increased numbers of students in the areas of science and technology, there must be loans or grants to provide equipment and expanded laboratory facilities. Even if such legislation could be considered and passed today, it would still take months to plan for, order, and install the needed equipment.

I understand that on March 13, the Committee on Labor and Public Welfare completed hearings on these and other proposals. However, I have been unable to learn when further committee action can be expected.

I respectfully urge, Mr. President, that the committee act on these bills as quickly as possible. It is also my hope that when the bills are reported by the committee, they will be scheduled for action in the Senate with a minimum of delay.

During the first weeks of this session, my colleagues spoke as with one voice of the urgent need for legislation to bolster our educational system and assist our educators in their determination to excell Russia and maintain world leadership in science and technology. Mr. President, we cannot permit two successful satellite launchings by our country to lull us back into a spirit of complacency.

Theodore Roosevelt once said that too often America has had to learn by tragedy, rather than by experience. By moving quickly to enact the bills for a national scholarship program and for loans or grants for scientific equipment and expanded laboratories in our institutions of higher learning, we can prevent tragedy, and can show that we are learning by experience.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from South Dakota is entitled to the floor.

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

Mr. CASE of South Dakota. I understand the Senator from Minnesota wants to get some time from those in opposition.

Mr. GORE. Mr. President, I yield 5 minutes to the junior Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

THE AMERICAN SEARCH FOR PEACE

Mr. HUMPHREY. Mr. President, the well-known and energetic journalist, Doris Fleeson, recently addressed the Farmers Union convention in Denver, Colo. As usual, she was provocative, imaginative, and constructive. Her speech was entitled "The American Search for Peace." It deserves the attention of every Member of this body.

I ask unanimous consent that the text of the address be printed at this point in the RECORD.

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

THE AMERICAN SEARCH FOR PEACE

(Address by Doris Fleeson at the National Farmers Union Convention, Denver, Colo., March 19, 1958)

No better text for a nation in crisis was ever penned than the words of Abraham Lincoln in his famous house-divided speech.

"If we could know where we are and whither we are tending we could better judge what to do and how to do it."

Lincoln was reaching for a national self-awareness—the indispensable preliminary to any saving act of Government. You will notice that no word in that sentence is longer than two syllables. It is not a slogan and it is definitely not subliminal.

Lincoln was not seeking to hypnotize himself or his audience. He wanted people to understand exactly what he was trying to do. He did not want them to stop thinking; he wanted them to think harder.

As Little Rock has so recently reminded us we have still to outlive the tragedy of our failure to follow in time where Lincoln led. His words remain valid—100 years and immensely greater challenge later. If we will only consent to look at what we see, we can save ourselves.

What we see is all too apparent. It is a succession of Potemkin villages which all of us—our politicians, our press, our people—have constructed to adorn our way.

It is possible to forgive Catherine the Great for never looking behind the rich facades with which Prince Potemkin concealed the emptiness of his grandiose schemes for colonizing the south Russian steppes. He was plausible and she loved him. The divine right of kings still bemused that sleeping giant of a nation whose awakening has taken a form so menacing for freedom everywhere.

Potemkin was a superbly successful propagandist. It is interesting that one of its earliest and certainly one of the best pieces of propaganda by the Soviet Union was a moving picture entitled "The Armored Cruiser Prince Potemkin." That moving film was in a sense a salute from master propagandists to a spiritual ancestor.

I suspect that my generation felt and certainly hoped it had seen the final flowering of propaganda in the so nearly successful attempt by Adolf Hitler to rule the world. It was the sole weapon by which Hitler maneuvered himself onto the world stage with his appointment as German Chancellor.

Of that appointment the venerable German historian, Friedrich Meinecke, wrote at the time: "I said to myself with the deepest consternation not only that a day of misfortune had dawned for Germany but also—'this was not necessary'."

This was not necessary. It had only been made to appear necessary.

Today, we live in a world which, because media of communication have multiplied so enormously, the opportunities for propaganda have become infinitely greater. The use of those opportunities has followed right along in geometrical progression.

The New York Times chief correspondent in Washington, James Reston, wrote recently: "This administration is more interested in the appearance of leadership than in leadership itself, more in the appearance of power than in the reality of power, more in seeming to train Mr. NIXON for the Presidency than in actually training him."

You may have heard what the Duke of Wellington said of his commanders on the eve of Waterloo: "I do not know if my generals scare the enemy but, by God, they scare me." I do not know if Mr. Reston was terrified when he wrote those words but he well expressed what I believe to be the true grounds we have for terror.

As in all situations of crisis, there is plenty of blame to go around. But certainly no American Government has used the means and tools of propaganda to quite the same degree as the present one. It has for some time deeply troubled observers who see in it a denial of the processes on which a free society must be based.

It was the proud motto of old E. W. Scripps which read: "Give light and the people will find their way." But the light available today is not clear and strong, it is diffuse and flickering and it does not allow us to discriminate between reality and our Potemkin villages.

This is matter enough for concern, nor is counterpropaganda the answer. What has happened, in my view, is that the nemesis of propagandists has overtaken us.

It has long been noted that gamblers who make a living on the exploitation of odds stacked in their favor have a fatal flaw. They gamble themselves—and it is a rare gambler who dies rich. It is a rare propagandist who does not in the end fall victim to the siren song of his own propaganda.

You will remember that Hitler from his bunker in Berlin ordered the men around him to destroy the Germany which had lost the war. Hitler had begun with cynical master-race slogans and Jewish scapegoats,

whose money he coveted; he ended by decreeing that the master race was not worthy of its master and so merited destruction.

Our real danger is that we, too, may be trapped in our own propaganda inventions. It is bad enough that the American people have so little opportunity to distinguish between the real and the unreal. It is far more frightening that few of our leaders manage to escape the contagion of their own propaganda.

In thinking about what I should say here it occurred to me that perhaps a better title for my remarks would be: Is there an American search for peace? I suspect that had I done so, I might have felt vaguely unpatriotic and I think my sponsors might have worried more than somewhat.

And yet it seems to me that the question is valid and that if we answer it in the negative we shall have arrived at the only clear, rational, and logical explanation of Secretary of State John Foster Dulles and his policies. Our friends and allies have found those policies incomprehensible and infuriating; the most charitable word they apply to him personally is guileful. But having said "No" to our question, we must ask then what Dulles is doing.

It seems to be clear that what he is striving for is a balance of world power, a balance weighted in our favor, but a balance.

Let me put it this way: What Secretary Dulles is seeking is not peace as such but a quite different state—a condition of nonwar.

I have the highest regard for the Secretary's brains. Now that the blight of McCarthyism is past, I hope it is unnecessary to mention that I accept the fact of his patriotism exactly as I do mine and yours. But I am trying to find out where we are and whither we are tending and it does not do to accept even the Secretary of State as the final word.

It may be that Secretary Dulles is the supreme realist who sees the facts about the world as they are and acts accordingly. It would go far toward explaining why what he *does so often* runs athwart of what he—and the President—say. It may be that peace as such is unattainable, though I do not think we shall know that until we have tried to achieve something more than our nonwar state.

Some younger Americans may not have much memory of a peaceful world. The generation which is now in our colleges and universities has had little experience with a time when we were not either in a war, licking the wounds of one, or preparing for still another.

Nevertheless, we at least have an emotional understanding of the meaning of peace, which in its true sense is a positive and creative condition rather than a negative and sterile one. I know no better description of it than that of the Bible, a time when the lion lies down with the lamb and the swords are turned with confidence into plowshares. It is a time in which mankind can turn his thoughts, his efforts, his resources into the pursuit of creative rather than destructive activities.

Certainly the desire for peace is one of the great forces which moves the heart of mankind. *It moves us* Americans. It must be an even deeper emotion where the horror of war has so recently made itself actually felt, rather than more or less remotely, as with us in the past four generations. It is safe to say that a Russian of Kiev or Stalingrad, or an Englishman of Coventry, would feel even more deeply about peace than most of us.

It is perhaps the most remarkable fact of our time that in the face of a universal desire for peace and hope for peace, that the best we find our leaders searching for is a state not of peace but of nonwar. Since we must assume that our leaders are persons of sense and sensibility, capable of logical thought, subject themselves to the emotions which move most of us, we naturally must ask why this is so.

Why is it that a state of nonwar, with all its costs and all its tensions and all its wastefulness—and all its dangers seems preferable to a state of peace?

Before we go into that question, we must examine the plain fact that a full-scale nuclear war today is unthinkable. No sane, no reasonable man today would commit any nation to a course of action whose outcome would inevitably lead to a new world war.

A single fusion bomb, that is a hydrogen bomb, can now release more destructive power than all of the explosive power aimed at the Axis Powers by the Allies in World War II. In any new world war hundreds of such bombs—plus countless atomic bombs—would be unleashed in 12 hours. And then the deadly, unseen, all-enveloping force of radiation would surround the world, leaving no victor and no vanquished, no combatant and no noncombatant. That is the real force, the final force, which will prevent reasonable men from pushing the button which would start a major war. It applies with the same inexorability to us as to the Russians.

We know from experience, however, that the world cannot depend on government—or rule—by reasonable men at all times. We have had the experience of Hitler and we know that if it had been within his power—if he had had H-bombs and intercontinental ballistic missiles, he would have taken the whole of the German nation with him in his suicide and incidentally the whole of mankind—if he had been able.

That is the dark threat of a state of war. We must ask ourselves then why we seem to be settling for a state of nonwar with its deadly potential of a Hitler mentality somewhere in the wings. Why does not the desire for a just, reliable, and stable peace burn within our souls and occupy our most creative thoughts?

If the couple of dozen world leaders who are capable of making decisions as between peace and nonwar or war itself are reasonable men, we must inquire as to what basis in logic and reason they have for defying the world's longing for peace and what would seem to most of us the simple logic of peace.

It could be said that this couple of dozen leaders armed with these powers of final decision over the life of mankind do not trust each other.

Mr. Dulles repeatedly argues that Russia has proved that she cannot be trusted. He can point to the failure of the Soviet Union to keep the pledges of Yalta and Potsdam. Can we say that it is unreasonable of Secretary Dulles to ask for a demonstration of sincerity before we make commitments and let down our guard?

But, on the Soviet side, can we expect anything other than its feverish efforts, obviously crowned with a degree of success, to match or overmatch or offset the ring of military bases with which we have surrounded it?

Respect for each other's murderous potential may keep both of us in a state of nonwar. It would take more than respect; it would require trust to achieve peace. But very recent history demonstrates that where friendship and collaboration between nations appears convenient and desirable it is quite possible to bridge chasms which seemed at the time far more profound than those which divide the United States and the Soviet Union. The intimate collaboration which exists between the United States and Western Germany, between France and Western Germany, would have seemed unthinkable a dozen or 15 years ago. The friendship and mutual self-help which exists between the United States and Japan today would have appeared totally unbelievable as a prospect a like distance away.

What this proves afresh is that nations do not have permanent allies, only permanent interests. Those permanent interests are now synonymous with world peace.

This being so, we can only conclude that as of now the rapprochement between the United States and the Soviet Union does not appear to be either a convenience or a necessity. We must further conclude that for political and economic considerations neither nation truly wishes or desires at this time anything other than a state of nonwar.

There is a very real question, carefully avoided on all sides in the Eisenhower administration and for some reason never mentioned by the Democrats. That is whether the economy of the United States could now tolerate a genuinely peaceful world situation.

We are spending $40 billion a year on armaments and defenses, and many are questioning whether, in view of scientific and production advances by the Soviet Union, that is nearly enough. That $40 billion a year is vastly greater than all the money spent on relief and pump-priming public works during all the administrations of Franklin D. Roosevelt. It is within shouting distance of the military budget for the hot war. Defense expenditures have had an inevitably stimulating and supporting effect on the economy and unquestionably were in large measure responsible for the inflationary process which has steadily increased until now. Despite the magnitude of defense appropriations, we have seen within the past 6 months that a recession is still not only a possibility but an actuality.

There can be no question whatever that since the beginning of the Korean war and the start of rearmament the American economy has become more and more dependent on huge appropriations for defense. We have actually seen the spectacle of the American President saying that he looked for their increase to cure the present recession—a position he seems now to have abandoned.

Although these defense appropriations are noncreative in the sense that school buildings, highways, libraries, and sewerage systems are creative, the immediate economic effect is the same. That is, they put money in people's pockets. In the long run, of course, since they use up nonrecurring natural resources, they may be in fact self-destructive.

It cannot be that the economists of the administration are unaware of the dangers which will have to be faced in the economy if there comes a period in which a marked reduction in defense expenditures might be justified. Yet neither in the executive branch nor in the Congress controlled by the Democrats has a single step been taken to soften the shock of a withdrawal of defense expenditures. It is only possible to conclude that no one in the United States Government, including the Congress, who is in any position to direct or influence policy, has either confidence of peace or any sincere belief that any profound change in the situation between the United States and the Soviet Union will take place in the foreseeable future.

This becomes even clearer when we look back to the efforts made during World War II to cushion the shock to the economy which was expected when the war ended. You may remember that Henry Wallace wrote a book, 60 Million Jobs, pronounced hopelessly Socialistic by many of those who now feel that any words of caution about boom times are a gospel of gloom and doom.

Today, there is no such activity in Washington, and if there are thoughts on the subject either by Republicans or Democrats, those thoughts are even more secret than the Gaither report or the part played by Sherman Adams in the Dixon-Yates contract.

The United States today is in fact totally unprepared for peace.

Unlike the United States, the Soviet Union could probably face the prospect of peace, from the standpoint of its economy, with greater ease. There is such a wide, deep, unfulfilled need for consumer goods throughout the Soviet Union that new industries could be built and production sustained for a very long period of time. The Soviets still have far to go toward their goal of matching or surpassing the United States in the production of capital goods.

But, politically, a genuine peaceful arrangement between the United States and the Soviet Union would have profound effects on the Soviet system. Certainly Soviet dominance would immediately be challenged in its satellites. Poland and Hungary doubtless would be gone in a flash, and that alone would create almost intolerable pressures on Communist governments in Czechoslovakia and East Germany.

Perhaps this is a price the Soviet Union would now be willing to pay. Its system of buffer states made sense under the military conditions of the last war; it prevented surprise by tanks and ground equipment. That brief expanse of territory means nothing to even medium-range missiles. And the Russians, realists if nothing else, have learned the hard way that none of the satellites can be counted on as reliable in the event of war.

A genuine peace, too, will bring sharply to the fore the problem of a reunited Germany. And regardless of what our Government says in the matter, and regardless of what the Russians say, there is very considerable doubt that either nation cares to contemplate a prosperous and reunited Germany. Germany whole, once it had got over the difficulties of reconciliation, as it would, would be economically the most powerful nation of Europe. Nor can there be doubt that whatever pledges might be made about disarmament or neutralism, Germany would eventually once again become the most powerful nation in Europe militarily as well. While for propaganda purposes both Russia and the United States take an entirely different line, this is a sleeping dog both would prefer to let lie.

Then is there any hope that a true search for peace can be substituted for nonwar? Yes, there is, although it will have to be hope more deferred than not.

Recently, Nikita Khrushchev went to one of those embassy cocktail parties which he so frequently uses for pronouncements.

"Listen, you NATO ambassadors," he said, "now is a good time to talk about an agreement.

"We want to be friends with you. Why can't we sign a nonaggression pact? What's wrong with that? You say you are not going to attack us—we are not going to attack you."

Khrushchev looked around at the mounds of food. "Why don't we begin as one begins a meal? We start with hors d'oeuvres, then we go on to the fish and then to the meat.

"Let's put the simplest things first."

This is what is actually happening in Moscow and Washington today. We haven't got around to the meat and potatoes but we are nibbling at the anchovy paste on the melba toast.

We have recently concluded an agreement with the Soviet Union by which there will be an exchange of some 500 specialists and artists and athletes a year between the 2 countries. It is not much of a start, but it is a start.

The Soviet Union has replaced its dour Ambassador Zaroubin with a natural-born baby kisser, Ambassador Menshikov, who says he likes to be called Mike. There is more socializing with and by the Russians in Washington today than at any time since the period of Litvinov. Even the hostess with the mostest, Mrs. Mesta, has climbed aboard.

There is surely going to be a summit conference and it is very likely that it will be held in Washington, or very near. The question still is whether any summit conference will get down to the business, to meat and potatoes.

It is fair to say that if the election of next November were not yawning ominously before the Republican Party a summit conference would be much less likely. Washington is still full of important people who want no agreement with the Soviet Union and who are perfectly agreeable to the status quo.

In cold fact, there is not much point to a summit meeting which is really unwilling to deal with disarmament, particularly in the field of nuclear weapons. Yet, there are powerful men like Adm. Lewis Strauss, the Chairman of the Atomic Energy Commission and the official adviser to President Eisenhower on atomic matters, who says that we must not stop testing nuclear weapons. Admiral Strauss bases his opinion in part on the belief that we cannot trust the Soviet Union to stop testing weapons secretly.

Last fall a specific test of our ability to record underground atomic explosions was made in Nevada. On March 6, the Atomic Energy Commission released a report which stated that the maximum distance at which the explosion had been recorded was at Los Angeles, 250 airline miles away.

Yet the Senate Disarmament Subcommittee dug up evidence that the explosion had been recorded in Berkeley, Calif., which is 400 miles away, and at College, Alaska, which is 2,300 miles away. There has been an unofficial report that the explosion—and it was a small weapon—was recorded in Japan.

The difference is profound. It is the difference between the possibility of an effective policing system which could pinpoint secret tests, and a system which could not.

The AEC now says that it gave out this crucially wrong information in inadvertence. It was a most peculiar kind of inadvertence.

But what the matter revealed, even if inadvertently, was the character of the roadblocks which are put in the way of genuine peace in Washington.

Do not mistake me. Washington loves the appearance of peace and if that is what comes out of the meeting at the summit it will satisfy many. Like patriotism, it is not enough.

It could be that the cost of such temporizing will be high. Fat, rich old nations, like fat, rich old men—and women—tend to overestimate their powers. Voltaire long ago reminded us that "history is only the pattern of silken slippers descending the stairs to the thunder of hobnailed boots climbing up from below." The Russian sputniks surely destroyed the myth that we are necessarily ahead in everything and that nature has a special interest in the survival of Americans.

I have said that perhaps 2 dozen men had what amounts to absolute or near absolute control of mankind's future, yet that future is not beyond the influence of far less influential and much more anonymous men and women.

It is well for us to remember that a single farm editor of a Midwest newspaper broke the ice on the problem of the exchange of groups of Russians and Americans. He literally forced an unhappy and reluctant State Department to let in a group of Russian farm experts. It was the success of that mission that impressed the Russians and apparently has made our officials far less hesitant about exchanges of people.

I am sure that there are other men and women, perhaps unknown and unaware of their power to move mountains, who can insist that if a summit meeting is held, it should be a genuine effort to achieve a workable peace and not a sham to make Prince Potemkin look like a piker.

God bless the little man who is impatient with hopes too long deferred, who knows that his counterpart in Russia, in China, wherever, wants war no more than he wants war. When he moves, in all his infinite numbers everywhere, no force on earth can stop him.

POLITICS AND RECESSION AFFECT WATER PROGRAMS

Mr. HUMPHREY. Mr. President, the St. Paul Dispatch for March 19, 1958, includes an interesting editorial entitled "Politics and Recession Affect Water Programs." The editorial discusses the President's recent reversal of his opposition to starting any new Federal water supply or hydroelectric projects.

I ask unanimous consent that the text of the editorial be printed at this point in the RECORD.

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

POLITICS AND RECESSION AFFECT WATER PROGRAMS

At the urging of western Republicans, and in consideration of the business recession, President Eisenhower has withdrawn his blanket opposition to beginning any new Federal water supply or hydroelectric projects in the coming year. He had advocated this course in his January 13 budget message. Modification of this position came a couple of weeks ago.

Now conservation and wildlife groups and other organizations interested in antipollution measures for streams and lakes are urging the President to disavow his proposal to abandon Federal aid to municipal sanitation projects held up by lack of local financing ability. Minnesota, Wisconsin, and other Midwest and Eastern States are participating in this program. The push for reclamation and power spending comes largely from the Western States.

There seems little justification for cutting off the pollution-control program. Funds authorized for this purpose are insignificant compared with reclamation expenditures, and are more urgently needed.

One objection to the antipollution measure is that some municipalities which should pay for their own sanitary treatment plants are refusing to go ahead now because they hope to get aid from Washington. This argument is of doubtful merit. Definite showings of hardship conditions and lack of financing ability are required for Federal assistance.

However, a constructive proposal in this connection is made by Congressman DONALD TEWES, of Waukesha, Wis. He voted against last year's pollution-control appropriation, but now says he favors a Federal guaranty of loans to municipalities for sewage-treatment plants. This plan, he believes, would make more money available and would stimulate more construction than the limited appropriations, now running at $50 million a year. Such a loan provision might well be joined with the present direct-aid plan. The combination seems both practical and desirable.

BUSINESS, LABOR BACK FARMERS

Mr. HUMPHREY. Mr. President, it has been gratifying indeed to have all the top leaders of organized labor in the United States rally behind efforts to protect America's farmers by wiring the President to sign the resolution adopted by the Congress to prevent any cuts in farm price supports this year.

It shows the concern of labor leaders as to the effect of declining farm income on the rest of our economy. It also reflects the growing awareness of city workers that the best protection they have of reasonable food prices is a strong farm economy producing in abundance. The action of the Nation's top labor leaders flatly repudiates Secretary Benson's attempt to win city support by claiming, without foundation, that lowering of price supports would mean lower food prices in the cities. Actually, food is a bargain in America today because of our farm abundance; instead of farmers being subsidized, they are actually subsidizing the rest of the economy by getting far less than fair prices for their commodities.

Mr. President, not only labor, but many enlightened business leaders, are showing concern about the fate of our farmers. I am pleased that one good example exists in Minneapolis. The vice president of the Red Owl Stores has wired the President, urging him to sign the farm price freeze, repudiating Secretary Benson's claim that a veto would mean any real benefit to city consumers.

Mr. President, I should like to assume the role of a prophet. I expect the President to veto the joint resolution, even though I hope and pray he will not. At the same time, if he does veto it, an adjustment will be made. An excuse will be found to make adjustments in certain dairy price-support levels, and possibly in the price supports of wheat, as another means of aiding the administration to sustain its position in forcing down price supports, but at the same time offering a temporary palliative to those who are victims of economic distress.

Mr. President, I ask unanimous consent that there may be printed at this point, in the RECORD, a news article entitled "Dairy Processors Ready To Unload," from the St. Paul Dispatch of March 25.

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

DAIRY PROCESSORS READY TO UNLOAD

WASHINGTON.—The Agriculture Department prepared today to make heavier than normal purchases of dairy products between now and April 1, when new and lower price supports go into effect.

Officials said they expected processors of butter, cheese, and nonfat dry milk to unload *all possible* supplies onto the Government before the change in supports becomes effective. That's because the Government will pay more for these products through March 31 than after that date.

On April 1, Government purchase prices for butter drop from 60½ cents to 58½ cents a pound, cheese from 35 to 32½ cents a pound and dry milk from 16 to 14 cents a pound for one type and from 14 to 12 cents on another.

These purchase prices are designed to be sufficient to enable processors to pay dairymen an average of $3.03 a hundred pounds for milk for manufacturing purposes and 56.2 cents a pound for butterfat—the new support rates. The old purchase prices were designed to enable them to pay $3.25 for milk and 58.6 cents for butterfat.

Officials said there was a possibility that retail supplies of butter might be short during the first few days of April. Such a situation would reflect processor sale of all holdings to the Government at the old supports so as to avoid any losses.

It might take a few days, they said, for distribution lines to be refilled with butter produced from the lower-priced butterfat.

Officials said some processors may start dropping their paying prices for milk and butterfat before April 1. This would enable them to supply their retail outlets with lower priced butter earlier than if they waited until the first of the month to lower prices they paid dairymen.

There is nothing in the support program to prevent processors from lowering prices they pay dairymen ahead of the April 1 date.

Mr. HUMPHREY. Mr. President, the article I have just had printed in the RECORD points out that when the price support cut goes into effect, the Government will receive literally millions and millions of pounds of cheese and other dairy products, now in warehouses, which processors will unload because they cannot possibly afford to take the inventory losses they are certain a reduction of support prices will bring about.

I also ask unanimous consent to have printed in the RECORD telegrams I have received, including one from David J. McDonald, president of the United Steel Workers of America, and one from William J. Quinn, vice president of the Red Owl Stores, as well as a radio broadcast sponsored by the Farmers Union Grain Terminal Association on March 24, 1958, all referring to the joint resolution on the President's desk awaiting his signature. I call on the President to sign the joint resolution before the farm recession deepens into a full-scale depression.

There being no objection, the telegrams and broadcast were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *March 26, 1958.*

Senator HUBERT HUMPHREY,
Washington, D. C.:

The following wire was today sent to President Eisenhower: "A cut in dairy price supports will result in no appreciable reduction in consumer prices but will materially reduce dairy incomes. We urge you to sign the bill pending on dairy price supports to function at least until a new comprehensive program can be adopted."

WILLIAM J. QUINN,
Vice President, Red Owl Stores.

MARCH 26, 1958.

President DWIGHT D. EISENHOWER,
The White House, Washington, D. C.:

On behalf of the United Steelworkers of America I urge that you sign Senate Joint Resolution 162 to maintain price supports at the 1957 level. Setbacks in the economic well-being of other groups in our country have contributed to the recession and instability in our country as a whole. We are firmly convinced that a decrease in price supports to the farmers will only contribute to a further decline in the well-being of our country.

DAVID J. MCDONALD,
President, United Steelworkers of America.

GTA DAILY RADIO ROUNDUP, MARCH 24, 1958

The price support freeze bill that would maintain farm price supports at least at 1957 levels is on the President's desk. It zipped right through the Senate and House, and the new solidarity in the farm bloc held tight. Efforts to break the farm Congressmen into commodity splits failed.

But, a word of caution to farmers—the bill is not out of the woods yet. Washington sources say the President will veto. And so he may. But it is possible that the recession may weight his decision. The economic problem is generally serious, and the President seems genuinely concerned. If enough of the facts leak through the palace guard to the President, he may realize that stopgapping Secretary of Agriculture Benson's farm price cuts would help bolster the whole economy.

So that's a ray of hope for agriculture. But, on the other hand, Farm Secretary Benson is very close to the President's ear. He's advised Mr. Eisenhower to veto the farm price freeze, and Benson apparently is confident that he will—so confident, in fact, that a few hours after the Senate sent the freeze bill to the White House, Benson issued the official USDA order to cut dairy prices on April 1. The price freeze was passed in the House and Senate by good strong majorities, but it would take a two-thirds vote in both of these bodies of Congress to override a Presidential veto. That doesn't seem possible at this time. Quite frankly, enough Senators and Representatives seem to have swallowed Benson's mythology, hook, line, and sinker, to prevent a two-thirds vote.

The farm Secretary has been telling the Congressmen and the public that lower farm supports will mean cheaper food. The fact that Benson's 1954 dairy price support cut did not help consumers at all is completely ignored. It's a sort of "pie in the sky" promise that Benson is dangling out before consumers—always tantalizing, but never reached. But it gets votes, both in and out of Congress, and helps Benson get his price-cutting results.

The dairy price cut, if it comes April 1, will cost dairy farmers and main-street merchants in dairy towns about $250 million. The wheat price cut, scheduled for harvest time, will cost another $250 million. These prospective farm losses led Senator LYNDON JOHNSON, of Texas, majority leader of the Senate, to voice some sharp words about a veto. He said that it would be "a direct and unmistakable announcement that the administration intends to force farm prices down even lower. A period of recession," he warned, "is no time to lower the purchasing power of our farmers even further than it is now."

The President still has some 8 days in which to decide whether to sign the price support freeze bill and help farmers, or veto it and go along with Benson in cutting farm income again. Farmers and their organizations and the farm-State Congressmen have done all they can for the time being. Now it is up to the President.

CONGRESS AND DISARMAMENT

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate an editorial that recently appeared in the Gazette and Daily, of York, Pa., on the date of Wednesday, March 19. The editorial is entitled "Peace and Disarmament."

The editor asks the Congress and the executive branch just what we are doing in the field of disarmament study. The editorial is candid and to the point.

I have replied to the editor, and I ask unanimous consent that the text of my letter be printed as a part of my remarks. I also ask unanimous consent that the editorial be printed at this point in the RECORD.

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

MARCH 24, 1958.

The EDITOR,
The Gazette and Daily,
York, Pa.

DEAR MR. EDITOR: I have read with considerable interest your splendid editorial of Wednesday, March 19, entitled "Peace and Disarmament."

You have performed a public service in calling to the attention of your readers—and I trust to the Members of Congress and the executive branch of Government—the inadequacy of our preparations for disarmament discussions. Indeed, it requires planning for disarmament and peace if ever we hope to obtain those worthy objectives.

I wish to cite one ray of hope, however. The Senate Subcommittee on Disarmament is continuing to conduct extensive and intensive studies into the field of disarmament possibilities, in particular reference to the development of an effective system of inspection. The key to any hope of a successful disarmament negotiation lies in being able to design and perfect a system of inspection and detection that will safeguard our national security. It is to be assumed that neither the United States nor the U. S. S. R. would enter into a disarmament agreement unless a form of international inspection could be designed that would work and thereby prevent any evasion or cheating under the terms of the agreement.

I can assure you that the Senate Subcommittee on Disarmament is studying this inspection and detection problem with meticulous care. We think we are making headway and will be able to make a contribution to the success of negotiations.

Again my thanks for your editorial.

Sincerely yours,

HUBERT H. HUMPHREY.

PEACE AND DISARMAMENT

As far as one is able to discover, there has been little or no followup to the commendable speech on disarmament and world peace made in the United States Senate last month by Senator HUMPHREY, of Minnesota. It seemed reasonable to expect that Mr. HUMPHREY's decision to talk at length on these subjects indicated the possibility of a concern among some leading Democrats for developing concrete political proposals on disarmament, the cessation of nuclear-bomb tests, economic development programs administered through the United Nations, etc. But as yet there has been slight evidence of such concern.

Another puzzling thing is the manner in which Senators and Congressmen have refrained from stepping forward with comments or suggestions on the major international idea of recent times—that of holding a conference of the heads of the world's most powerful states. Is this a good idea or is it not? In either case, what are the issues involved and what is the relationship of the idea to the goal of peace? What specifically should the United States expect from such a conference? And what other related ideas might be discussed bearing on the problem of getting along with other countries?

It seems that the only American who is always willing to let his opinions on this matter be known is Secretary of State Dulles. There is no reason why he should not speak up. But why does almost everybody else keep quiet? It is just not possible that Mr. Dulles has a monopoly of the information, knowledge and wisdom required for intelligent observations on international conferences. Yet even those individuals and journals which are convinced that Mr. Dulles' record in diplomatic dealings is a disastrous one do not seem able to enter into discussion until Mr. Dulles has given the cue.

The hopeful prospect presented by Senator HUMPHREY's speech, and by the comments interjected during its course by various other Senators, was that of serious, continuing debate on the need for disarmament and peace and on ways to secure these objectives. It appeared that voices would be raised, that fresh approaches might be introduced, that clear policies and programs might be put forward in forms which would call for both public controversy and legislative action.

We do not mean to say that this hope has been permanently dashed. But to date Mr. HUMPHREY's venture beyond the thought confines of the cold war has not resulted in a major breakthrough, as the phrase goes. The military aspect of our foreign policy still commands most of the words, votes and money which are needed for effective national action.

Apparently as a people we have not yet accepted the fact that substantial planning for disarmament and peace is consistent with our security. It is, of course, not only consistent with security but the only road to security in a nuclear age. Until we are able to see this plainly such speeches as that made by Senator HUMPHREY are unfortunately likely to be inconsequential side remarks, scarcely heard in the thunder of preparations for a possible war.

DISARMAMENT NEGOTIATIONS

Mr. HUMPHREY. Mr. President, this morning two articles appeared in the metropolitan press reporting on the recent trip of the United Nations Secretary General to Moscow. Mr. Hammarskjold reported that his 4-day visit with key Soviet leaders was beneficial and fruitful. The Secretary General also confirmed his previously held view that disarmament negotiations should be held under the auspices of the United Nations. I agree with that view. It is one the Government of the United States should enunciate and emphasize and proclaim.

He asserted that although negotiations should be held under the auspices of the United Nations, he did not object to a summit conference of the heads of governments, providing they were well prepared, such high level talk were no substitute for using the United Nations for actual negotiations.

The PRESIDING OFFICER. The 5 minutes allotted to the Senator from Minnesota have expired.

Mr. GORE. Mr. President, I yield 5 additional minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 additional minutes.

Mr. HUMPHREY. These comments of the Secretary General closely parallel my own views regarding the importance of using the United Nations in the conduct of disarmament negotiations, which I outlined in a speech I delivered earlier.

In a speech I delivered earlier this month I said:

The place for disarmament negotiations is the United Nations. The United Nations, as the instrumentality of formal political cooperation established by practically all the nations of the world, is the proper channel through which policy coordination should be achieved.

I also stated in the same speech that the Security Council offered an excellent means through which all nations and all areas of the world would be represented in disarmament talks. I said:

Wherever we negotiate, we should consult with all those members of the Security Council that desire to do so. We cannot consult with every country in the world. * * * But we can get together with those countries which have been chosen by all the members of the General Assembly * * * as their official representatives, so to speak, on peace and security matters. We would thus show our regard for the views and interests of nations throughout the world and not just those who have chosen to ally themselves militarily with us in the North Atlantic region. Our own policies would be immensely strengthened by recognizing the broad interests of nations everywhere in the great issues of peace and war.

I am glad the Secretary General is stressing the importance of the United Nations to disarmament negotiations, and particularly that he should stress this importance after 4 days of meetings with Soviet leaders. It is my fervent hope that our own Government will not delay in formulating its own policies regarding the substance of any future meetings encompassing the United States, the Soviet Union, and other nations.

Mr. President, I ask unanimous consent that the newspaper articles to which I alluded be printed at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of March 27, 1958]

U. N. AGAIN HELD KEY ARMS FORUM—HAMMARSKJOLD REPEATS IDEA SUMMIT IS NO SUBSTITUTE FOR CHANNELS OF WORLD BODY

MOSCOW, March 26.—After 3 days of discussions with Soviet leaders, Dag Hammarskjold reaffirmed today his belief that disarmament talks by heads of government would be no substitute for negotiations in the United Nations.

The United Nations Secretary General said at a news conference that he favored direct exchanges between East and West at the summit or any other level provided they were properly prepared.

He said the procedure of disarmament negotiations was less important than their substance. But he said that sooner or later United Nations channels would have to be used to work out an agreement.

Mr. Hammarskjold declined to describe either the nature or spirit of his talks with Nikita S. Khrushchev, Communist chief, Foreign Minister Andrei A. Gromyko, and other officials.

He said his 4-day visit to Moscow was without agenda. He described it as a routine effort to acquaint himself with Soviet policymakers and policies.

DISARMAMENT A KEY ISSUE

Disarmament, he indicated, is bound to be discussed when diplomats get together. The Secretary General would like to see the Soviet Union resume participation in the United Nations Disarmament Commission, but he denied having any concrete mission of persuasion. Since Mr. Hammarskjold arrived here Sunday night, the Government has several times reasserted its intention to continue to boycott the commission.

Mr. Hammarskjold said that no matter how preliminary disarmament issues were

settled, the discussions should not be permitted to drift out of the United Nations. His experience in western capitals as well as in Moscow, he asserted, convinced him that all governments recognize disarmament as one of the prominent concerns of the world organization.

The Secretary General declined to appraise the possibilities for an early East-West heads-of-government meeting. He acknowledged his personal preference for private, behind-the-scenes deliberations on touchy international issues.

NO FORECASTS ON TESTS

Mr. Hammarskjold also made these points:

The cessation of nuclear tests, proposed by the Soviet Union, is linked now with the issues of inspection and production. It would be rather irresponsible to predict the direction of these negotiations.

It is unlikely that any of the powers possessing nuclear weapons will unilaterally halt tests.

The proposed summit conference could be held at United Nations headquarters in New York but there is no need to say it should be held there. The question is a minor household matter.

U. N. CHIEF CALLS HIS TALKS IN MOSCOW FRUITFUL

Moscow, March 26.—United Nations Secretary General Dag Hammarskjold said today that his talks with Soviet leaders confirmed his view that the disarmament question should be settled within the United Nations.

Hammarskjold, speaking at a news conference, termed his 3 days of talks with Soviet leaders as fruitful and beneficial.

The U. N. chief, who came here last weekend, has conferred with Communist chief Nikita S. Khrushchev, President Klimenti Voroshilov, Foreign Minister Andrei Gromyko and a number of lesser officials.

He declined to reveal anything specific about the outcome of the talks, but indicated that the wide range of subjects discussed included disarmament and the Middle East.

Declaring that "we should not let disarmament drift out of the United Nations," he said, "my experience with all governments, including this one, have only confirmed my views."

Hammarskjold added, however, that if a disarmament agreement could be reached by an East-West summit conference he would regard it not only as a major step toward the solution of the international situation but also to the work of the United Nations.

He also indicated he favored the idea of a summit conference along with all direct contacts between leaders of nations provided they were well prepared.

Referring to the Middle East, Hammarskjold said that although "such a question is very much in my lap," neither he nor the Soviet leaders offered or considered any concrete plans or solutions.

He described the discussion as more in the nature of a stocktaking of the position of various countries concerned.

[Hammarskjold also said the problem of a ban on nuclear-bomb tests is inextricably linked with international inspection and controls on bomb production. This seemed to be an endorsement of the Western position, the Associated Press noted.]

RUSSIA REPORTED SET TO HALT A-TESTS SOON

UNITED NATIONS, N. Y., March 26.—An east European source said today the Soviet Union will announce suspension of its nuclear tests after finishing an extensive series now in progress.

He indicated in an interview this would be before summer, when the United States will invite U. N. observers to a hydrogen-bomb test in the Pacific.

The East European, who declined to be identified by name, said he expected the Soviet action would make it embarrassing for the United States to carry out its tests.

Mr. HUMPHREY. Mr. President, it is now becoming fairly well established that the Soviet Union may be making in the next 24 hours, an announcement that it is banning all tests of nuclear weapons. Such an announcement would have tremendous effect on world opinion. It should also be noted that the Soviet Union has conducted a number of tests in the last 3 weeks, of a variety of weapons. I do not understand why we have not been calling that fact to the attention of the world more vividly and more pointedly. We may well have lost an opportunity for disarmament negotiations and an opportunity for international inspection. One of the main reasons why I have believed we should have sought some kind of disarmament agreement, at least on the limitation of nuclear bombs, was that we would be able to establish at least the beginning of an effective inspection system. I hope it is not too late.

I wish to encourage the President, who, according to what I have read, is thinking of breaking up the disarmament package and is willing to negotiate piece by piece, rather than on the totality of the program. If he does that, he will be deserving of our commendation and congratulations.

I also desire to congratulate the President upon his invitation to the leaders of the world to visit the testing sites of our nuclear weapons which will take place in the Pacific; but, I repeat, this is no substitute for effective negotiations for agreement on disarmament with a system of international inspection.

Now, a few words on the issue of whether, when, and how to have a summit conference, and what kind of preliminary negotiations and agreements we must have before such a conference occurs, are increasingly preoccupying statesmen and the public alike. Many of the cautious admonitions of the Secretary of State are well taken. We need concrete talks at lower levels before a summit conference should be held.

But these lower level talks should be in preparation for a summit conference, not a preparation against a summit conference. There is a difference between cautiousness and caustic contempt. However desirable caution may be, we must beware appearing to throw cold water on the whole idea of a summit conference, since most of the rest of the world is pressing energetically for it.

Dispatches this week indicate that a summit conference will be held. I think our policies and our public statements should reflect that assumption, and the preparatory negotiations which we enter should also be marked by a constructive and forward-looking approach.

In an address before the Central Wisconsin Teachers Association at Wausau, Wis., I suggested that the security council of the United Stations was a proper place for the next attempt at disarmament discussions. I ask unanimous consent that the text of my press release be printed at this point in the RECORD.

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

U. N. SECURITY COUNCIL URGED AS FORUM FOR NEW DISARMAMENT EFFORTS

Senator HUBERT H. HUMPHREY (Democrat, of Minnesota) today urged the United States to turn to the United Nations Security Council as the logical forum for resuming disarmament efforts.

"The United Nations Security Council is the logical channel for our next effort to resume talks with the Soviet Union on disarmament and other outstanding issues," Senator HUMPHREY declared in an address before the Central Wisconsin Teachers Association at Wausau, Wis.

"For many years the Security Council has been crippled by indiscriminate use of the veto, but it is, nevertheless, the body which has, under the United Nations Charter, been formally charged with primary responsibility for the maintenance of international peace and security. I think that in the current crisis of international peace and security we should resort to the Security Council and utilize its machinery to the greatest possible extent. If obstructionism or the veto should block effective Council action, then—but only then—we should carry our negotiations to other channels.

"In preparing for negotiations with the Soviet Union on disarmament and other issues of the cold war the United States is consulting on policy with the member countries of the North Atlantic Treaty Organization. The issues involved, however, are much broader than NATO—they affect the interests of the entire world. The cold war is not a private squabble between Moscow and the NATO powers, but a state of tension that affects the lives and fates of people on every continent of the globe. In Asia, Africa, and Latin America, nations are watching with deep concern the progress of the exchange between the major Atlantic powers and the Kremlin because they know that their own future depends on the outcome.

"Yet, despite the interest and concern of the governments and peoples of nations all around the globe, we have been treating most of them as mere bystanders. It would be to our interest to associate these countries more closely with the policies and the decisions that in the last analysis profoundly affect all of them.

"The place for disarmament negotiations is the United Nations," Senator HUMPHREY declared. The United Nations, as the instrumentality of formal political cooperation established by practically all the nations of the world, is the proper channel through which policy coordination should be achieved. The General Assembly, with some 80 members, is too cumbersome an agency for this purpose. But the Security Council, containing as it does countries from nearly every major region of the world officially chosen by the entire membership of the General Assembly, could offer a means of broad representative negotiation and consultation.

"But wherever we negotiate, we should consult with all those members of the Security Council that desire to do so. We cannot consult with every country in the world—this would be an endless and futile process. But we can get together with those countries which have been chosen by all the members of the General Assembly—the town meeting of the world as their official representatives, so to speak, on peace and security matters. We would thus show our regard for the views and interests of nations throughout the world and not just those who have chosen to ally themselves militarily with us in the North Atlantic region. Our own policies would be immensely strengthened by recognizing the broad interests of nations everywhere in the great issues of peace and war, and we would derive much profit from this

demonstration of our respect for world opinion."

Reviewing the United Nations role today, Senator HUMPHREY went on to say that "there is a need for a general, ever-open forum in which to discuss the problems of the world, to supplement the normal, separate, compartmental contracts of traditional diplomacy. It is of tremendous value to the diplomat and to the policymaker in the field of foreign affairs to have this supplementary, complementary mechanism. As has been often said, if the United Nations did not exist we would have to create it. But fortunately the United Nations does not only exist, but it works. Time and again, our country and our allies have been able to use it to advantage as one of the essential tools of modern diplomacy.

"Admittedly, the United Nations has its limitations, and we must remain alert to correct them," the Senator stated. "However I am convinced that despite its shortcomings, the U. N. provides the best international forum yet devised in which nations in time of crisis can air their grievances and achieve solutions to international disputes through discussions, debate, and compromise."

Further excerpts from Senator HUMPHREY'S remarks follow:

"It was my privilege to serve as a member of the United States delegation to the General Assembly of the United Nations during the 11th General Assembly which adjourned in March 1957. During this period world peace hung in the balance—the result of the crises in Egypt and Hungary. These twin crises dominated the 11th General Assembly, and we have not yet heard the last of them.

"The contrast between the crises in the Middle East and Hungary is striking. In the Middle East, the United Nations achieved a cessation of hostilities because the parties involved were willing to comply with the recommendations of the United Nations. In Hungary, the United Nations was frustrated because the Soviet Union arrogantly flouted its will.

"The Middle East crisis led to one of those momentous steps which may in the future come to be seen as a turning point of history. I refer, of course, to the establishment of the United Nations emergency force which is continuing to do an outstanding job in keeping the peace in that troubled area. It is a tribute to UNEF that we have not for a long time read anything in our newspapers about the trouble in the Sharm-el-Sheik or Gaza areas.

"I regret, however, that more progress has not been made toward establishing a force of similar character as a permanent arm of the United Nations. It will be recalled that such action was recommended in a resolution which was agreed to by the Senate in August of last year. I was glad to join Senator SPARKMAN in sponsoring this forward-looking resolution and I hope that in the coming year concrete steps will be taken to implement it.

"Egypt and Hungary, however, are only two examples of the value of the United Nation to the Free World. There are other examples which are less spectacular, but which nonetheless are vital. Through the United Nations progress was made in the field of the peaceful uses of atomic energy; constructive gains were made toward self-government and independence in the dependent and trust territories of the world; technical-assistance programs provide underdeveloped countries with a pool of skilled and professional personnel. During 1957, the United Nations for the first time devoted itself, although briefly, to the problem of outer space. It is significant that in the disarmament resolution of November 14, 1957, the General Assembly called for agreement on an inspection system to insure that the sending of objects through outer space would be exclusively for peaceful and scientific purposes.

"We must, of course, prepare the way for negotiations by improving the international climate. Private United States citizens can play a major role in this area. We cannot, for instance, overstress the importance for schoolteachers to be well informed in U. N. operations so that they can better inform and teach the future citizens whose lives will be so affected by the developments of the present. Teachers should lead in our people-to-people exchange program.

"Individual and group voluntary efforts to help meet today's total challenge from the Kremlin should be encouraged on every front.

Mr. HUMPHREY. Mr. President, as a matter of fact, the Security Council of the United Nations could easily be turned into a foreign ministers conference simply by having foreign ministers present. This point is forcefully made this morning in a statement from the American Association for the United Nations, addressed to the President of the United States, and printed in the Washington Post and Times Herald.

I ask unanimous consent that the text of this statement be printed at this point in my remarks.

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

A STATEMENT FROM THE AMERICAN ASSOCIATION FOR THE UNITED NATIONS TO THE PRESIDENT OF THE UNITED STATES

Conviction is overwhelming that the time has come for give-and-take negotiations between the West and the Soviet Union. As stated by the President in his state of the Union message: "The world must stop the present plunge toward more and more destructive weapons of war, and turn the corner that will start our steps firmly on the path toward lasting peace." Reasonable agreement is the sole alternative to the danger against which the President warns—and which we all know exists. It is the only way to a lasting peace—no matter how difficult such negotiations may seem at present.

NEGOTIATIONS SHOULD TAKE PLACE WITHIN THE UNITED NATIONS

A dramatic proposal has been made for a summit conference between the United States and the Soviet Union. Most of the great powers seem to agree that such a conference should be preceded by a meeting of foreign ministers to prepare for it. Such negotiations may not succeed but no nation can afford to be in a position of not being willing to try them. It seems logical that such conferences would have the best chance for success if they are conducted within the United Nations which provides the moral framework under which international agreements should be reached. Decisions made at a summit conference will affect every one of the 82 nations which have accepted the principles of the U. N. Charter. Obviously, these nations will have greater confidence in such a conference if it is held within the United Nations.

The United Nations provides a neutral meeting place with a wide variety of both private and public facilities for negotiations. Not the least of these is the experienced and unique talents of the Secretary General and his staff. We believe that it is of utmost importance that the Secretary General be present at the summit table. This will give assurance to all nations that no decisions are made that will be prejudicial to the future of all, and to world peace.

Most of the problems to be discussed at the summit conference and the preparatory conferences leading to it have been the subject of U. N. negotiations and debate. Any decisions reached on such subjects must eventually come to the U. N. for implementation. Perhaps the initial conference may reach agreement on only 1 or 2 simple steps, which as the President of the United States suggested, will start the steps of the world on the path of lasting peace. The steps may be short or giant—but it is the United Nations that will have to measure them.

The Security Council can easily be turned into a foreign ministers meeting. The Charter provides that this body may have special meetings which leading statesmen may attend. The Council could issue invitations to as many foreign ministers as it wishes to meet with it. It is interesting to note that when the General Assembly opened last September, there were 46 ministers and prime ministers in attendance—including the foreign ministers of the great powers.

We believe that there is an alternative to a summit conference. The success of the President of the United States, when he made his "Atoms for Peace" address to the General Assembly in 1953 might suggest another appearance before a special General Assembly of the United Nations.

We believe that he could take the moral offensive and suggest cessation of nuclear tests for a period of time; U. N. control of outer space, and calling off the economic race which is becoming second only to the atoms race. Instead of the Soviet Union and the United States competing for the favors of undeveloped areas through economic aid, he could suggest that both countries cooperate in a great United Nations Technical Assistance and Economic Development program, whose sole purpose would be the welfare of the people receiving the aid. He could repeat his proposal that the Soviet Union and the United States cooperate in an effort to counter poverty and disease through U. N. agencies.

Every time the Secretary-General successfully mediates a dispute, or the U. N. and its specialized agencies push back the frontiers of hunger and disease, the moral authority of the world community becomes stronger.

We believe that the people of the United States want their Government to contribute to this development by holding the proposed conferences under the United Nations.

AMERICAN ASSOCIATION FOR THE UNITED NATIONS.
CHARLES W. MAYO, M. D.,
JAMES T. SHOTWELL,
Honorary Presidents.
OSCAR A. DE LIMA,
Executive Vice President.
MRS. FRANKLIN D. ROOSEVELT,
Chairman, Board of Governors.
CLARK M. EICHELBERGER,
Executive Director.

Mr. HUMPHREY. Let me reiterate today what I have said on many previous occasions. We must utilize the United Nations framework whenever it offers an opportunity for a constructive and imaginative approach to major problems in international affairs. Clearly it should be utilized now in our efforts to prepare for high-level summit meetings. Let us make the United Nations into an instrument of help to American foreign policy. We should not bypass the United Nations; we must use it.

I call upon the President and the Secretary of State to proclaim not only our desire but our request that the negotiations be undertaken immediately within the councils of the United Nations.

Hour by hour we are losing the propaganda battle because of timidity, caution, and an apparent lack of understanding of the urgency of the desire for peace in the world.

I appeal, as an American and as a Senator—one with some responsibility in this area—for our Government to get off dead center and move to a positive and affirmative position.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CARROLL. Mr. President, I yield to the Senator from Minnesota an additional 5 minutes, if he desires it.

Mr. HUMPHREY. I thank my colleague for his generosity, but I have completed my statement. I do not believe I will need more time.

Mr. CARROLL. Mr. President, will the Senator take some time and then yield to me? The Senator can yield back the time remaining.

Mr. HUMPHREY. I shall be happy to yield to the Senator for a question, if he wishes to yield me the time.

Mr. CARROLL. Mr. President, I yield to the Senator from Minnesota such time as is necessary to put a question and to have it answered.

I should like to say to the distinguished junior Senator from Minnesota that he has just made an excellent speech. The speech the Senator delivered some days ago in the Senate has been widely reported in the State of Colorado. I have received a score or more of letters concerning it. The writers of the letters have asked me to commend the junior Senator from Minnesota for his constructive thinking and for his fight to establish a proper approach to peace.

Today we again see a demonstration of the sincerity, leadership and purpose of the junior Senator from Minnesota in this very important field. Today we are losing the propaganda battle. Hence we must seize the initiative and move forward, as the junior Senator from Minnesota has so well said.

Mr. HUMPHREY. I thank the Senator from Colorado for his encouraging words, his support and assistance, which have been very helpful.

Mr. President, I am of sad heart today when I read the headline stories. It is a paradoxical and ironical situation that a Nation such as ours, dedicated to the principles of the Prince of Peace, should find itself being cast in the image of reluctance and footdragging when it comes to working out the legitimate and constructive ways and means to accomplish peace through negotiations.

I have never said the disarmament talks would bring us peace, but I have said they could bring us a beginning in the search for peace. I am afraid that the Soviet Union will soon complete the tests of nuclear weapons it wishes to test for the next year or two. There is evidence to substantiate this observation. The Soviets have been making many tests at various stations in the Soviet Union. Soon they will have completed their tests. Then, with a kind of openness and a sort of international majestic gesture, they will proclaim they want no more tests, that they want to stop all tests. They may stop them unilaterally, which will leave us with our tests yet to be made in April and May in the West and in the Pacific.

I have heretofore said, and I repeat, the most important thing for us to do is to get the Soviets to the conference table to negotiate as to what they mean by disarmament with inspection. Make no mistake, it is possible for effective inspection to be conducted. The Subcommittee on Disarmament has been holding extensive hearings on the subject of inspection. The evidence is incontrovertible that inspection, properly organized, even under present arrangements, can be effective for all weapons save the smallest, and even those could be properly inspected were there to be an international inspection system, under which stations could be placed, let us say, 500 miles apart within the territory of the Soviet Union, Western Europe, Asia, and the United States.

Administration spokesmen are prone to argue the case of negotiations, summit talks and so forth, as if they were corporation lawyers, pointing out the weakness of the Soviet brief, but never appealing to the conscience of mankind and the great masses of people throughout the world.

The PRESIDING OFFICER. The Senator from Minnesota has taken 16 minutes of the allotted time.

Mr. HUMPHREY. Mr. President, I was asked by the distinguished Senator from Colorado to respond to him, and I shall conclude my response because of his interest in the matter and my interest in it.

I say we are not going to win in this struggle with the Soviet Union by using the approach of a corporation attorney facing the nimble-minded, quick-witted, but also diabolically clever mentality of a man like Khrushchev. We are going to have to do better than we have done.

Mr. CARROLL. I thank the Senator from Minnesota for his very clear and lucid presentation.

VISIT TO SENATE BY SENATOR VICTOR NEVERS CONSTANT OF THE REPUBLIC OF HAITI

Mr. AIKEN. Mr. President, earlier today we were honored by a visit from several members of the legislature of one of the great nations of Western Europe. We were happy to receive them.

This afternoon, Mr. President, we are honored by the presence of a member of the legislature of the Republic of Haiti.

Haiti is one of our neighbors to the south, a land of friendly people, one of our most colorful neighbors. It is a land of great promise and potential.

Mr. President, it gives me great pleasure to present to the Senate Senator Victor Constant, of the Republic of Haiti.

[Applause, Senators rising.]

FEDERAL-AID HIGHWAY ACT OF 1958

The Senate resumed the consideration of the bill (S. 3414) to amend and supplement the Federal-Aid Highway Act approved June 29, 1956, to authorize appropriations for continuing the constructions of highways, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER. Does some Senator desire to yield time to the Senator from Washington?

Mr. MAGNUSON. Mr. President, will the Senator from Tennessee yield me some time?

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 5 minutes.

Mr. MAGNUSON. Mr. President, I should like to ask the distinguished Senator from Tennessee for an interpretation regarding section 2 of S. 3414, which contains the provision which allows the Federal Government to match the State funds on a 70–30 basis.

I have in my hand the report, at page 19 of which there is an explanation of the matter in some detail. I wish to ask a question of the Senator from Tennessee because of a somewhat peculiar situation existing in the State of Washington, which I have informally discussed with the Senator and with other members of the committee.

If a State desires to follow the course set forth in the bill, and if it becomes State policy, it will be entitled to its share, as I understand, of $400 million for accelerated construction.

Mr. GORE. To be matched on a 70–30 basis.

Mr. MAGNUSON. To be matched on a 70–30 basis. If a State such as the State of Washington decided it was in favor of the accelerated program and wished to participate in it, and if the State should proceed with a project of a highly controversial nature, much needed, such as a bridge which would finally connect up with the interstate highway a very short distance away, in the opinion of the Senator from Tennessee, under section 2, and using the 70–30 matching provision, could the State limit itself to one project?

Mr. GORE. The bill apportions to the States amounts determined by the formula written into existing law.

By this formula the share of the State of Washington in the $400 million would be $6,562,000, and this would represent 70 percent of the cost of projects which could be accomplished under this provision.

The committee has seen fit to recommend 100 percent transferability, that is, permission to the States to use the entire apportionment from this special economic stimulus of $400 million for 1 year, on either primary highways, secondary highways, or urban extensions of those systems.

Therefore, to answer the Senator's question, if a project is a part of the primary highway system of the State of Washington, or the secondary highway system of the State of Washington, or an urban extension of either, it is

within the purview of this bill for the State to apply and obtain approval and utilize the full amount on one project.

Mr. MAGNUSON. I presume, from reading the report and some of the testimony, that this section, and the item of $400 million, were obviously placed in the bill to accelerate the program for the coming year.

It is provided, is it not, that if this plan were accepted and approved by the State of Washington and the Secretary of Commerce, contracts would have to be let prior to December 1, 1958, and all the funds would have to be obligated or contracted for within the year?

Mr. GORE. The exact provision is that funds shall be available for expenditure pursuant to contracts awarded by the State highway departments prior to December 1, 1958, which contracts shall provide for completion of construction prior to December 1, 1959.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. GORE. Mr. President, I yield myself 5 additional minutes.

One member of the subcommittee has suggested that, though the money must be paid in pursuance of a contract providing for completion prior to December 31, 1959, we should perhaps add a provision such as the following:

> Subject to delays caused by circumstances and conditions beyond the control of and without the fault of any contractor on such contracts, and delays created by acts of God.

Mr. MAGNUSON. I think that would be a wise suggestion, because it is difficult to have an exact cutoff date. Even though it is clearly the intention of the State to complete the project within the year, and it has let the contracts, there may be delays beyond the control of the State. I believe that the suggested provision would be wise.

Mr. GORE. This proposal is being circulated among the members of the subcommittee, and shortly we shall know their opinion.

Mr. MAGNUSON. I read from page 19 of the report:

> These additional funds will be available for expenditure on the primary, secondary, or urban systems, without limitation as to the percentage to be utilized on any system, which would permit transfer or interchange of apportionments between these systems, and grant the States more flexibility in using the funds where need is greatest and in areas where unemployment is greatest.

I presume the committee had in mind that a showing of unemployment in a given area might be one of the criteria for approval by the Federal Government in this case.

Mr. GORE. I cannot say that the committee had in mind that that would be a criterion. This is really a statement of the reasons why the committee granted the 100-percent transferability, as between the primary, secondary, and urban extensions.

Mr. MAGNUSON. I thank the Senator from Tennessee.

Mr. CASE of South Dakota. Mr. President, I should like to supplement what the able Senator from Tennessee has said in response to the interrogatories of the Senator from Washington.

The apportionment is made to the States on the basis of a regular scale, and 45 percent is apportioned for primary highways, 30 percent for secondary highways, and 25 percent for urban extensions. But once the State gets the money, it has complete freedom, with respect to its share of the $400 million, to decide where the money is to be spent within the State. So the determination of an economic condition would be wholly within the decision of the State.

Mr. MAGNUSON. Also, if the State decided to transfer or use the entire amount on a project which could be completed within a reasonable time—1 year, for example—the question of the economic situation would be at least a criterion for the State to decide.

Mr. CASE of South Dakota. Yes. That is why the time element was introduced.

Mr. GORE. In other words, instead of this language in the report indicating a requirement that the State cite the economic condition as a criterion, it is rather a statement of the reasons why the committee has recommended 100-percent transferability.

Mr. MAGNUSON. But that factor would probably be cited by the State as a reason for its action.

Mr. GORE. It would certainly be a very good reason.

As I understand the able Senator, he is referring to the construction of a project, such as a bridge or abutment, on a State route in Washington.

Mr. MAGNUSON. A State primary route.

Mr. GORE. Funds would be available therefor, as they would be available for a tunnel in Boston that was on the system, or an urban extension of a primary or secondary highway, or a bridge or abutment in Tennessee or South Dakota. The committee felt that the flexibility would aid the States in placing this money under contract at the earliest possible time.

Mr. MAGNUSON. I thank the Senator from Tennessee.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes from the time allotted in favor of the amendment which I offered some time ago.

The amendment which is now pending is one which would add a new clause to the law relating to public hearings for the location of segments of the Interstate System. The present law, in paragraph (c) of section 116, provides:

> Public hearings. Any State highway department which submits plans for a Federal-aid highway project involving the bypassing of or going through any city, town, or village, either incorporated or unincorporated, shall certify to the Commissioner of Public Roads that it has had public hearings or has afforded the opportunity for such hearings, and has considered the economic effects of such a location.

That provision was written into the Highway Act of 1956, I think, upon the motion of the distinguished Senator from Oklahoma, who felt that a town that was bypassed should have an opportunity to be heard before the new route was finally established.

Following its enactment, this provision has been observed by the State highway commissions, and many towns and communities have held public hearings. The conduct of those hearings for the benefit of towns and communities has aroused a desire on the part of ranchers and farmers for a like opportunity to be heard on the location of highways.

Consequently, following the request of some livestock associations, I am proposing that the present clause providing for public hearings for towns and small communities shall have added to it the words: "and any State highway department which submits plans for an Interstate System project shall certify to the Commissioner of Public Roads that it has had public hearings at a convenient location, or has afforded the opportunity for such hearings, for the purpose of enabling persons in rural areas through or by whose property the highway will pass to express any objections they may have to the proposed location of such highway."

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

Mr. CASE of South Dakota. I yield.

Mr. GORE. Is it not a fact that the Federal Highway Administration testified, as did various State highway commissioners, that the provision presently in the law, which requires certification of an opportunity for hearings having been afforded had not hindered the development of highways, but that that provision was rather welcome?

Mr. CASE of South Dakota. That is correct. They spoke very highly of the operation of the provision for public hearings, which is provided in the 1956 act.

Mr. GORE. The Senator's amendment would merely extend this provision to other groups, to give them an opportunity to have public hearings held. Is that correct?

Mr. CASE of South Dakota. The Senator is correct. It is my conviction that this will be an effective provision and will save money. I know of one occasion in my own State of a road being constructed through some ranch country. Had hearings been held, the road would have been located differently, and it would have saved some money for the State and the Federal Government. The amendment would provide an opportunity for the people affected to be heard.

Mr. GORE. I accept the amendment.

The PRESIDING OFFICER. Does the Senator from South Dakota yield back the remainder of his time?

Mr. CASE of South Dakota. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Tennessee yield back his time?

Mr. GORE. I do.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. President, I desire to call amendment No. 2 on the sheet I have distributed to Senators.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 24, after line 21, it is proposed to insert the following:

TITLE II. AMENDMENTS TO HIGHWAY REVENUE ACT OF 1956

SEC. 201. Section 209 of the Highway Revenue Act of 1956, entitled "Highway Trust Fund," is amended as follows: In paragraph (c) (1) strike out the subparagraph (C) which reads:

"50 percent of the tax received after June 30, 1957, under section 4061 (a) (1) (tax on trucks, buses, etc.);"

and insert in lieu thereof:

"100 percent of the tax received after June 30, 1957, under section 4061 (a) (1) (tax on trucks, buses, etc.)."

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes. At the conclusion of my remarks, unless a Senator desires to speak in opposition, I shall yield back the remainder of my time and withdraw the amendment.

Mr. President, I offer the amendment at this time for the purpose of having in the RECORD a reference to this problem. This amendment for which, in the unanimous-consent agreement, under which the Senate is operating, an exception was made on the point of germaneness.

The Highway Act of 1956 contains two titles, the first of which is the Highway Act of 1956, and the second, the Revenue Act of 1956. As Senators who are familiar with the legislation know, the Highway Act of 1956 proposed to put the financing of the Interstate System and the ABC routes on a pay-as-you-go basis.

Title II created a highway trust fund, into which were placed certain revenues. It is now evident, with the increased cost of the Interstate System, that those revenues will not put enough money into the highway trust fund to keep the apportionments payable on a current basis without supplementary revenues.

At the same time, there is talk in Congress about a possible reduction in excise taxes. The Highway Revenue Act of 1956 placed in the trust fund 50 percent of the yield from the excise tax on trucks and buses. Should the current talk about a tax reduction result in a reduction of excise taxes, and, in particular, in the excise tax on trucks and buses, obviously the return from that particular excise tax going into the trust fund would be reduced by a proportionate amount.

Should the excise tax on trucks and buses be reduced by 50 percent, the revenue going into the trust fund from that source would be 25 percent of the total revenue.

In view of the fact that the principle of placing in the highway trust fund revenue from the excise tax on trucks and buses was established in the act of 1956, it seems to me that the principle would not be violated in any degree if 100 percent of that tax revenue were to go into the highway trust fund. If we were to provide for 100 percent of that tax to go into the trust fund, instead of 50 percent, then the trust fund would not be injured in the event the excise tax should be reduced by 50 percent.

I see on the floor of the Senate the distinguished Senator from Michigan [Mr. POTTER] and the distinguished Senator from Virginia, the chairman of the Committee on Finance [Mr. BYRD], and the adviser to the Senate Committee on Finance, Mr. Stam.

I have placed this matter in the RECORD at this time in order to bring the situation to their attention, so that if an excise tax reduction should be considered by the Committee on Finance during the session of Congress, they will give consideration to what will happen to the highway trust fund in this particular respect.

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

Mr. CASE of South Dakota. I yield to the Senator from Michigan.

Mr. POTTER. I have suggested the removal or a reduction of the excise tax on trucks and buses. Since 50 percent of that tax has been earmarked for the highway trust fund, I have suggested that should the tax be reduced 50 percent, rather than 50 percent of the revenue from such taxes being allocated to the trust fund, the entire 100 percent should be so allocated.

Mr. CASE of South Dakota. That is, 100 percent of the returns.

Mr. POTTER. That is correct. The trust fund would receive the same amount it receives at the present time.

Mr. CASE of South Dakota. That is precisely what is proposed in the language of my amendment although I shall not press. The reason I shall not press it is that, while it is in order under the unanimous-consent agreement, I recognize that it is a revenue measure or an appropriation measure, depending upon one's point of view, and I feel that probably better results would be obtained if, with this notice, the proposal came to the attention of the proper committee of the House of Representatives, where revenue bills originate.

Mr. POTTER. I wish to assure the Senator that no other Member of the Senate is more interested than I am in having the excise tax removed from automobiles and trucks and parts. I concur in the expression of the Senator from South Dakota that the highway trust fund should not be penalized because of a reduction of excise taxes.

If the excise tax on trucks and buses could be reduced, the reduction should be made in such a manner that the trust fund would still receive the same amount of money. In other words, if the tax were cut by 50 percent, the whole 100 percent of the tax should be allocated to the trust fund.

Mr. CASE of South Dakota. I have observed that the distinguished Senator from Michigan appreciates the precise problem which is here presented. I am glad to have his support for the idea as it is presented. The 50 percent of the excise tax on trucks and buses places in the highway trust fund, I believe, from $160 million to $175 million a year. Obviously, a 50-percent reduction in that amount would further weaken the highway trust fund.

Mr. President, unless there is further discussion, I withdraw the amendment and yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from South Dakota yields back the remainder of his time. The amendment is withdrawn.

The bill is open to further amendment.

Mr. YARBOROUGH. Mr. President, I call up my amendment designated 3-25-58-A and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 19, beginning with line 25, it is proposed to strike out all down to and including line 14 on page 20 and to insert in lieu thereof the following:

SEC. 11. (a) Subsections (a) and (b) of section 111 of the Federal-Aid Highway Act of 1956 are amended to read as follows:

"(a) Reimbursement with respect to relocation of publicly and cooperatively owned utilities: Subject to the conditions contained in this section, whenever a State shall pay for the cost of relocation of publicly or cooperatively owned utility facilities necessitated by the construction of a project on the Federal-aid primary or secondary systems or on the Interstate System, including extensions thereof within urban areas, Federal funds may be used to reimburse the State for such cost in the same proportion as Federal funds are expended on the project: *Provided*, That Federal funds shall not be apportioned to the States under this section when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State.

"(b) Reimbursement with respect to relocation of privately owned utilities: Whenever a State under State law is required to pay for all or any part of the cost of relocation of privately owned utility facilities necessitated by the construction of a project on any of the Federal-aid highway systems, Federal funds may be used to reimburse the State for such cost in the same proportion as Federal funds are expended on the project not to exceed 70 percent of such cost which the State is obligated to pay: *Provided*, That such reimbursement shall be made only after evidence satisfactory to him shall have been presented to the Secretary substantiating the fact that the State has paid such cost from its own funds."

Mr. YARBOROUGH. Mr. President, reserving my right to the floor, I request the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. YARBOROUGH. Reserving my right to the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. The time for the quorum call will come out of the time allotted to the Senator from Texas. Does the Senator from Texas withdraw his request for a quorum call?

Mr. YARBOROUGH. I withdraw my request for a quorum call.

The PRESIDING OFFICER. The Senator from Texas.

Mr. YARBOROUGH. The amendment I have proposed to S. 3414 is to section 11 (a). In effect, it is an amendment to the bill as amended by the Hruska amendment. It provides, in section (a), that in case there is a relocation of a publicly or cooperatively owned utility facility, the publicly or cooperatively owned utility will be reimbursed for all costs of removal at the same rate as provided in the 1956 law.

Section (b) provides that with respect to privately owned utility facilities reimbursement will be at the rate of 70 percent of the cost of removal, if the State is obligated to pay for it. Under

the Hruska amendment, private utilities will be reimbursed up to 90 percent if the State pays the cost. The question is not whether the State is required to pay, but if the State does pay the cost there will be reimbursement.

Under my amendment, private utilities would be reimbursed by the Federal Government only if the State were required to reimburse them.

The occasion for the amendment is this: In 1956 the highway law was amended to provide that if a State paid a utility company for moving its facilities, the Federal Government would bear 90 percent of the cost. After that, there was generally unlicensed brigandage practiced on the fund. The situation grew so alarming that the subcommittee presided over by the junior Senator from Tennessee [Mr. GORE] wrote into the bill which was reported by the committee a provision to stop that practice; not to prevent the private utilities from being reimbursed for their relocating costs, but only if the States had to bear those costs.

What happened? After the 1956 act was passed, it was proposed in a number of States that the State serve as a kind of pipeline to let the private utilities go into the Federal Treasury and draw money out. New laws were proposed in 38 States in 1 year. In only 15 of those States did the proposals become laws. In 6 States such laws were passed, but the State Governors had the courage and the principle to veto them. I shall call the roll of the States which would not put up with the steal which the United States Senate is being asked to swallow.

Twenty-four States—half the States of the Union—within the past 2 years would not stomach what the Senate was asked to stomach last night; 24 States of the Union said, in effect, "No; it is immoral. It is wrong." The legislatures of 18 States said, "We will not pass such a law. We will not permit the private utilities to steal money from the public treasury and put it into their pockets, even though it be only 10 percent."

I call attention to the point raised last night by the senior Senator from Georgia [Mr. RUSSELL], when he said that a mere 10 percent was not enough to require a State to contribute; that Congress ought to stop and consider the question further. He last night pleaded for a 30-percent payment by the States, so that the States would stop and examine and consider what was going on, before they determined that they would pay private utility companies. I call attention now to that plea by the distinguished senior Senator from Georgia.

Eighteen States defeated the suggestion made last year that they be merely the agents to collect money from the United States Treasury and to give it to the private utilities. I want to read the roll of States whose legislatures rejected such a proposal when it was made by the private utility lobbyists:

Alabama, Arizona, Arkansas, California, Georgia, Indiana, Iowa, Maryland, Michigan, Missouri, New Hampshire, Ohio, Oregon, South Dakota, Vermont, Washington, West Virginia, and Wisconsin.

Several States passed laws to authorize taking the money out of the public treasury and giving it to the private utilities. But in those States, six States whose legislatures passed such bills, the governors said: "No; we will not have such laws." These are the six States, the governors of which, vetoed such bills: Colorado, Kansas, New York, Pennsylvania, Rhode Island, and Wyoming.

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

Mr. YARBOROUGH. Mr. President, how much time is allotted? Is it 30 minutes to each side?

The PRESIDING OFFICER. The Senator from Texas has 30 minutes.

Mr. YARBOROUGH. How much time has been used?

The PRESIDING OFFICER. The Senator from Texas has used 5 minutes; he has 25 minutes remaining.

Mr. YARBOROUGH. Mr. President, I yield myself 5 minutes more.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 additional minutes.

Mr. REVERCOMB. Mr. President——

Mr. YARBOROUGH. Mr. President, I yield to the distinguished Senator from West Virginia for a question, but only for a question, since my time is limited.

Mr. REVERCOMB. I thank the Senator from Texas.

In subsection (a) of the amendment of the Senator from Texas—it is the subsection entitled "Reimbursement With Respect to Relocation of Publicly and Cooperatively Owned Utilities"—I notice the following language:

> Subject to the conditions contained in this section—

I point out particularly the following language—

> whenever a State shall pay for the cost of relocation of publicly or cooperatively owned utility facilities necessitated by the construction of a project on the Federal-aid primary or secondary systems or on the Interstate System,

And so forth. Then I turn to subsection (b) of the Senator's amendment, which is entitled "Reimbursement With Respect to Relocation of Privately Owned Utilities"; and in that subsection I find the following language, which is quite different from the language of subsection (a):

> Whenever a State under State law is required to pay for all or any part of the cost of relocation—

And so forth. Would the Senator from Texas consider using in subsection (b) the same language he has used in subsection (a)?

Mr. YARBOROUGH. No. The Senator from West Virginia has pointed out the difference between the two subsections, and it was my purpose to have that difference exist between the two subsections. The point to which the Senator from West Virginia has referred is the very basis of the difference, which is intentional.

Subsection (a) deals with the payment of governmental tax funds for the cost of relocation of publicly or cooperatively owned utility facilities, whereas subsection (b) deals with reimbursement for the cost of relocation of privately owned utility facilities, facilities of utilities which are organized or incorporated to make a profit, to make money for themselves. I point out that it is not legitimate for privately owned utilities to make money by obtaining it from the Federal Treasury.

Mr. REVERCOMB. Mr. President, will the Senator from Texas yield further to me?

Mr. YARBOROUGH. I yield for a question.

Mr. REVERCOMB. The Senator from Texas well knows that if such reimbursement is not made to a privately owned utility, a new and higher base for the rates it charges the public will be established.

If the language of subsection (b) of the amendment remains as it is, no consideration at all will be given to States which have no law on the subject of payment to such relocation, with the result that the people of those States will be required to pay higher rates for the utility service, based upon the cost of moving the utilities. In that way, favored treatment will be given to the States which have passed laws dealing with such reimbursement or cost of relocation.

Mr. YARBOROUGH. Mr. President, under my amendment a State would have to pay 30 percent of the cost of removal of the facilities of such a privately owned utility. I predict that in a short period of years not many States will dig down into their pockets to pay out 30 percent of that cost.

I point out that this situation developed mainly under the 1956 act, by means of which Uncle Sam was paying 90 percent of the cost.

Mr. REVERCOMB. Mr. President, will the Senator from Texas yield further to me?

Mr. YARBOROUGH. I yield.

Mr. REVERCOMB. If the Senator from Texas leaves the language of subsection (b) of his amendment as it is, there will be a discrimination in favor of States which have laws on the subject of reimbursement for cost of relocation, and a discrimination against States which do not have such laws.

In the case of States which do not have laws on the subject of such reimbursement, the amendment as it now stands would impose on them either the burden of paying practically the entire cost of the relocation of such facilities, without reimbursement; or the utilities would pay the cost and increase their rates to the people; whereas other States would receive reimbursement up to 70 percent of such cost.

Mr. YARBOROUGH. Mr. President, I have no objection to having the Senator from West Virginia argue the point he has in mind, but he should do so in the time available to those who oppose the amendment.

Inasmuch as only 30 minutes is available to Senators who join me in supporting the amendment, at this time I wish to proceed.

Mr. President, it has been shown that since the 1956 act was passed, 40 States have sought to amend the law. That shows that not more than eight States

had such reimbursement provisions or laws at the time when the 1956 act went into effect.

Yesterday evening, in response to questioning by the able junior Senator from Colorado [Mr. CARROLL], it was developed that the cost of these relocations amounted to approximately 3 percent of the entire $3 billion—in other words, approximately $30 million. That would be the cost of relocating the service roads and the facilities on the lateral rights-of way. Thirty million dollars is a tremendous amount of money.

The PRESIDING OFFICER. The time the Senator from Texas has yielded to himself has expired.

Mr. YARBOROUGH. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 additional minutes.

Mr. YARBOROUGH. Mr. President, if there is an injustice, it is not in the case of the 40 States which do not have such laws. Instead, the injustice is in the case of the eight States which do have such laws. We should not ask the 40 States to pass unjust laws, simply because 8 States have laws which inordinately favor the private utilities. Under those circumstances we should not say that the other 40 States should provide that governmental tax funds should be taken out of the pockets of the taxpayers and should be used for that purpose.

Mr. President, out of whose pockets would such funds be taken? In the case of single persons, they would be taken out of the taxes paid by those who earn $70 a month or more, and who thus are required to pay income taxes. In the case of married persons who have no children, such tax funds would be taken out of the pockets of childless married couples earning $125 a month or more—$125 a month, or $1,500 a year. Such couples probably are paying income taxes, and therefore the taxes they pay would be used in part to make these payments for the cost of the relocation of the facilities of privately owned utilities.

Should the taxes paid by those persons be used in order to have a State pay to a private utility more than 70 percent of the cost of relocating its facilities?

Of course, if the right-of-way is owned by the utility, then, if such roads are to be built there and if the facilities located on the right-of-way are to be moved, the Government will have to condemn the land. In that case the Government will pay, not only for the land itself, but also for the cost of moving the facilities—every pole, every inch of pipeline which the utility already has constructed on that land—to the new location.

But if the land is owned by the utility, it will have been paid, in the first place, for the cost of establishing or locating its equipment there; such payment will have been received by it by means of rates fixed for the service the utility renders to the public. As I have said, if the utility actually owns that land, and if the land is taken by the Federal Government, to be used for these roads, the utility will be paid 100 cents on the dollar for all the land taken; that payment will be paid under condemnation proceedings, under the right of eminent domain. Under such circumstances, when land privately owned is taken for this governmental purpose, the owner of the land is paid, not only for the value of the land on a square-foot basis, but also for whatever investment he has made in facilities constructed on the land.

In short, full reimbursement will be received by a utility which owns land which is taken for that purpose, and the utility will also receive full reimbursement for the cost of relocating the poles or other facilities it has erected or established on that land.

It is only in the case of utilities which have established their facilities on publicly owned land that a request is being made to have the tax funds which have been obtained from the people used to make these payments.

The PRESIDING OFFICER. The additional time the Senator from Texas has yielded to himself has expired.

Mr. YARBOROUGH. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Texas is recognized for 1 additional minute.

Mr. YARBOROUGH. Mr. President, I have no prejudice against the utilities. We want them to render good service, and we want them to have financial structures adequate to enable them to give the people good service.

But what I object to is a largesse which would come out of the pockets of the taxpayers.

The utilities have had their rate structures based on charges sufficiently high to enable them to make a profit. But they say, "In addition, we want the Government to reach into the pockets of the taxpayers and get some money and give it to us."

Mr. REVERCOMB. Mr. President, will the Senator from Texas yield to me, in my time?

Mr. YARBOROUGH. I yield.

The PRESIDING OFFICER. The Senator from West Virginia will have to obtain time from the Senator from Nebraska.

Mr. REVERCOMB. I have been advised that the time in opposition to the amendment is under the control of the Senator from Tennessee.

The PRESIDING OFFICER. Then does the Senator from Tennessee desire to yield time to the Senator from West Virginia?

Mr. GORE. Mr. President, I yield 3 minutes to the Senator from Texas, in order that he may yield to the Senator from West Virginia.

Mr. YARBOROUGH. Mr. President, I have used a considerable amount of the time available to those who favor this amendment. I would prefer to have the Senator from West Virginia use some of the time available to the other side.

Mr. GORE. Very well, Mr. President. I yield 3 minutes to the Senator from West Virginia [Mr. REVERCOMB].

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 3 minutes.

Mr. REVERCOMB. Mr. President, let me say that I have no quarrel with the Senator from Texas [Mr. YARBOROUGH] as regards 90 percent reimbursement, or whatever it may be, for the publicly owned utilities and cooperatives, and 70 percent for those whose facilities are privately owned.

But under subsection (b) of the amendment of the Senator from Texas—the subsection which deals with the privately owned utilities, I desire to point out that the subsection would require that there be a State law for such reimbursement, whereas the Senator from Texas knows that some States have no State law on that subject.

Therefore, in those States—including my own, so I am advised—there could be no reimbursement, and thus the cost would be reflected in the rate base of the utility, and consequently the people living in those States would have to pay a higher rate for the cost of removing the facilities, rather than to have it paid in connection with this roadbuilding program, with the result that a rank and raw discrimination would be made in favor of the States which have passed laws on this subject, as against those which have not passed laws on the point.

That is a fault I find with the amendment of the able Senator from Texas. If he could correct that language, I think it would strengthen his amendment very much.

Mr. YARBOROUGH. I should like to point out to the distinguished Senator from West Virginia that last year the legislature of his State considered such a proposed law, but would not enact it. The legislature of his State would not swallow it, but he is asking the Senate of the United States to swallow it.

Mr. REVERCOMB. No; I am asking the Senate of the United States to be fair on the subject. To make the reimbursement apply to all States—otherwise it should apply to none. The amendment would not only make certain States swallow it, but would make those States which wanted to protect their own people swallow something worse; because there would be 70 percent reimbursement for the States that had passed a local law, and not one cent reimbursement for those which had not, with the result that the people of those States would have to pay these higher rates for the cost of relocation.

Mr. YARBOROUGH. A minority of the States have passed such a law. I predict they will repeal them. My State passed such a law. The Governor did not veto it. It was said, "We want it if the Federal Government wants it. Yes, we will let the utilities use us as pipelines if the Federal Government places a condition in the law." Some States have placed a condition in the law that they will collect only if Uncle Sam will be Santa Claus for the utilities, and that they will not pay it themselves.

Mr. REVERCOMB. Reverting to the fundamental principle, the Senator would penalize those who live in States which have not passed laws for local reimbursement. He would give to the States which passed such laws and I believe he said his own State had passed such a law——

Mr. YARBOROUGH. I point out that my own State——

The PRESIDING OFFICER. The Senator from West Virginia has the floor, unless he desires to yield.

Mr. REVERCOMB. Let me say to the Senator, whatever State is involved, he is trying to say to people of States which have passed such a law, "You will get reimbursement," whereas he is saying to the people of States which have not passed such a law, "The cost of doing this shall be placed in the rate base of the utility, and the people will have to pay for it." That is what I am pointing out.

Mr. YARBOROUGH. I should like again to refer to what was stated by the senior Senator from Georgia [Mr. RUSSELL] last night. If the payments to the States were on the basis of 30 percent, there would not be an effort to pass such a law in 40 States in 1 year.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. HRUSKA. Mr. President, the issue before the Senate was fully debated yesterday. Earlier today I made a slight correction with respect to the cost of relocation of utilities in the roadbuilding program. It applies only to the Interstate System as it presently exists.

Yesterday it was suggested the cost would be 3 percent of the overall cost, which would be $1,100,000,000. The fact is that the cost is closer to 1 percent. One percent of $37 billion is $370 million, but not even all of that amount is here involved. The only amount here involved, as the basis for a giveaway, if I may use that term, is 20 percent of $370 million, or $74 million, if all the relocation costs are attributable to private utilities, which they are not. So there is not any giveaway of $1 billion, or anything like it. The sum involved is approximately $50 million. But even that is a lot of money, and I think we should give some consideration to it, as I shall proceed to do.

Many States did change their laws after the passage of the Highway Act of 1956, but different conditions prevailed after the passage of that law from those which have prevailed theretofore. Let me call the attention of the Senate to the fact that in 1952 $25 million a year was allowed for the construction of the Interstate Highway System. Now that amount has been raised to $2 billion, which is an increase of approximately 80 times, or 800 percent. It is one thing for utilities, whether they are publicly owned or privately owned, to put up money for the construction of an Interstate Highway System at the rate of $25 million a year. It is another thing to deal with a crash program of $2 billion, which in 1960 will be $2.2 billion a year for the same purpose.

In addition to that, the Interstate Highway System, as authorized in 1956, provided for a different type of construction—4, 6, and 8-lane highways, with many cloverleafs—running the cost of relocation of utilities to a sum tremendously higher than it had been theretofore.

I think it is a sound process of reasoning that when different conditions arise they require different solutions. That is precisely what the State legislatures thought, and they changed their method of dealing with the problem locally.

There is also this to be said about payment of relocation of utility costs out of common funds rather than out of funds which would be taken out of the pockets of utility users. In many instances where the Interstate System will entirely miss communities, those communities will be freed of any costs.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. GORE. Mr. President, I yield to the Senator from Nebraska 5 additional minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 additional minutes.

Mr. HRUSKA. On the other hand, cities located on the Interstate System will bear the entire cost. In my home city of Omaha, the cost to move waterlines, gaslines, and powerlines will be $2½ million. Neighboring cities which are not on the Interstate System will escape scot free from any cost whatsoever, although they will have as full and complete a use of the Interstate System as will the people of my home city. So there is that to be said for the propriety of figuring such costs as a part of the entire overall cost. I say we should ponder that fact again in light of the discussion which we had yesterday, and consider the issue as having been disposed of.

There is only one final suggestion I have to make, and it already has been offered by the Senator from West Virginia. It is not the private utility that pays the bill; it is not the publicly owned utility that pays the bill. They have their boards of directors and their officers, and that sort of thing, but we know that those who pay the bill are the ones who use the particular utility involved, whether it is by telephone, or by turning on a faucet, or by lighting an electric bulb. It is the people who use those facilities who pay the bill.

It might be said that private utilities have a reserve fund for meeting that sort of expense. The reserve fund comes only from the pockets of utility users. If the funds are used, they must be replenished, and they will be replenished from the pockets of utility users.

I shall vote in such a way as to assure that the utility users, the people themselves, shall not be wrongly charged for the improvement and installation of the Interstate Highway System, regardless of the type of utility which happens to be serving them.

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

Mr. HRUSKA. I am happy to yield to the Senator from Colorado.

Mr. CARROLL. In our talk last evening I believe we were discussing the same subject matter. I assume we are discussing the same general issue?

Mr. HRUSKA. It is a different aspect, but the same general subject; yes.

Mr. CARROLL. I should like to help make a record on the matter.

Are municipalities included within the provision of the amendment, as to the 90 percent for the cost of relocation?

Mr. HRUSKA. I would think so.

Mr. CARROLL. Are REA's included?

Mr. HRUSKA. Yes.

Mr. CARROLL. Co-ops and all categories of REA's?

Mr. HRUSKA. Does the Senator mean under the bill as it now reads?

Mr. CARROLL. In the language of the bill, as it was amended last night.

Mr. HRUSKA. Surely. As I understand, that is true.

Mr. CARROLL. I observe on page 29 of the report an item relating to what the distinguished Senator from Nebraska explained. The State of Colorado, for example, vetoed a proposal to comply with the Federal-Aid Highway Act of 1956. Six States did so. The States are Colorado, Kansas, New York, Pennsylvania, Rhode Island, and Wyoming. By virtue of the veto, would the States be able to participate in the program?

Mr. HRUSKA. I do not know the nature of the bill or what it provided.

Mr. CARROLL. Mr. President, may I ask the Senator from Nebraska to respond again to the question I asked with reference to the six States which vetoed compliance with the legislation? There were six States where compliance with this type of legislation was vetoed at the State level in 1957.

Mr. HRUSKA. What is the Senator's question?

Mr. CARROLL. Would those States be able to participate under the language of the bill, if enacted into law, following the terms of the amendment adopted last night?

Mr. HRUSKA. I do not know to what the State law was directed. There are State laws dealing with this subject. If the law which was considered required the State to pay, it would not make any change in the present system, because the present law requires a situation where the State does pay for relocation of utilities, irrespective of a mandatory or obligatory situation stemming from State statute.

If the statute involved was of that nature, it would not make any difference. The claim of the utility for relocation costs would be honored on the basis of simple, equitable principles.

Mr. CARROLL. Let us assume that there is no State law at all concerning the payment for the cost of relocation of private utilities. What would the situation be then?

Mr. HRUSKA. The utility would present its claim to the highway department. The claim would be considered on the basis of equitable principles. There would be allowances, and negotiations between the State highway department and the utility. Betterment would be allowed for in the cost of relocation, as would depreciation. A bill would be presented. When the proposal was completed as between the two of them, they would take it to the Bureau of Public Roads. The Bureau of Public Roads would go over it. The

Bureau would tentatively approve the bill, the allocation. The Bureau would carefully audit the costs, after the relocation work had been completed, and an allowance would be made as a part of the cost of construction to be participated in by the Federal Government in the same proportion as in the case of sections of cement, rods of steel, or hours of labor.

Mr. CARROLL. What percentage would that be?

Mr. HRUSKA. The proportion would be the same as would apply to the project. If it were a 90 percent project, the allowance would be 90 percent. If it were a 50 percent project, the allowance would be 50 percent.

Mr. CARROLL. In other words, the bill would apply to all States, whether the State had a law or not? Is that the Senator's contention?

Mr. HRUSKA. That is true under the statute as it is presently effective. That is correct, according to my understanding.

Mr. CARROLL. It is with that fact in mind that the Senator presented his amendment last night, to have it clear on the RECORD, so that the pending legislation will be understandable to West Virginia, Colorado, or any other State. The mere fact that some States have passed a law and some States have not passed a law would not deprive any of them from participating under the provisions of the bill?

Mr. HRUSKA. Not if the State complies with the provision of the law, which is that when a State shall pay the costs of relocation reimbursement shall be on that basis. That is true, but the State has to pay the costs.

Mr. CARROLL. I am assuming for the sake of the discussion that the State makes no payment on the cost of relocation.

Mr. HRUSKA. Then the State will not qualify under the law. The law starts out by saying, "When a State shall pay." It says "when a State shall pay." If a State does not pay anything, I do not know why there should be reimbursement. Perhaps the Senator has a different idea as to reimbursement, but there cannot be a reimbursement until there has been a disbursement.

Mr. CARROLL. I understand that fact perfectly. I was thinking in terms of the utilities—either private, public, or REA—which may exist in a State where there is no State law providing for the State to repay the cost of relocation. If a utility had to relocate would payment to the utility be precluded, because the State has no such law? That is the purpose of the question.

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

Mr. HRUSKA. I yield to the Senator from West Virginia.

Mr. CARROLL. Under the language of the bill as it appeared last evening, what would be the situation?

I have raised the point that if the language as used in subsection (b) of the amendment of the Senator from Texas is adopted, States which do not have a specific law upon the subject could never get reimbursement. The result would be that the State certainly would not pay for relocation if it were not going to be reimbursed.

The PRESIDING OFFICER. The time allotted to the Senator from Nebraska has expired.

Mr. CARROLL. Mr. President, will the Senator from Tennessee yield additional time?

Mr. GORE. Mr. President, I yield 1 minute.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 1 additional minute.

Mr. REVERCOMB. I thank the Senator.

In view of the language written into subsection (b), as I understand it, if the amendment of the Senator from Texas should be adopted, the utility users in those States which have no law would be saddled with a higher rate, whereas in those States which had such laws the people would be relieved from having that cost put into the rate base and from the higher rate which would otherwise result. That is the point.

Mr. HRUSKA. The Senator is bringing out again the point I emphasized a while ago. Is it not true that the actual, final cost would be borne by the user of the utility, regardless of its ownership?

Mr. REVERCOMB. That would be true, unless there were reimbursement.

Mr. HRUSKA. Unless there were reimbursement.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the estimated costs to relocate existing electrical facilities in Omaha, Nebr., of the Omaha Public Power District; the estimated costs of relocation of the Metropolitan Utilities District of Omaha; and the supplemental statement of E. C. Yokley, which appears on pages 626 and 627 of the hearings before the subcommittee of the Committee on Public Works relative to the Federal-Aid Highway Act of 1958.

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

OMAHA PUBLIC POWER DISTRICT,
Omaha, Nebr., March 21, 1958.

MEMORANDUM TO THE PUBLIC WORKS COMMITTEE OF THE SENATE OF THE UNITED STATES AND ITS SUBCOMMITTEE CONSIDERING AMENDMENTS TO THE FEDERAL-AID HIGHWAY ACT OF 1956—ESTIMATED COSTS TO RELOCATE EXISTING ELECTRICAL FACILITIES IN OMAHA, NEBR., DUE TO CONSTRUCTION OF THE NATIONAL SYSTEM OF INTERSTATE HIGHWAYS, MARCH 1958

The Omaha Public Power District of Omaha, Nebr., a political subdivision of the State of Nebraska, created by the Legislature of the State of Nebraska, serving electrical energy to the following counties, Douglas (including Omaha), all of Sarpy, parts of Cass, Saunders, Dodge, Colfax, Burt, Washington, and Otoe.

The presently proposed Interstate System of Defense Highways in an area served by the district and necessitating relocation of its facilities are commonly referred to as Routes 1, 3, and 5. Route 1, in the location affecting the district, is at the south side of the city of Omaha, running generally east and west. Route 3 extends from Route 1 at the intersection of 30th and Grover Streets north to Dodge Street, and then north and east to terminate at the Missouri River at the foot of Capitol Avenue. Route 5 runs north from Dodge Street in the western part of the city to the north part of the city and then east to the Missouri River.

We herewith submit the estimated costs associated with the relocation of electrical facilities incident to the construction of these three routes of the Interstate System of Highways. These estimates are based on the present available data relative to location and design of the proposed highways.

Underground system	$605,000
Transmission system	33,000
Distribution system	484,000
Total	1,122,000

The customers of this publicly owned utility having paid their share of the costs of Interstate System Highways, through regular tax channels, should not be called upon to be doubly taxed therefor in the form of additional utility rates to pay these relocation costs. This principle was recognized by the Congress when it enacted what is now section III of the Federal-Aid Highway Act of 1956, which section makes Federal funds available to the States for reimbursement of such costs. The provisions of that section should not be so amended as to diminish the rights of utilities to reimbursement for these relocation costs.

Respectfully submitted.

F. J. MOYLAN, *General Manager.*

MEMORANDUM TO THE PUBLIC WORKS COMMITTEE OF THE SENATE OF THE UNITED STATES AND ITS SUBCOMMITTEE CONSIDERING AMENDMENTS TO THE FEDERAL-AID HIGHWAY ACT OF 1956

The Metropolitan Utilities District, of Omaha, Nebr., is a municipal corporation created by the State of Nebraska serving gas and water to the city of Omaha and environs in Douglas and Sarpy Counties. The population of the area served is approximately 350,000 persons. The district is governed by a board of six directors elected by the residents of the district for terms of 6 years each.

The presently proposed Interstate System Defense Highways in the area served by the district necessitating relocation of its gas and water facilities are commonly referred to as Routes 1, 3, and 5. Route 1, in the location affecting the district, is at the south side of the city, running generally east and west. Route 3, as referred to in this memorandum, extends from Route 1 at the intersection of 30th and Grover Streets north to Dodge Street, and then north and east to terminate at the Missouri River near the foot of Capitol Avenue. Route 5 runs north from Dodge Street in the western part of the city to the north part of the city, and then east to the Missouri River in the vicinity of the water pumping facilities of this district.

We wish to present herewith the costs associated with gas and water facility relocations incident to the construction of these three Interstate System Highways insofar as such construction would be in the area of and affect the facilities of the Metropolitan Utilities District.

Before doing so, however, some assumptions must be indulged since the only basis for calculated costs is the presently available data relative to location and design of the proposed highways. Also it has been assumed that water and gas facilities will be permitted to cross these highways whenever necessary, and should this right be denied completely or even restricted, additional construction would be necessary beyond that contemplated in the costs hereinafter set forth. It has been assumed that mains undercrossing the Defense Highways will not need to be encased, but should this be required, additional costs would result.

We have endeavored to estimate the additional costs which would result from the inability to occupy marginal streets, if such would ultimately be the fact.

With the foregoing in mind, we submit the following estimated costs of relocating gas and water facilities necessitated by, and as a part of, said presently proposed Interstate Highway construction in and adjacent to Omaha, Nebr.

Cost of relocating or lowering mains along the route of the highway exclusive of mains in marginal streets for each of the designated proposed Interstate System highways

	Gas	Water
Route 1	$155,400	$168,010
Route 3	248,872	323,527
Route 5	32,650	91,965
Total	436,922	583,502

Additional but corresponding costs of relocating or lowering mains in marginal streets

	Gas	Water
Route 1	$25,120	$30,760
Route 3	228,660	207,600
Route 5	None	None
Total	253,780	238,360

Other costs, water: Relocating fire hydrants and abandonments, $24,000.

Other costs, gas: Relocating regulator stations and abandonments, $14,000.

Total estimated cost of relocating or lowering along the route of the 3 highways

Gas	$450,922
Water	607,502
Total	1,058,424

Total estimated cost of relocating and abandoning gas and water facilities along the route of the 3 highways, as well as in marginal streets

Gas	$704,702
Water	845,862
Total	1,550,564

The law requires the gas and water utilities accounts be kept separately. The foregoing expenditures applicable to the water utility and those applicable to the gas utility could not be borne by either from current revenues, and therefore public financing would be required. These costs would be in addition to working capital and normal construction requirements.

The district is just completing a 5-year $14 million water expansion program for which $12,500,000 of water revenue bonds were issued. The gas utility has likewise been engaged in an expansion program to meet the growth of the community and did, in 1956, issue gas revenue bonds in the amount of $1,600,000.

The consumers of these publicly owned utilities having paid their share of the costs of Interstate System Highways, should not be called upon to be doubly taxed therefor in the form of additional utility rates to pay these relocation costs. This principle was recognized by the Congress when it enacted what is now section 111 of the Federal-Aid Highway Act of 1956, which section makes Federal funds available to the States for reimbursement of such costs. The provisions of that section, if justice is to prevail, should not be so amended as to diminish the rights of utilities to reimbursement for these relocation costs.

SUPPLEMENTAL STATEMENT OF E. C. YOKLEY, VICE CHAIRMAN, COMMITTEE ON MUNICIPALLY OWNED UTILITIES, NATIONAL INSTITUTE OF MUNICIPAL LAW OFFICERS, RE S. 3150

Secretary Weeks and Mr. Tallamy when they appeared before the Senate Roads Subcommittee on January 8 and 9, 1958, referred to an increase of approximately $10 billion since 1956 in the estimates for building the Interstate System. On January 9, 1958, Senator CASE asked Mr. Tallamy to what extent the cost of reimbursing utilities entered into the increase of estimates of the States for completing the Interstate System. Mr. Tallamy replied that the total increase in cost of utilities which also includes certain other costs to which he referred involves a 3-percent increase in costs.

In order to offer some clarification of the amount of utility relocation costs, I would like to call the committee's attention to the statement of John A. Tenbrook for the Edison Electric Institute (hearings before the Committee on Public Works, House of Representatives, on H. R. 4260, 1st sess., 84th Cong., p. 948), Mr. Tenbrook analyzed the study made by the Secretary of Commerce (H. Doc. 127) and found that total utility relocation costs were 2.5 percent of total highway construction costs. He further found that under existing laws and practices in various States two-fifths of this amount was presently reimbursed. Thus the amount of utility relocation costs involved in further provision for reimbursement was about 1.6 percent of total road construction costs. Since 1954, when the study was made by the Secretary of Commerce, the costs involved in relocating utility facilities, has not, according to any information I have been able to obtain, increased substantially. The $10 billion increase in the estimates of cost of constructing the Interstate System caused by increased costs of rights-of-way acquisition and other increased costs should not be considered as reflecting a similar increase in costs of utility relocation. In other words, if 1.6 percent of the total cost of constructing the Interstate System in 1956 represented additional utility relocation costs, the present amount of these costs should be less than 1.6 percent, in fact not much over 1 percent.

Mr. GORE. Mr. President, I yield myself 5 minutes.

This has been a vexatious issue since I have been a member of the Senate Committee on Public Works. We have attempted to deal with it repeatedly, but insofar as I am concerned we have never dealt with it satisfactorily.

I supported the provision contained in the law in 1956. As the junior Senator from Texas has said so ably today, certain States and interests have demonstrated a willingness to try—and with some success—to take advantage of the Federal Government under the provisions of the law.

The subcommittee made a recommendation this time which it hoped would remedy that situation. I was prepared last evening to support the amendment which was proposed, even raising the figure to 80 percent; but I learned that during my absence from the floor it had been raised to 90 percent. I joined the junior Senator from Colorado and voted against the amendment.

I believe that the amendment, as modified, would improve existing law, because, as the junior Senator from Nebraska has stated, he incorporated in his amendment, which the Senate adopted, a provision which requires, as a prerequisite to reimbursement by the Federal Government, the actual payment by the States of the cost of removal.

The junior Senator from Colorado raises a question about payment, and what would happen in the event a State did not have a law requiring it to pay. I submit that a State could not pay such costs unless it could do so lawfully. I can see that there might be an area in which a State might be legally authorized to do so, but not legally required to do so. But in no event could I conceive of a State making a payment for the cost of removal of the utilities unless it was authorized by law to do so.

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

Mr. GORE. I yield.

Mr. CARROLL. That raises a very important question, I believe. I use my own State as an example. I invite attention to page 30 of the report which indicates that in 1957, the Colorado Legislature passed a law in an attempt to meet the conditions of the Federal Aid Highway Act of 1956, but it was vetoed.

The question then arises, the State having no responsibility to repay such costs, to whom would the utility look to recover its costs? Take for example a private utility, a public utility, or an REA which may have relocation costs caused by a project of the Interstate Highway program. Where will it seek to recover its costs?

This raises the question as to whether or not the utility may use the State, under the provisions of the bill, as a conduit to present its claim and receive reimbursement under the Federal Aid Highway System.

Mr. GORE. I do not believe that could possibly occur, in view of the amendment adopted last night.

Mr. CARROLL. Does the Senator mean that the State could receive payment?

Mr. GORE. I do not believe the State could receive payment unless it had paid such costs. As I understand, the provision is for reimbursement to the States for payments which the States have made.

Mr. HRUSKA. That is the plain language of the statute. It says "Whenever the State shall pay."

Mr. CARROLL. Mr. President, I commend the distinguished junior Senator from Texas [Mr. YARBOROUGH] for raising this point. It is raised a little obliquely, it is true, but as I read the report, only 16 of the 48 States have laws which obligate them to pay relocation costs. Is it true therefore 32 States may not be able to participate in the program unless there is enabling legislation? Is that a fair analysis?

Mr. GORE. In that connection, I point out that it has long been the practice of the Bureau of Public Roads to reimburse the States for the Federal pro rata share of the cost of removing utilities in the case of States which paid such costs. There has never been a time, so far as I am advised, when all States were reimbursed, or when no States were reimbursed.

This is an unsatisfactory situation. I began by saying that this is an unhappy situation. It is a compromise

situation. I have not found any way to deal with it satisfactorily.

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

Mr. GORE. I yield.

Mr CARROLL. Let me say to the distinguished junior Senator from Tennessee that these remarks are only for the purpose of making a record. The questions are intended to be constructive, and in no way critical.

Mr. GORE. I understand.

Mr. CARROLL. I think the question which arises is very important to every State which does not have enabling legislation. I am confident that the distinguished junior Senator from Tennessee and the committee will bring this question to the attention of the other body, and that it will receive full examination. If we need enabling legislation in Colorado, we want to know it. The same situation applies to the other 31 States I have mentioned. We should be able to draft provisions to give the necessary protection. Certainly it is not the intent of the committee or of the Senate to say that either private utilities, public utilities, municipally owned utilities, or REA cooperatives, shall not receive full consideration under the program.

Mr. GORE. I would prefer, even now, the provision recommended by the subcommittee; but I do not see how I could accept an amendment to reimburse States to the extent of 90 percent in the case of cooperatives, and only 70 percent in the case of privately owned utilities.

The Senator knows my predilections in the field of public power, if a choice must be made, but I do not believe that I could accept an amendment which would discriminate in that manner. As I see it, the Senate should fix the rate at 90, 80, 70, or 50 percent, and it should be equally applicable to all types of utilities.

Mr. CARROLL. I think the Senator misconceived the purpose of my suggestion. It was not in relation to the pending amendment, the so-called Yarborough amendment. I am speaking generally with respect to the amendment which was adopted last night, and its relation to the other provisions of the bill. We have already done that job.

The question now is presented a little differently. I am thinking about the provisions of the bill, and its application to 32 States.

Mr. GORE. The entire question will be in conference. The able Senator has made a fine contribution, and I am sure that all the conferees will profit by his contribution, and will undertake to improve on that which we have done. I hold that that which was done last night was an improvement over the present law.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. GORE. I yield to the distinguished Senator from South Dakota.

Mr. CASE of South Dakota. I concur pretty well with what the able Senator from Tennessee, the chairman of the subcommittee, has said. I merely call attention to the fact that the present law contains a definition of "utility." That definition was not disturbed by what was done last night.

I refer to subparagraph (b) of section 111 of the act of 1956, which reads as follows:

> (b) Utility defined. For the purposes of this section, the term "utility" shall include publicly, privately, and cooperatively owned utilities.

The law makes no distinction. It treats them all alike. The question of whether or not a State's utilities are left out is a decision to be made by the State, and not by the Federal Government. The amendment offered by the Senator from Texas would not change that situation. He does not contend that the Federal Government should say to the State, "We will pay willy-nilly, whether the State pays or not."

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired. All time in opposition to the amendment is exhausted.

The Senator from Texas [Mr. YARBOROUGH] has 17 minutes remaining.

Mr. CARROLL. Mr. President, will the Senator from Texas yield me 2 minutes?

Mr. YARBOROUGH. I yield 2 minutes to the Senator from Colorado.

Mr. CARROLL. Mr. President, I wish to commend the distinguished junior Senator from Texas for a very forthright presentation of a proposal which could be of great benefit to about 32 States. It is true that the amendment goes a little beyond what we had previously discussed, but it has been very helpful to the junior Senator from Colorado. I wish to say to the junior Senator from Texas, whether his amendment prevails or not, he has rendered a great service in the debate, and it will be helpful not only to Colorado but to the 32 States of which I have spoken. I therefore desire to congratulate him for his splendid presentation.

Mr. YARBOROUGH. I thank the distinguished Senator from Colorado. He has added a great deal to the debate by the incisive questions he asked last night and today.

Last night, in response to questioning by the distinguished junior Senator from Colorado, certain estimates were given. The estimate was given that 3 percent of the cost of the $30 billion Interstate Highway network would be used up in the cost of utility relocation. The distinguished Senator from Nebraska [Mr. HRUSKA] stated that estimate was in error, and he put into the RECORD the statement of Mr. Yokley, at pages 626 and 627 of the hearings, on the Federal-Aid Highway Act of 1958. Mr. Yokley stated, in the supplementary statement filed by him:

> In other words, if 1.6 percent of the total cost of constructing the Interstate System in 1956 represented additional utility relocation costs, the present amount of these costs should be less than 1.6 percent—in fact, not much over 1 percent.

I do not know how he could say that the percentage would go down with prices rising, but the distinguished Senator from Nebraska placed that statement in the RECORD.

Even if we took the minimum figure of 1 percent, on a $30 billion program, we would be paying out $300 million to relocate public utilities.

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

Mr. YARBOROUGH. I yield.

Mr. HRUSKA. The Senator from Texas is perfectly willing that of the $300 million there be at least a minimum of 70 percent paid to privately owned utilities and a minimum of 90 percent paid to those which are publicly owned. We are not talking about $300 million. We are talking about the difference between what is in the Senator's amendment and what is in the present statute. Therefore it is $60 million. That is a little different than the $1 billion which was suggested yesterday.

Mr. YARBOROUGH. It would be $240 million under my amendment and $300 million under the amendment of the distinguished Senator from Nebraska. I say that we should at least save the $60 million. Therefore I say let us adopt my amendment and save $60 million.

Mr. HRUSKA. We would not save $60 million, because a part of it would go to the publicly owned utilities. Therein lies the difference.

Mr. YARBOROUGH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Texas has 13 minutes remaining.

Mr. DOUGLAS. Mr. President, will the Senator yield me 4 minutes?

Mr. YARBOROUGH. I yield 4 minutes to the distinguished Senator from Illinois.

Mr. DOUGLAS. I wish to congratulate the distinguished Senator from Texas on his amendment. It has real importance for my own State of Illinois. Illinois is one of the 16 States which have passed State laws authorizing reimbursement for relocation costs. Ours is a permissive law, permitting the State highway authority discretion in providing reimbursement on the relocation of the utilities. In Chicago there is a public transit authority which owns the rapid transit system of the city. It will be subjected to great additional expense because of the Interstate Highway System. We also have in Chicago a sanitary district, which will be subjected to additional expenses. The city also distributes its own water supplies. Therefore there will also be an expense in connection with water mains.

I should like to ask the distinguished Senator from Texas this question. On page 46 of the report there are comparative columns dealing with the existing law and the substitute language in the so-called Gore bill.

Am I correct in understanding that the existing law would provide for reimbursement on the approximate basis of 90 percent on the Interstate System?

Mr. YARBOROUGH. The distinguished Senator from Illinois is correct.

Mr. DOUGLAS. The Senator from Texas is continuing this 90 percent reimbursement provision so far as the municipally owned and REA utilities are concerned?

Mr. YARBOROUGH. The Senator is correct; by the amendment, yes.

Mr. DOUGLAS. The only application he is making of the amendment, which is proposed by the Senator from Tennessee [Mr. GORE], for the 70 percent reimbursement, is in the case of private utilities. Is that correct?

Mr. YARBOROUGH. That is correct. I confess that I can claim no originality with my amendment. The amendment is made up of either existing law or the Gore amendment.

Subsection (a) is taken verbatim from existing law. It applies it to public utilities. Subsection (b) applies the Gore amendment to privately owned utilities.

Mr. DOUGLAS. So far as the Chicago Transit Authority and other publicly and cooperatively owned utilities in Illinois are concerned, the Senator from Texas is proposing a 90 percent reimbursement for all costs connected with the Interstate System. Is that correct?

Mr. YARBOROUGH. That is correct. The amendment, if adopted, would provide for 90 percent reimbursement for all publicly owned utilities and all cooperatively owned utilities.

Mr. DOUGLAS. I congratulate the Senator. I shall vote for his amendment.

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

Mr. YARBOROUGH. I yield.

Mr. NEUBERGER. I should like to ask the Senator a few questions, if I may. To begin with, I should like to commend him for sponsoring his proposal and to say that I am inclined to favor it. With that introduction, I should like to say that there are several aspects of the situation which trouble me a little. The suggestion that there be a great amount of Federal reimbursement for a comparatively small rural electric cooperative which serves farmers at the end of the line has genuine merit. However, what disturbs me, candidly, is that there are some small privately owned utility companies, or comparatively small. I am wondering aloud, and I know that the Senator from Texas has a valid answer, as he has in connection with anything he sponsors. Here is what perplexes me a little bit:

Is it wholly fair to provide only 70 percent Federal reimbursement to a comparatively small private utility and 90 percent Federal reimbursement to a huge municipally owned utility such as the Los Angeles Power & Light Co., which serves millions of people and has great assets and a farflung distribution system? That is the only thing that bothers me to some degree about the proposal, and I should like to ask the Senator from Texas for his answer.

Mr. YARBOROUGH. I thank the Senator from Oregon for his question, because it brings up a point which should be clarified. In the case of the municipally owned utilities, it must be remembered that those utilities are owned by the people. They are not created for profit; they are not private businesses. They declare no dividends. They generally lose money, and the municipalities must tax the people in order to provide additional revenue.

The private utility, the Senator has mentioned, is a company which has been formed for the purpose of making a profit, and it has a special status because it is guaranteed the right to a fair return in its rate structure, to take care of losses. However, I do not agree with the distinguished Senator from Nebraska [Mr. HRUSKA] that the amendment would increase the rates, because in my opinion the small cities and towns affected will be the cities and towns of the future. They will grow up in the future just as in the past cities grew up along navigable rivers. Where there were no navigable rivers, the people built systems of canals. That is where the cities of the past thrived.

When the railroads were built, the canals dried up, the locks fell apart, and towns became ghost towns. The cities and towns that had depended on river navigation died, except those that deepened the channels in their rivers.

Even today towns located along railroads are dying, because the transportation now is transportation along our highway systems. New cities and new towns are growing up along our highways. They are great interior cities. They are cities like Indianapolis and Dallas. City after city is growing up along our great highway systems.

There will be a great increase in their business, and they will continue to grow. We are building the greatest transportation system on earth, and cities will grow up along our highways just as the great cities grew up along the grand canal in China when that country became the greatest empire in history, along with the Roman Empire.

So I think my amendment is fair. I propose nothing which will be unfair to the private utilities. This is not an antiutility amendment. It is a protect-the-taxpayers amendment. It is not against somebody. The private utilities are saying, "Give us a larger share." If they are legally entitled to payment under the State laws, and if the State pays them, they will get 70 percent, which is a pretty generous contribution when they are not owed anything. If they are owed anything, they will get compensation in a condemnation suit. If they own poles on their land, they will be paid for them dollar for dollar. They will not lose one red cent. Only those who have been operating on public land, on public roads, or public streets will not receive anything, because they have been operating on public land.

Mr. NEUBERGER. I thank the Senator from Texas for his observations. I could not agree with him more on that point. It is my general belief that the figure of 70 percent of reimbursement to private utilities is a fair amount. I am a member of the subcommittee which considered the bill. When the bill was originally considered, if I am not mistaken, provision was contained in the bill for a 50-percent reimbursement. I think it was on my motion that the amount was increased to 70 percent, and that that amount then was adopted and was contained in the bill which was reported to the Senate.

I ask the distinguished chairman of the subcommittee if I am not correct.

Mr. GORE. I believe the Senator from Oregon is referring to an amendment I offered, to which he offered an amendment in the bill as originally introduced.

Mr. NEUBERGER. That is correct. I offered an amendment to make the reimbursement 70 percent, and that figure was maintained and was accepted by the Committee on Public Works. Is that correct or incorrect?

Mr. GORE. I cannot quite trust my memory in that regard.

Mr. NEUBERGER. I am reminded by a staff member that a bill was offered as an amendment by the Senator from South Dakota [Mr. CASE], which suggested a 50-percent reimbursement by the Federal Government to the utilities which had relocated their facilities. I believe that it was on my motion in the committee that the amount was increased to 70 percent. This seemed a more fair ratio.

Mr. YARBOROUGH. Mr. President, I have only 3½ minutes remaining. I thank the Senator from Oregon for his question.

Mr. NEUBERGER. I thank the Senator from Texas for his answer.

Mr. YARBOROUGH. I commend the Senator from Tennessee and the Senator from Oregon for their work on the subcommittee and on the Committee on Public Works, which reported the bill. I think they reported a good provision. I have incorporated it into the section which I seek to have written into the bill. The committee reported a good bill, and I commend them for so doing. Without their work, we would not have a bill of this kind before the Senate.

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

Mr. YARBOROUGH. I yield.

Mr. GORE. I appreciate the generosity and kind remarks and kind comments of the Senator from Texas, as does, I am certain, the Senator from Oregon, for whom I shall presume to speak in this regard.

The junior Senator from Texas is entitled to commendation for what he did. I believe it was largely as a result of his efforts and those of the junior Senator from Colorado and the junior Senator from South Dakota that the amendment which was adopted last evening was beneficially modified.

If the Senator from Texas would be willing to rest this matter with the committee of conference, his suggestions, his contributions, and the language of his amendment will be before the conference, and I shall be grateful for his contributions.

Mr. YARBOROUGH. Is the Senator from Tennessee suggesting that if the amendment be withdrawn now and not pressed to a vote, he will take this position to the committee of conference and state it there?

Mr. GORE. I will take the point of view of the able Senator from Texas to the committee of conference and will present it.

Mr. YARBOROUGH. I thank the Senator from Tennessee.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. YARBOROUGH. I think I have 2 minutes left. Is that correct?

The PRESIDING OFFICER. The Senator has a minute and a half remaining.

Mr. YARBOROUGH. I desire to make a statement, since a question has been raised, about the status of the laws in the various States at present. It has been mentioned that 16 States have passed laws providing for reimbursement. This information will be found on pages 28 and 29 of the committee report.

Of the 16 States which have passed laws, in only 1 State is reimbursement made to the private utilities on all State-maintained projects.

Of the other 15 of those States, 5 States reimburse the utilities if the projects are Federal aid projects. Five States reimburse the utilities if Uncle Sam will give them the money.

Ten more States reimburse the utilities only on the Interstate System.

Ten States have passed special laws as giveaways so as to get something for the utilities out of the $30 billion fund.

Six States provide for reimbursement, five of them on all Federal projects. Only one State will reimburse the utilities on State projects if Uncle Sam is not paying the cost.

Thirty-two States will not reimburse the utilities even if Uncle Sam is putting up the money. They include Nebraska, which rejected the proposal last year; and Colorado, whose Governor, Mr. McNichols, is to be commended for vetoing the bill.

Mr. President, this is not an anti-utility proposal; it is a be-fair-to-the-taxpayers proposal.

The State of New York is not an anti-utility State. New York considered and passed a law saying, in effect, "We will make reimbursement only to a municipal utility."

There is a fair distinction between private utilities and municipal utilities. Municipal utilities are branches of the government—the people's government. Private utilities operate for profit.

Mr. President, before yielding back the remainder of my time, I ask unanimous consent to have printed at this point in the RECORD four telegrams I have received from municipalities which seek the relief provided in the amendment for municipalities.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

AUSTIN, TEX., *March 25, 1958.*

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D. C.:

The League of Texas Municipalities representing 580 cities and towns protests strongly to section 11 (a) of amendments to the Federal Highway Act of 1956. This legislation will vitally affect 129 Texas cities and towns located on the Interstate System. Such an amendment relative to reimbursement of utility relocation will place an immediate financial burden on local publicly owned utilities and will produce unnecessary delays in the highway program since these cities are not in a position to accept the tremendous financial obligation involved, and neither in fact should be so expected.

A. P. MILLER, Jr.,
President, League of Texas Municipalities.

SULPHUR SPRINGS, TEX., *March 25, 1958.*

Senator RALPH YARBOROUGH,
Washington, D. C.:

Amendment to the Federal-Aid Highway Act of 1956 could cause many municipal handicaps with special reference to expense of moving utilities. Section 11, subsection (a), availability of Federal funds for reimbursement to States has us worried. Please protect the cities in Texas that will be affected by this bill.

JOE DAN AVINGER,
Mayor.

SEGUIN, TEX., *March 25, 1958.*

Senator RALPH YARBOROUGH,
United States Senate,
Washington, D. C.:

Relative to amendments to the Federal Highway Act of 1956, I would like to solicit your support in legislation that would give financial aid to cities which are compelled to relocate their utility lines in event a highway is constructed which would cause the removal of these lines.

The city of Seguin as well as many other cities in Texas own and operate their electric, water, and sewer facilities and due to the tremendous financial burden that we might have to share in this program we earnestly solicit your valuable help in authorizing the Federal Government to participate in the expense of the removal and relocation of these utility lines.

Congratulating you on the splendid work you are doing, I am, as ever, your friend.

ROGER W.,
Mayor, City of Seguin, Tex.

GREENVILLE, TEX., *March 25, 1958.*

Hon. RALPH YARBOROUGH,
United States Senate,
Washington, D. C.:

Urgently request that section 11 (a) of amendment to Federal Highway Act of 1956 be disapproved. The passage of this amendment will cost Greenville citizens several million dollars in the immediate future on utility moves.

GUY L. MCGRAW,
City Manager.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent also that the portion of the report on the bill which begins with the last paragraph on page 27 and continues through page 29, concerning the status of the reimbursement laws in the States, be printed at this point in the RECORD.

There being no objection, the excerpt from the report (No. 1407) was ordered to be printed in the RECORD, as follows:

The committee has had the problem of reimbursement to the States for relocation of utility facilities under consideration for several years. Federal-aid funds are available for participation in the cost of highway rights-of-way, and when it becomes necessary to acquire property for this purpose from utilities. Federal-aid funds are used to participate to the same extent as if the property were owned by a private individual. If the cost of relocating utility facilities is found to be a proper measure of just compensation for property rights taken for the right-of-way of a Federal-aid highway, Federal-aid funds participate in such costs. There remains the question, however, whether Federal-aid funds should be used to participate in the cost of relocating utility facilities where no vested property right is taken, and the utility is not entitled to compensation under State law. Where the utilities occupy the highway rights-of-way as a privilege and have acquired no vested interest in the rights-of-way, most States formerly required the utilities to bear the cost of relocating their facilities when such relocation was necessary to permit highway improvement.

Since the enactment of the Federal-Aid Highway Act of 1956, which increased the Federal share of the cost of constructing the Interstate System to 90 percent, and up to 95 percent in some public land States, and expressly authorized the use of Federal-aid funds for reimbursement of the cost of relocating utility facilities, significant action has been taken in many State legislatures. During 1956 and 1957, legislation which would provide for payment by the State of the cost of relocating public-utility facilities was considered by the legislative assemblies in 40 States. Such legislation was passed in 22 States, but was vetoed in 6 States, so it became law in 16 States. Under these 16 State laws only 1 State will pay the cost of relocating utility facilities on all State-maintained highways, 5 relate to all Federal-aid projects, and 10 relate to the projects on the Interstate System only, where the Federal share of the cost is at least 90 percent.

The committee did not contemplate this drastic change in existing practices when the 1956 act was enacted, and realizes that the use of Federal funds for reimbursement to the States for this purpose will increase substantially, thereby reducing the amount of Federal funds available for construction of highways.

The committee recommends an amendment to section 111 of the Federal-Aid Highway Act of 1956, to authorize the Secretary of Commerce to reimburse a State from Federal funds for the cost of relocation of utility facilities necessitated by construction of a project on any of the Federal-aid highway systems, whenever a State under State laws is required to pay for all or any part of such cost. Federal funds shall be used for such reimbursement in the same proportion as such funds are expended on the project, not to exceed 70 percent of such cost which the State is obligated to pay. Such reimbursement would be made only after presentation of satisfactory evidence to the Secretary of Commerce that the State has paid such cost from its own funds. These amended provisions would only apply to Federal-aid highway projects covered by formal project agreements executed by the Secretary subsequent to the date of enactment of this act.

Under this proposed amendment, it was the intent of the committee that reimbursement to the States from Federal funds for utility relocations would be made only on the basis of State funds actually expended for such purposes, and not for funds paid, advanced, donated, or contributed, by or from any other source.

A summary of State legislative action with respect to the authorization of utility relocation costs is as follows:

In all, 40 States have considered legislation which would provide for payment by the State of the cost of relocating utility facilities during the 1956 and 1957 sessions. Of these, 39 were considered during the past year. Massachusetts enacted its reimbursement statute in 1956.

During the 1957 session:

(a) Such proposals were favorably considered in 21 legislatures; 15 became law—Connecticut, Delaware, Florida, Idaho, Illinois, Maine, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, Tennessee, Texas, and Utah; while 6 were vetoed—Colorado, Kansas, New York, Pennsylvania, Rhode Island, and Wyoming.

(b) In 18 legislatures, such measures were either defeated, withdrawn, or not acted on: Alabama, Arizona, Arkansas, California, Georgia, Indiana, Iowa, Maryland, Michigan, Missouri, New Hampshire, Ohio, Oregon, South Dakota, Vermont, Washington, West Virginia, and Wisconsin.

(c) The legislatures of Kentucky, Mississippi, and Virginia did not meet during 1957,

while no measures of this type were introduced in Louisiana (budget session only), Nevada, New Jersey, North Carolina, and South Carolina. In addition, studies of the problem of utility relocation and its cost were authorized in Arkansas, Michigan, and Minnesota. New York and Washington adopted laws which limited reimbursement to municipally owned facilities. Of all the measures proposed, regardless of final disposition, 38 related either to all Federal-aid highway projects or the Interstate System alone, while only those in California and Connecticut related to all State highways. Of the 16 relocation laws passed—

(1) Ten relate only to projects on the Interstate System—Delaware, Florida, Illinois, Maine, Minnesota, Nebraska, North Dakota, Oklahoma, Tennessee, and Texas. Five relate to all Federal-aid projects—Idaho, Massachusetts, Montana, New Mexico, and Utah. One relates to all State maintained highways—Connecticut.

(2) The laws of Massachusetts and Illinois give the highway authorities discretion in the matter of whether or not the utilities should be paid for relocating facilities.

(3) Nebraska and North Dakota specifically made reimbursement subject to existing contracts between the utilities and the State or local governments.

While only New Mexico and Texas provided that existing contracts are not a bar to payment, it is apparent from the language of the laws of the other 12 States that such contracts are not an obstacle to reimbursement. (Minnesota is now in the process of rewriting its existing utility contracts on this point.)

Mr. YARBOROUGH. Mr. President, in view of the statement of the chairman of the Subcommittee on Public Roads of the Committee on Public Works, if the amendment is withdrawn will the position of the junior Senator from Texas be stated in an unprejudiced way to the committee of conference of the two Houses?

Mr. GORE. It will be stated possibly with a little favor.

Mr. YARBOROUGH. Then, in the light of the statement of the distinguished chairman of the subcommittee, I withdraw the amendment and withdraw the request for the yeas and nays.

The PRESIDING OFFICER. The amendment is withdrawn, and the request for the yeas and nays is withdrawn.

Mr. COOPER. Mr. President, I call up my amendment designated "3-25-58-F" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 7, line 1, after the word "shall", it is proposed to insert a comma and the following: "except as provided in section 2 of this act."

On page 7, line 6, after the word "shall", insert a comma and the following: "except as provided in section 2 of this act."

On page 8, beginning with line 20, strike out all down to and including line 13 on page 9, and insert in lieu thereof the following:

SEC. 2. (a) Immediate apportionment of $400 million of the Federal-aid primary, secondary, and urban authorization for 1960: Immediately upon enactment of this act $400 million of the sum authorized by section 1 of this act to be appropriated for the fiscal year ending June 30, 1960, shall be apportioned among the several States in the manner now provided by law and in accordance with the formulas set forth in section 4 of the Federal-Aid Highway Act of 1944, approved December 20, 1944 (58 Stat. 838).

On page 9, lines 14 and 15, strike out "authorized to be appropriated in section 2 (a) herein" and insert in lieu thereof "required to be apportioned by section 2 (a)."

On page 11, beginning with line 21, strike out all over to and including line 4 on page 12, and insert in lieu thereof the following:

(h) It is hereby declared to be the intent of the Congress in the enactment of this section to make funds available for expenditure on the Federal-aid primary or secondary systems, including extensions of these systems within urban areas, for the purpose of immediate acceleration of the rate of highway construction on these systems.

Mr. PAYNE. Mr. President, will the Senator from Kentucky yield, so that I may suggest the absence of a quorum?

Mr. COOPER. I yield.

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

The PRESIDING OFFICER. The time for the quorum call will be charged to the time of the Senator from Kentucky.

Mr. COOPER. That is all right.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. HOBLITZELL in the chair). Without objection, it is so ordered.

Mr. COOPER. Mr. President——

Mr. KERR. Mr. President, will the Senator from Kentucky yield to me?

Mr. COOPER. For what purpose?

Mr. KERR. In order that I may ask unanimous consent to have read an amendment which has been agreed to by the members of the committee present, and to see whether the amendment can be unanimously agreed to by the Senate. If not, we shall wait until the amendment of the Senator from Kentucky has been acted on.

Mr. COOPER. Mr. President, I ask unanimous consent that I may yield for that purpose, and that the time required shall not be charged to the time available to me, in connection with my amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KERR. Mr. President, I send the amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 9, in line 18, it is proposed to change the period to a comma and to insert the following: "subject to delays caused by circumstances and conditions beyond the control of, and without the fault of, any contractor on such contracts, and delays created by acts of God."

Mr. CASE of South Dakota. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. CASE of South Dakota. Mr. President, the Senator from Oklahoma has conferred with me about the amendment. I believe the amendment is a good one, and should be included in the bill.

Mr. KERR. I thank the Senator from South Dakota.

Mr. President, I have submitted the amendment to the Senator from Pennsylvania [Mr. MARTIN], the Senator from New Hampshire [Mr. COTTON], the Senator from Tennessee [Mr. GORE], and the Senator from South Dakota [Mr. CASE]; and the amendment has their approval.

Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Oklahoma. Is there objection to the request of the Senator from Oklahoma? The Chair hears none. Without objection, the amendment is agreed to.

Mr. KERR. Mr. President, I thank the Senator from Kentucky for his courtesy.

Mr. COOPER. I have been glad to cooperate with the Senator from Oklahoma.

Mr. President, I had hoped that a larger number of Senators would be present at this time, because my amendment, if adopted, would materially alter the bill—in fact, perhaps more so than any other amendment which has been proposed, other than the amendment dealing with billboards.

I wish to have the Senators who are present understand the purpose of my amendment.

Section 1 of the pending bill provides the usual and normal authorizations for appropriations for the next biennial period: Section 1 provides that for fiscal year 1960, $900 million shall be authorized for appropriation; and for 1961, $900 million. As Senators well know, that is the usual manner of making appropriation authorizations in advance, for the next biennium.

Section 2 of the bill provides that a new and special appropriation shall be authorized for the fiscal year 1959, namely, $400 million.

The Highway Act of 1956 authorized the appropriation of $875 million for fiscal year 1959. The pending bill would authorize the appropriation of an additional $400 million.

I point out to the Senate something which has hardly been mentioned during the debate, namely, that the $400 million authorized by section 2 would not be paid from the trust fund established by the Highway Act of 1956. Instead, it will be paid from the general revenues of the Treasury—which means that in 1959 the budget will be increased by $400 million.

Mr. COTTON. Mr. President, will the Senator from Kentucky yield to me?

Mr. COOPER. I yield.

Mr. COTTON. In response to the point the Senator from Kentucky has made, let me say that 2 days ago, on the floor of the Senate, I interrogated the Senator from Tennessee [Mr. GORE]. It was my understanding—and I was the

one who proposed the $400 million provision—that what the Senator from Kentucky has just stated is absolutely correct, namely, that the payment was to be made out of the general funds of the Treasury, and not out of the trust fund. But in our colloquy with the other members of the committee on the floor, the day before yesterday, that was not the general understanding of the members of the committee.

I have not been able to find in the bill, as it has come to the floor, any provision to indicate that this payment would not be a charge on the trust funds, instead of on the general funds of the Treasury.

Mr. COOPER. The funds which are authorized in section 1 for appropriation for the biennial period are required by the 1956 act to be paid from the trust fund.

The hearings show that a deficit is now anticipated in the trust fund; that is admitted. Yesterday evening, the distinguished senior Senator from Virginia [Mr. BYRD] stated that he would vote against the bill, because there would be a deficit in the trust fund, and because a large part of the appropriations being authorized by this bill must be paid out of the general revenues.

I have also talked about this matter with officials of the Bureau of Public Roads. I can say to the junior Senator from New Hampshire that there is no question that the funds that would be appropriated as a result of the special authorization of $400 million, which is to be added to the existing authorization of $875 million, must be paid from the general funds of the Treasury.

Mr. COTTON. Mr. President, I appreciate that assurance, because that was the intent. I talked with representatives of the Bureau of Public Roads, but I was not assured on that point. I had prepared an amendment to make sure that the funds would come from the moneys in the Treasury not otherwise appropriated.

But if the Senator from Kentucky has settled that point, that amendment will not be necessary. So I thank the Senator from Kentucky.

Mr. COOPER. Mr. President, I understand that the committee included the special authorization for an additional $400 million appropriation in order to increase the letting of new contracts in the States on the ABC systems, and thus to stimulate employment, and the use of construction materials and equipment.

I assume that the committee's reason for adding $400 million to the authorization of $875 million for fiscal year 1959 was to make the bill an antirecession measure.

I will agree that highway construction is one of the best and surest methods of stimulating employment throughout the States and in every section of the States, and I approve that purpose. But I say that in this case, the provision of an additional $400 million is not necessary.

I give my reasons. My amendment would strike out that part of section 2 which would authorize a new appropriation of $400 million, but it would not leave the question of stimulating employment unanswered. Because, as a substitute for the special appropriation of $400 million, my amendment would advance for immediate apportionment to the States $400 million from the new authorization of $900 million for fiscal year 1960.

Instead of appropriating $400 million of new money, my amendment, if it should be adopted, would simply advance the expenditure of $400 million of the 1960 authorization, which would be made in the ordinary course of providing funds for the highway system in the next biennial period.

We know that after July 1 the entire $900 million can be apportioned, and must be apportioned before December 1958. All my amendment would do would be to advance the apportionment of $400 million of the total sum by a few months. It would serve exactly the same purpose as a special appropriation. The identical amount of money could be apportioned to the States under both the committee bill and my amendment. Each would provide funds for the same amount of new contracts, and each would put the same number of men to work. The only difference is this: The committee provision adds $400 million to the fiscal year 1959 budget; my provision does not add a penny.

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

Mr. COOPER. Yes.

Mr. COTTON. In the bill $400 million is provided, of course, as the Senator has stated, as a special fund, which, if it were not used by any State, would revert to the Treasury, and would not in any way interfere with the 50–50 funds of the 2 succeeding years. The point about the Senator's amendment I should like to be sure of in my mind is this. If, under his amendment, State X is unable, or for some reason does not see its way clear, to make use of the advanced funds on a 70–30 basis, so the funds are not used in the time specified and in the manner specified, does that State lose that amount of money on the 50–50 basis in the succeeding year, or can the funds be taken in the succeeding year on a 50–50 basis?

Mr. COOPER. My amendment would not change in any way the other provisions in the committee bill. It would maintain the 70–30 matching basis so far as the $400 million is concerned. It would maintain the special appropriation of $115 million in Federal funds to the States to help them match. It would maintain the requirement that the $400 million advance must be obligated in the time provided in the committee bill. It would not interfere with the full use of the $900 million authorized for fiscal year 1960, except to advance $400 million for immediate apportionment.

I should like to make it clear that all my amendment does is simply reduce the spending provided in the bill by $400 million, without in any way affecting the acceleration of highway work.

Mr. COTTON. I fear I did not make myself quite plain. That is exactly what disturbs me, because if the Senator's amendment leaves unchanged the present provision in the bill then any portion of the $400 million which is not used, or the use of which is not availed of by the States, will lapse. I believe the Senator's amendment means that the States should use the $400 million in advance, and if they do not use it, for any reason, they may lose it the succeeding year. Is that correct?

Mr. COOPER. No; the States would not lose the money at all. It simply means that if the States obligate the full apportionment from the $400 million that would be advanced in my proposal, within the time of obligation provided in the committee amendment, then they enjoy the 70–30 matching basis. If they do not, they go back to the 50–50 matching basis at the end of that period, for the unobligated amounts of the $400 million advance.

Mr. COTTON. I hope the Senator will forgive me if I seem unduly insistent. I direct the Senator's attention to page 9 of the bill, lines 18 through 21. It refers to the special $400 million now provided in the bill, and reads:

> Any amounts apportioned to a State under provisions of this section remaining unexpended as above provided on December 1, 1958, shall lapse.

If the Senator's amendment means that if the States can and do avail themselves of the 70–30 ratio, and obligate themselves and use it, they get it, and if they cannot so use it, the States are still entitled to the 50–50 matching basis in the succeeding year, so that they will not lose any of the regular appropriation, that is one thing; but if it means the States must draw the funds in advance and obligate them and spend them, and if they do not do so the funds are taken away from them in the succeeding years, on the 50–50 basis, then I think it ought to be corrected.

Mr. COOPER. I understand the point the Senator has raised. If my amendment should be adopted, and $400 million of the $900 million for fiscal year 1960 should be advanced for apportionment, and then a portion of that fund should not be obligated by a State, the Senator's question is, Would the unobligated funds be lost forever, or would they revert to the 1960 authorization?

Mr. COTTON. On a 50–50 basis.

Mr. COOPER. The Senator has raised a proper question. If the Senator has any doubt about it—although I do not—line 21 on page 9 could be amended by inserting, in place of the words "shall lapse," the words "shall be apportioned in the way provided in section 1."

Mr. COTTON. I think that would be a distinct improvement.

Mr. COOPER. Mr. President, I offer that as a perfecting amendment on page 9, line 21, to strike out the words "shall lapse" and insert in lieu thereof the words "shall be apportioned according to section 1."

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. CASE of South Dakota. In the first place, may I say I doubt that the money would lapse.

Mr. COOPER. I do not believe it would lapse.

Mr. CASE of South Dakota. I thought the Senator's amendment would provide for the elimination of subsection (d) and make the money available in the regular 50–50 proportion rather than on a 70–30 basis.

If the Senator leaves the subsection (d) in the bill, which provides for a 70 percent contribution by the Federal Government with respect to this amount of money, and also leaves in the authorization for an advance carried in subsection (e) I doubt that any of the money would be unobligated by the 1st of December 1958. With the modification put in as to December 1, 1959, I doubt that any money would fail to be expended by that time.

I think the modification the Senator now seeks to make could be properly handled simply by striking out the last sentence in subsection (d). After all, if the Senator's amendment is adopted, the money will be apportioned to the States.

Mr. COOPER. That is correct.

Mr. CASE of South Dakota. If the Senator merely required it to be contracted for by the 1st of December 1958, that would accomplish the purpose of getting the work under contract. Why should the second sentence be there at all?

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

Mr. COOPER. I yield.

Mr. CASE of South Dakota. There would be involved a forcing back to the general fund, to reapportion the money to the same State.

Mr. COTTON. Mr. President, if the Senator will yield further, without losing his right to the floor, let me say I agree with both the Senator from Kentucky and the Senator from South Dakota that little, if any, of the funds would lapse, because the States of course would have the incentive of obtaining funds on a 70–30 basis instead of a 50–50 basis.

That such would happen is by no means beyond the realm of possibility in the case we are considering. My amendment to the bill would provide an additional sum which could be used, and used at once, or which would go into the Treasury if not used. In this case the money would be handled a little differently. There would be a difference between using it at once on a 70–30 basis or letting it remain for another year, when it could be used on a 50–50 basis.

There are States which have quite a problem as to matching the Federal funds, particularly when the legislatures are not in session and funds are perhaps tight.

I cannot see how such a provision in the bill could do harm. In fact, it certainly could not do any harm. If the language represents poor workmanship or poor draftsmanship, it can be adjusted in the committee of conference. I cannot see how such a provision could do harm. I think we can improve the provision by stating it in plain language:

Any amounts apportioned to a State under provisions of this section—

If the amendment of the Senator from Kentucky is adopted—

remaining unexpended as above provided on December 1, 1958, shall be available in the next year—

Or however it may be desired to phrase it—

on the regular 50–50 basis.

Then it would be in such form that "he that runs may read."

Then the States would have the option of speeding up the work on a 70–30 basis, or getting funds later on a 50–50 basis. I think that is rather important.

Mr. COOPER. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 15 minutes remaining.

Mr. COOPER. If the Senator will permit, I should like to complete my statement.

Mr. CASE of South Dakota. May I complete my comment on that matter?

Mr. COOPER. Certainly.

Mr. CASE of South Dakota. I think the Senator's suggestion, specifying that funds shall remain with a State but be available after a certain date for use on the regular 50–50 basis, is constructive. The money should be available for the normal period of any apportionment on a 50–50 basis.

Mr. COOPER. Mr. President, there is no point in continuing a long discussion of this matter. I am perfectly conscious and appreciative of the tremendous amount of work the committee has done on the bill, and of the merits of the bill which has been reported.

But I repeat, that in the debate, which has continued for 3 days, there has been hardly any notice of the fact that the committee bill provides for an increase in the Federal budget for fiscal year 1959 of $400 million for the ABC system, and I think without need. It is obvious, as I have said, that the purpose of adding $400 million was to combat the recession—to put people to work. Yet, in the same bill another appropriation of $900 million is authorized which will become available after July 1.

My proposal is simple: To strike the $400 million of new appropriations from section 1 and to substitute in its place $400 million of the regular authorization of $900 million, which would in any case be apportioned after July 1. It would simply mean that $400 million would be immediately apportioned, the States could immediately begin to make contracts, and men could be put to work. The effect would be exactly the same, so far as putting people to work is concerned, as the use of the special appropriation of $400 million.

The only difference between the proposal of the committee in section 2, and my amendment, is that my amendment would not add new obligations to the Federal Treasury. The committee proposal would add $400 million of new expenditures.

I shall address myself to a second point and then close. The bill has other implications. For the past 2 months we have talked about nothing in this Chamber except recession. I do not say that in criticism, but rather in approval, because we are all concerned about the recession and men and women who are out of work. However, until consideration of the pending bill, our action has been limited to accelerating work under existing appropriations.

A few days ago we adopted two resolutions which had been submitted by the distinguished majority leader, the Senator from Texas [Mr. JOHNSON]. What was the theme of those resolutions? It was to express the sense of the Congress that public works expenditures and defense expenditures should be accelerated, from appropriations which had been previously made.

The housing bill dealt with loans rather than with new appropriations.

Likewise, the administration program thus far has been concerned with accelerating the expenditure of funds which have already been appropriated.

But in the pending bill we are embarking upon a public works program and making available new and additional appropriations, above the level of ordinary appropriations. I do not say that this should not be done if public works are to be the choice of the Congress, to meet the recession. But in the next few weeks we may be required to come to grips with the issue of whether we shall embark on a greatly expanded public works program, or whether to cut taxes.

One question which I raise is whether without considering our future course and choice, we should provide this special appropriation of $400 million, before it is actually needed.

I have not heard my proposal challenged. I have talked with officials of the Bureau of Public Roads about it. It would perform exactly the same function as the special appropriation of $400 million.

I have talked with members of the committee. They do not question that my amendment would meet exactly the same purpose as the committee proposed.

I have presented my amendment in the belief that we can properly strike $400 million from the bill. Later, if it should become necessary to appropriate additional funds, of course, the Congress could provide them. It seems to me that it is unnecessary to appropriate the additional $400 million at this time.

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

Mr. COOPER. I yield.

Mr. KERR. Does not the Senator feel that the appropriation of the additional money provided for in the bill now before the Senate would not only have a beneficial effect in stepping up employment, but would have a wholesale and good psychological effect?

Mr. COOPER. I wholly agree that the $400 million special appropriation, in the committee bill would permit the States to enter into new contracts, and put people to work. I do not deny that fact. What I am saying is that my proposal, which would advance the apportionment of $400 million of the $900 million authorized in the bill, would have exactly the same effect. The only difference between the two proposals is that one involves an additional charge

on the Treasury of $400 million, and my amendment would not add an additional penny to the obligations of the Treasury.

Mr. KERR. Is there the slightest doubt in the mind of the Senator from Kentucky that if his amendment were to be adopted and become law, either later this year or early next year the Congress would replace, in the 1960 apportionment, the $400 million which would be taken out of it by the Senator's amendment?

Mr. COOPER. That might be done. But it would not affect the total charge on the budget over a period of 2 years.

Mr. KERR. Does not this money come out of the trust fund?

Mr. COOPER. It comes out of the trust fund.

Mr. KERR. Does that affect the budget?

Mr. COOPER. No; that would not affect the budget.

Mr. KERR. Does not the Senator feel that psychologically the States would get the impression that, on the one hand, we were advancing them $400 million to speed up construction and to provide employment for constructive purposes, and, on the other hand, taking it away from them, so that realistically they would then have to reduce their plans for the fiscal year 1960 accordingly?

Mr. COOPER. I do not believe so. As the Senator knows, in section 1 of the bill there is an authorization of $900 million, to be apportioned to the States.

Mr. KERR. When?

Mr. COOPER. It could be apportioned after July 1.

Mr. KERR. For what fiscal year?

Mr. COOPER. For the fiscal year 1960.

Mr. KERR. But if the Senator's amendment were adopted, $900 million could not be apportioned after July 1, for 1960.

Mr. COOPER. The remainder, $500 million, could be apportioned.

Mr. KERR. That is correct.

Mr. COOPER. But the $400 million which could be apportioned now, and the $500 million to be apportioned after July 1, equal $900 million, exactly the same sum as though the total apportionment of it had been postponed until after July 1.

Mr. KERR. But it is not the same as $400 million for 1959 and $900 million for 1960.

Mr. COOPER. The Senator has put his finger on the important point. What the committee has done has been to decide that it wished to add $400 million of new appropriations for the fiscal year 1959. The committee has decided that it wishes to spend that additional sum. Of course, that is a valid decision so far as the committee is concerned. What I am saying is that it would not add any more to immediate employment than the solution I have proposed.

Mr. KERR. Is not the Senator aware of the fact that, so far as immediate employment is concerned, employment for 1958 would be affected by the apportionment which would be available to the highway departments beginning on July 1, 1958?

Mr. COOPER. They would have $900 million, under section 1, which they could apportion.

Mr. KERR. But they would not have that if the Senator's amendment were adopted.

Mr. COOPER. Certainly they would. They would have $400 million, which could be apportioned before July 1, and $500 million to be apportioned after July 1.

Mr. KERR. I hope the Senator will withdraw his amendment. I feel that there is general agreement among Senators that the committee bill, so far as the stepped-up construction program authorized in it is concerned, should be approved; and I sincerely urge the distinguished Senator from Kentucky to withdraw his amendment.

Mr. COOPER. I appreciate the Senator's position, but I am serious in the proposal I make. In my view the committee is calling for the expenditure of $400 million when I do not think it is required at this time. If it is required later, it can be authorized.

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

Mr. COOPER. I yield.

Mr. FLANDERS. Let me say to the Senator from Kentucky that I am one of those who do not feel disposed, at the beginning of this period, when we do not know whether to be optimistic or pessimistic, to assume that in the fiscal year 1959 we shall be compelled to make additional appropriations. We shall be able to make that decision when we return after the first of the year, if conditions warrant it. I do not wish to add my prediction that we shall have to do it after the first of the year. So I am much in favor of the amendment offered by the Senator from Kentucky.

Mr. KERR. Mr. President, I yield 5 minutes to the Senator from New Hampshire [Mr. COTTON].

Mr. COTTON. Mr. President, I invite the attention of Senators to the fact that the provision of an additional $400 million in the bill, to be apportioned to the States for use without restriction by the usual formulas pertaining to primary, secondary, and urban roads, to be used immediately on projects which will be completed in the near future, is the very essence of the bill.

It was my position in the committee that I did not like to see $1¾ billion dollars put into the Interstate System at this time. I happen to believe that we are a bit dazzled by this great Interstate System.

One thing is certain, and that is that putting extra money into the Interstate System would not have any immediate effect or impact on our economy. I regret that that was done, and that the amendment of the distinguished Senator from Virginia was not adopted last night. I cannot help but feel that retaining in the bill the $1¾ billion of extra money to accelerate construction of the Interstate System, and then impairing the use of the $400 million for the ABC roads, is straining at a gnat and swallowing a camel.

This money goes into the system where it will have an immediate impact. The highway commissioner of my State informed me that he could use this money and have the work begin within 2 months after the passage of the bill. It goes out into the States and can be channeled into the spots where it is most needed.

There is less money used in buying rights-of-way and less money used in engineering and in planning and in preparing, and more money goes into employment and into roads, in the ABC system than in the Interstate System by far.

That is one point in this bill that is important. I have steadfastly been against pump priming. I agree with the remarks of the distinguished Senator from Vermont. We certainly should not rush headlong into any pump-priming projects. However, if there is one spot where the plans are all made and are no longer on the drawing boards, but ready to go, and where the money will have an immediate impact and put men to work on jobs that are not wasted, but in building the most necessary thing in this country, it is in the building of the ABC roads by the States.

I am not greatly upset by the amendment offered by the able Senator from Kentucky. He has in mind all the things I have just said. To a certain extent his amendment would effectuate the same thing. However, the fact remains that just as sure as we are sitting in this chamber today, when next year comes along and the States have used up a part of their apportionment on the very necessary ABC road projects, they will come to us, and we will give them back what we have taken or had them borrow in advance on this special program.

That being the case, it would seem to me, having put into the Interstate System—by borrowing from the trust fund and borrowing $2 million of outside money from the Treasury—all this money, which cannot possibly have an effect for all this time, the program of the additional $400 million is a reasonable and sensible one, and it should not be impaired—although it would not be ruined or seriously harmed—by watering it down and saying to the States, "You may borrow this money and use it now and take it out of your next year's apportionment." It is highly essential that the highway departments of the various States find the money. They can find it if they really want to. It is highly essential that they find the money and start work now, not sometime next year. That is all written in the bill.

If there is one place in the whole economy where I am ready to concede that the situation we are facing now makes it profitable and sensible to have some speedy work added to our present program, it is in the ABC highways of the various States.

For these reasons, I hope the amendment will not be adopted and that the provision as set forth in the bill will remain in it. I repeat, however, that in a measure the amendment of the

Senator from Kentucky is not aimed to defeat this purpose, but I think it weakens the purpose.

Mr. KERR. Mr. President, I yield 5 minutes to the distinguished Senator from Tennessee.

Mr. GORE. Mr. President, the bill before the Senate contains one important amendment which was suggested by the able senior Senator from Kentucky. He appeared before the committee and testified. That is the provision which moves back from December 31, to July 1 the time for making apportionments of funds authorized for fiscal 1960. The committee agreed unanimously that this should be done.

I should like to say also that the distinguished senior Senator from Kentucky, in a letter to the Public Roads Subcommittee, suggested the necessity of accelerating immediately improvements to our primary and secondary roads.

The only difference between the provisions of the committee bill and the proposal of the distinguished and able senior Senator from Kentucky is that the committee recommends an additonal apportionment for 1959, where as the senior Senator from Kentucky recommends that $400 million of the regular apportionment for fiscal 1960 be used in fiscal 1959. Both would bring about the same amount of improvement and acceleration in fiscal 1959, but the difficulty of it, as I see it, is that we are now also providing for the regular apportionments for fiscal 1960 and 1961. Indeed, there is pending before the Senate a bill which the House of Representatives has already passed, to provide for the biennial apportionment for 1960 and 1961.

If we adopt the amendment, which would strip our regular programs for 1960, our committee would have to meet almost immediately and report another bill to provide for the 1960 apportionment. Our States, our counties, and our highway departments are geared to the regular highway program for which we have made regular authorizations and apportionments.

The pending bill contains the regular biennial apportionment and authorization, and it is the purpose of the chairman of the subcommittee to ask unanimous consent to substitute the pending bill for the House bill, thus placing into conference the accelerated program and the regular annual apportionments.

The senior Senator from Kentucky seeks primarily the same goal which the committee seeks. However, we do not feel that we can disrupt the regular program in order to provide for acceleration now. I believe our States would seriously object to it. I am sure they would prefer not to disrupt their regular program, and perhaps they would prefer no acceleration at all, if such acceleration were provided at the expense of the regular program for fiscal 1960.

I hope the Senator from Kentucky will accede to the unanimous view of the subcommittee, as I believe it to be, that we do not disrupt the regular programs for 1960 and 1961.

Mr. COOPER. Mr. President, before yielding back the remainder of my time, I should like to say to the Senator from Tennessee that when he was describing the purpose of my amendment, I was reminded of the young lawyer before the Supreme Court. When the Chief Justice finally took up his case and described the issues, the young lawyer said to the Chief Justice that the Justice had stated the case almost as well as he could.

The Senator from Tennessee has stated the case fairly. There is no distinction between the committee proposal and my proposal, except that mine would save the Federal Government $400 million. My proposal would have the same effect upon putting men to work at this time.

As the Senator from Tennessee has said, since this sum will be apportioned by July 1, anyway, it simply would mean that the amount would be apportioned 3 months earlier.

So I do not think it would have much effect upon the next biennial program of road construction. But that is the issue, and the Senate can vote on it.

Mr. KERR. I yield myself 3 minutes.

Mr. President, I sincerely regret to have to disagree with the Senator from Kentucky. He was mistaken, though, in my judgment, when he said the amendment would have no effect upon the 1960–61 program. As the Senator from Tennessee pointed out, Congress traditionally and historically passes a highway construction bill each biennium, and they pass it for the biennium.

In both the House bill now before the Senate and in the committee bill which is before the Senate, provision is made for the regular highway construction work for the biennium.

The amendment of the Senator from Kentucky would take $400 million out of the program for the biennium; then, if the bill were passed, it would serve notice on the States that while they can step up their program immediately to the extent of $400 million, they would be on notice that in preparing for their program for the biennium, the program would have to be on a basis of $400 million less than that provided for in either the House bill or the committee bill, and on the basis of $375 million less than the regular apportionment for the fiscal year 1959.

So I again urge the distinguished Senator from Kentucky to withdraw his amendment.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield back the remainder of his time?

Mr. KERR. If the Senator from Kentucky will yield back the remainder of his time, I will yield back mine.

The PRESIDING OFFICER. The Senator from Kentucky has indicated that he would yield back his time. Does the Senator from Oklahoma yield back his time?

Mr. KERR. I do.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. COOPER].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CARLSON. Mr. President, I call up my amendment designated "3–25–58–E." I ask unanimous consent that the amendment be printed at this point in the RECORD, without being read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON's amendment is as follows:

At the proper place insert the following:

That the Federal-Aid Highway Act of 1956 is amended by adding immediately following section 113 the following new section:

"SEC. 113A. Increased mileage for Interstate System.

"In the case of any State having a toll road, bridge, or tunnel which is approved by the Secretary as a part of the Interstate System under section 113 (a) of this act before June 30, 1958, the Secretary shall, upon application by the State, designate as part of the Interstate System other routes within such State which are equal in mileage to the length of all such toll roads, bridges, and tunnels within such State."

SEC. 2. Section 108 (1) of the Federal-Aid Highway Act of 1956 is amended to read as follows:

"(1) Increase in mileage: Section 7 of the Federal-Aid Highway Act of 1944 (58 Stat. 838), relating to the Interstate System, is hereby amended by striking out '41,000 miles' and inserting in lieu thereof '41,000 plus the total of all amounts designated as part of the Interstate System under section 113A of the Federal-Aid Highway Act of 1956': *Provided*, That the cost of completing any mileage authorized by this subsection in excess of 40,000 miles shall be included in making the estimates of cost for completing the Interstate System as provided in subsection (d) of this section."

Mr. CARLSON. Mr. President, the purpose of the amendment is to grant each State having a toll road on the Interstate System an equivalent mileage to be designated as a part of the Interstate System, and thus to be eligible for 90-percent Federal aid.

The Federal Highway Act of 1956 changed the matching provisions with regard to the Interstate Highway System by increasing the Federal share of the cost of any such project to 90 percent, the remaining 10 percent to be paid by the States. Because of the incorporation into the Interstate System of State-financed toll roads, the States in which such roads are located are losing a large percentage of Federal aid for interstate mileage to which they would be entitled.

The practical effect of the amendment would be to add 2,254 miles to the Interstate System in 26 States. Twenty-six States at present have a certain mileage in toll roads. Kansas happens to have the third largest mileage of toll roads in the Nation. New York is first, and Pennsylvania is second.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the mileage of toll road facilities approved by the Secretary of Commerce as a part of the Interstate System.

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

Mileage of toll facilities approved by the Secretary of Commerce as part of the Interstate System under sec. 113 (a) of the Federal-Aid Highway Act of 1956

State:	*Mileage* [1]
California	1.0
Connecticut	98.0
Delaware	4.1
Florida	42.5
Georgia	.8
Illinois	152.5
Indiana	156.9
Iowa	3.3
Kansas	186.6
Kentucky	40.2
Maine	60.1
Maryland	11.0
Massachusetts	123.0
Michigan	5.0
Missouri	4.8
Nebraska	.3
New Hampshire	13.9
New Jersey	49.9
New York	518.0
Ohio	174.5
Oklahoma	175.0
Oregon	.9
Pennsylvania	359.0
Texas	29.6
Virginia	43.6
West Virginia	.3
Total	2,254.8

[1] Mileage taken from Bureau of Public Roads release of August 21, 1957, and from table A-1a, p. 12 of Secretary of Commerce report of January 7, 1958 (H. Doc. 301, 85th Cong., 2d sess.).

Mr. CARLSON. Unless some provision is made to compensate the States which had the vision and foresight to construct these roads to assist in handling the ever-increasing volume of traffic, they will not receive their fair share of the funds voted by Congress for the construction of the Interstate System as approved by Congress in the Federal Highway Act of 1956.

Let us consider, for example, Kansas. What will happen to that State? First, on the almost 190 miles of highway which has been designated as a part of the Interstate System tolls are paid by those who travel a large part of the Interstate System in Kansas. This means, of course, that the motorist will be riding free on the Interstate System in adjoining States—Oklahoma and Missouri, for instance—while he will be paying toll charges when traveling in the State of Kansas on the Kansas Interstate System. Not only will he be paying tolls for traveling on the Kansas road, but he will also be paying a tax to build free roads in other States.

Furthermore, the citizens of Kansas who ride on the Interstate System and pay tolls to the State will have an additional burden to bear.

Second, unless there is some provision whereby an adjustment may be made for the mileage of roads which have previously been constructed on a toll basis, Kansas will not receive its proportionate share of the taxes collected for the construction of the Interstate System.

Mr. President, I was not on the floor on Tuesday of this week when a colloquy occurred between the distinguished Senator from Tennessee [Mr. GORE], the distinguished Senator from Pennsylvania [Mr. MARTIN], and the distinguished Senator from Connecticut [Mr. BUSH] in regard to the compensation to States which face the problem of toll roads in the Interstate System.

For the RECORD, I wish to read the comment by the distinguished Senator from Tennessee [Mr. GORE], as it appears on page 5244 of the CONGRESSIONAL RECORD for Tuesday, March 25:

Mr. GORE. I can say in all candor to the able Senator from Connecticut that in our discussion in the subcommittee there was general recognition of the equities involved, and the report so states. Since the request of the able Senator from Connecticut is joined in by the ranking minority member of the committee, who served with distinction as chairman of the committee, I will say that hearings will be held whether the administration submits a recommendation or not.

As I understand from the distinguished Senator from Tennessee and from the Senator from Pennsylvania, hearings will be held by the Senate Committee on Public Works, with a view to bringing about, if possible, an adjustment of some of these inequities.

Mr. GORE. Mr. President, will the Senator from Kansas yield to me?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Kansas yield to the Senator from Tennessee?

Mr. CARLSON. I am happy to yield.

Mr. GORE. From the record, the Senator from Kansas will notice that the request of the distinguished Senator from Connecticut [Mr. BUSH], which was joined in by the distinguished Senator from Pennsylvania [Mr. MARTIN], was that the hearing be held after the governors' conference has reported on this subject. The distinguished senior Senator from Connecticut [Mr. BUSH] indicated that that report would be made rather early.

In view of this colloquy and this request, I hope it will be agreeable to the distinguished Senator from Kansas that the hearing await the report by the governors' conference and, if possible, the report and recommendation of the administration on this point.

Mr. CARLSON. I appreciate very much the statement the distinguished Senator from Tennessee has made.

Mr. President, it is not my intention to press today for adoption of the amendment.

In Kansas and in 26 other States which have toll roads, this problem exists.

Mr. GORE. Mr. President, I shall go a step further: If the report from the governors' conference and the recommendation from the administration will be forthcoming, or if either will be forthcoming, within a reasonable time, we shall wait until then. If not, a hearing will be held in any event, before this session is over.

Mr. CARLSON. Mr. President, that is a very definite statement, and, of course, it is the only kind of statement the Senator from Tennessee makes. I appreciate very much his statement.

Mr. SCHOEPPEL. Mr. President, will my colleague yield to me?

Mr. CARLSON. I yield.

Mr. SCHOEPPEL. I appreciate my colleague's courtesy in yielding to me.

Mr. President, I desire to commend my colleague for pointing out, as other Senators have pointed out for the RECORD, the situation existing in the States which have toll roads.

As has been so ably pointed out by my junior colleague from Kansas [Mr. CARLSON], certain inequities certainly will inure to the States which have these toll roads; and as my colleague has pointed out, the situation is one which we should deal with in equity and in good conscience.

So I desire to commend the junior Senator from Kansas [Mr. CARLSON]. I also desire to commend the Senator from Connecticut, who has just given assurances to the junior Senator from Kansas and to our State.

Mr. CARLSON. Mr. President, I wish to join my colleague, the senior Senator from Kansas [Mr. SCHOEPPEL], in pointing out that this problem exists in our State, and our State is concerned with it.

When 190 miles of toll road have already been built, and when they meet all the specifications for as modern a road as can be built, then we do have a problem. I believe that our State and other States in a similar situation are entitled to some aid, if possible.

Mr. CASE of South Dakota. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I yield.

Mr. CASE of South Dakota. Mr. President, the Senator from Kansas has presented a problem which concerns any Member of the Senate who has served on the Roads Subcommittee of the Public Works Committee. We recognize that before we finish dealing with the Interstate System problems, something should be done in regard to the toll roads, in the case of the States in which toll roads have been constructed.

Of course, the question applies, not only to toll roads, but also to other roads of the primary system which have been incorporated into the Interstate System to the extent that they meet the standards of the Interstate System.

The problem is a perplexing one.

I would not contend that at the present time it is handled in a manner which is entirely satisfactory. Something should be done. But these studies are under way, both by the Bureau of Public Roads and by the governors' conference.

We also have the problem of trying to construct the maximum number of miles of road with the funds available. We recognize that, in that connection, there is a tendency to use roads already constructed.

But certainly the States in which toll roads have been constructed are entitled to a special hearing on that subject. So I was glad to hear the Senator from Kansas raise the question in the reasonable way in which he has raised it this afternoon; and I was also glad to hear the distinguished chairman of the Subcommittee on Roads [Mr. GORE] assure the Senator from Kansas that hearings would be held as soon as the reports are available—or sooner, if they

are not received before the end of the session.

Mr. CARLSON. Mr. President, in line with what the senior Senator from Kansas has said, I wish to state that I realize this problem exists not only in the case of the States in which toll roads have been constructed, but also in the case of all the States which are affected by the Interstate System.

With this assurance by the able chairman of the Roads Subcommittee [Mr. GORE], I believe that something will be done to do justice and equity in the case of these States.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I yield.

Mr. MARTIN of Pennsylvania. Mr. President, undoubtedly Congress itself will have to solve this problem, for it is a most difficult one.

As the distinguished Senator from South Dakota has stated, the problem relates not only to toll roads, but also to other roads which meet the specifications.

I believe Pennsylvania is second in the number of miles of toll roads. In addition, Pennsylvania has at least 100 miles of roads which have been incorporated or included in the Interstate System, and which meet the specifications.

I believe we are fortunate in having the distinguished junior Senator from Tennessee [Mr. GORE] and the distinguished junior Senator from South Dakota [Mr. CASE]—one, a member of the Democratic Party; the other, a member of the Republican Party; and both of whom serve on the Subcommittee on Roads and both of whom are very much interested in this matter—make these statements this afternoon. I am glad they have brought up the matter again.

However, I believe that in the long run the Congress itself will have to solve this problem, because it will be very difficult for the executive agency and the governors to arrive at a solution which will be agreeable and satisfactory to everyone. So probably in the long run the Congress will have to take the responsibility.

Mr. CARLSON. Mr. President, I appreciate very much the statement which has been made by the Senator from Pennsylvania, whose State is second in the number of miles of toll roads. In that respect, the order is as follows: New York, first; Pennsylvania, second; and Kansas, third.

I am glad to leave this matter in the able hands of the distinguished chairman of the subcommittee [Mr. GORE].

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator from Kansas has withdrawn his amendment.

Mr. CASE of South Dakota. Mr. President, I offer the amendment which is identified as No. 1 on the mimeographed sheet which I now send to the desk.

The PRESIDING OFFICER. The amendment submitted by the Senator from South Dakota will be stated.

The CHIEF CLERK. On page 10, it is proposed to strike out subsection (d), in lines 4 to 15, inclusive, as follows:

(d) The Federal share payable on account of any project provided for by funds made available under the provisions of this section shall be increased to 70 percent of the total cost thereof plus, in any State containing unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal, exceeding 5 percent of the total area of all lands therein, a percentage of the remaining 30 percent of such cost equal to the percentage that the area of such lands in such State is of its total area: *Provided,* That such Federal share payable on any project in any State shall not exceed 95 percent of the total cost of such project.

Mr. CASE of South Dakota. Mr. President, so far as I know, this is the last amendment to be offered to the pending bill.

This amendment raises a simple, clear-cut issue. I do not intend to use the entire 30 minutes available to me to explain the amendment or to defend it. In a very few minutes I shall be able to explain it and to state what it will do.

However, Mr. President, I believe that a quorum should be present in advance of the taking of the vote on the question of the final passage of the bill.

Therefore, Mr. President, at this time I ask unanimous consent that there may be a quorum call, and that the time required for it not be charged to the time available to either side, under the unanimous consent agreement. Thereafter, I shall explain the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CASE of South Dakota. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 minutes.

Mr. CASE of South Dakota. The pending amendment proposes to strike from the bill subparagraph (d), on page 10. This is the paragraph which would establish a special privilege for the $400 million emergency fund for the ABC roads. The bill, as I think all Senators are now aware, carries a special provision authorizing $400 million for the so-called ABC roads—primary, secondary, and urban roads—that amount to be be available for immediate apportionment to the States.

The $400 million would be in addition to the regular apportionments for the primary, secondary, and urban systems. It would be available under certain special conditions, and is tailormade to provide jobs. The special conditions are, first of all, that it is immediately available for apportionment. Second, that it must be obligated by the States by December 1, 1958. Further, that it must be completely transferable as between the systems once the apportionment is made to the States. Finally, that a portion of the money may be borrowed from the Federal Government so that actually a State would have to put up only 10 percent of the amount provided by the Federal Government.

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

Mr. CASE of South Dakota. I yield to the Senator from Oklahoma.

Mr. KERR. If the Senator's statement is correct, then the Senator from Oklahoma has misunderstood the effect of the amendment. If the Senator from Oklahoma understood the amendment of the Senator from South Dakota, it would strike the 70–30 matching formula insofar as the extra $400 million is concerned, and that would then cause a State to revert to the matching formula of 50–50. Is that correct?

Mr. CASE of South Dakota. That is precisely correct.

Mr. KERR. Subsections (e) and (f) being left as they are now, the States would be permitted to borrow 20 percent of the total, or two-fifths of their 50 percent matching requirements, and therefore they would have to put up 30 percent in order to have the benefit of the $400 million, instead of, as I just understood the Senators to say, the States being able to get the money insofar as cash is concerned, by putting up 10 percent.

Mr. CASE of South Dakota. That would not be true unless something further were done to the other paragraphs of the bill.

Mr. KERR. What would not be true?

Mr. CASE of South Dakota. It would not be true that the States would have to put up only 10 percent. They would have to put up 30 percent, in effect, if we did nothing to the other portions of the bill.

I thought I should address myself to the issue with respect to the $400 million, and whether we wanted to adopt a new formula for matching. The other group would have to be taken care of in conference.

Mr. KERR. Will the Senator yield further?

Mr. CASE of South Dakota. Yes.

Mr. KERR. It could not be taken care of in conference, since it is not in the House bill.

Mr. CASE of South Dakota. Paragraph (e) would still be in the bill which will go to conference.

Mr. KERR. But there would be nothing in conference contrary to it. Therefore, the conferees could not give a greater benefit to the States than would be contained in either bill.

Mr. CASE of South Dakota. Yes, that is true, although there could be some modification of whatever language was retained. The amount could be reduced downward.

I was trying to explain the bill as it is now before the Senate. The States would have to put up only 10 percent in actual cash, they could borrow 20 percent, which would constitute 30 percent, and that would be all they would be required to put up in order to get their

share of the $400 million, as that would be available to them on a 70 to 30 matching basis.

Mr. KERR. Will the Senator yield further?

Mr. CASE of South Dakota. Yes.

Mr. KERR. The statement the Senator from South Dakota has just made sets forth what the situation would be if the committee bill were passed without the Senator's amendment. Is that correct?

Mr. CASE of South Dakota. That is correct.

The issue I am presenting is merely whether we should change the historical formula for the ABC roads. In 1916, when the basic Federal Highway Act was passed, the 50–50 principle was established, 50 percent to be paid by the Federal Government and 50 percent to be paid by the State. That principle has been retained during 40 years of roadbuilding with no exception, so far as the money of the Bureau of Public Roads is concerned.

The only time, so far as I know, when there was any change was when a 60–40 emergency fund was made available for the Interstate System. I am inclined to think those funds came out of PWA money, but I am not too sure about that. In any event, so far as the ABC roads are concerned, through the years they have been on a 50–50 basis, 50 percent to be paid by the Federal Government and 50 percent to be paid by the State.

During the WPA days, the Work Projects Administration did accept road projects and had a great deal of discretion as to such projects, as they did with other projects. The WPA had some road projects which might have been constructed on some basis other than 50–50. But, so far as the Bureau of Public Roads is concerned, they have operated on a 50–50 basis through the years.

So far as I know, the States have not requested any change in the matching formula. I do not recall any testimony before the committee that the States proposed any change in the matching formula.

If we are thinking of the pending legislation in terms of providing jobs, we might bear in mind the fact that if we keep the program on a 70–30 basis with respect to the $400 million, the States will have to put up approximately $170 million, which will provide a total of $570 million worth of road jobs. On the other hand, if the States have to put up an equal amount, or have to put up 50 percent, we will have the $400 million multiplied by 2, or a total of $800 million worth of road work.

The ABC roads provide more jobs per dollar than the roads of the Interstate System. I was talking with an official of the Bureau of Public Roads this morning, and I asked what would be a fair figure of the dollars necessary to provide a man year of work on an ABC road. The suggestion was made that $5,000 was a fair figure. Using that as the criterion, $570 million would provide about 114,000 man-year jobs.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 additional minutes.

On the other hand, the $800 million which would be provided if we had $400 million from the States and $400 million from the Federal Government would provide 160,000 man-year jobs, as compared with the 114,000 man-year jobs estimated under the 70–30 matching basis.

There is one further point I am sure Senators are aware of, which I should like to make before I conclude.

Mr. GORE. Mr. President, will the Senator yield before he goes to another point?

Mr. CASE of South Dakota. I yield.

Mr. GORE. Using the estimate of the Senator as to the amount of funds required to produce a man-year of employment, which the able Senator said the Bureau of Public Roads representative submitted to him as to the ABC roads, and applying the $5,000 figure to the additional sums which will be placed under contract this calendar year as a result of enactment of the pending bill, we arrive at a total of 544,000 potential jobs.

Mr. CASE of South Dakota. Mr. President, there is one final point I wish to bring to the attention of Senators. I do not think it needs emphasis from me.

Today the treasuries of the States are in better shape than is the Treasury of the Federal Government. If the Federal Government provides $400 million on a 70–30 basis, and then loans an additional 20 percent, the money will have to be raised by the Federal Treasury which now is borrowing money. Some of the States would not have to borrow money. The States are better able to provide the full 50 percent than the Federal Government is able to provide 70 percent, asking the States only for 30 percent.

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

Mr. CASE of South Dakota. I personally think the idea of using some money for work on the ABC roads is a good idea. Such work will provide the quickest means of employing people, in terms of roadbuilding. I should like to see the maximum benefit derived from such funds. I think the issue must be presented to the Senate, and that is why I have raised the question.

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

Mr. CASE of South Dakota. The Senate should express itself as to whether it wants to leave the historic 50–50 basis and go to a 70–30 basis with respect to the emergency $400 million.

Mr. President, I yield first to the Senator from Ohio and then I shall yield to the Senator from West Virginia.

Mr. LAUSCHE. Mr. President, I understand it is the position of the Senator from South Dakota that it would not be good judgment to abandon the historic policy used for the building of ABC roads, under which the Federal Government has put up 50 percent of the funds and the States have matched the money with an equal 50 percent.

Mr. CASE of South Dakota. I think it would be a dangerous precedent to establish.

Mr. LAUSCHE. It is also a fact that now, while we are trying to reestablish the soundness of the national economy, a danger is involved in modifying the historic policies which have worked so well. Does the Senator agree with that statement?

Mr. CASE of South Dakota. I agree with the Senator. I think we raise the probability that it will become easier to make a change the next time, and again and again, until finally the principle will have disappeared.

Mr. LAUSCHE. Mr. President, will the Senator yield for a statement?

Mr. CASE of South Dakota. I yield.

Mr. LAUSCHE. My fear, Mr. President, is that with the adoption of an Interstate System we establish hope in the minds of many people in the States that eventually the responsibility of the States will be completely ended and the responsibility for building highways will be taken over entirely by the Federal Government. We have presently 41,000 miles in the Interstate System. I fear that year by year the mileage will be increased, and year by year increased contributions will be asked for other parts of the highway system.

I think the position of the Senator from South Dakota is sound, and that we ought to be gravely concerned so as not to put the Federal Government completely into the building of the highway system. I say that because of the huge financial responsibility the Federal Government already has, without taking on in perpetuity new burdens and responsibilities.

Mr. CASE of South Dakota. I thank the Senator for his statement.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. I yield myself 3 additional minutes, and I yield to the Senator from West Virginia.

Mr. REVERCOMB. I thank the Senator.

I think the distinguished Senator from South Dakota has very clearly stated the purpose of his amendment, as he always does in his arguments before this body, arguments which are very fair.

If I understand the purpose and the effect of the amendment, I find myself in opposition to the Senator from South Dakota.

A special fund of $400 million is provided as something extra, over and above the usual appropriation for the primary, secondary, and urban roads, which was placed in the bill originally, as has been said—and it was discussed at length in the committee—for the purpose of speeding up or accelerating work, so that there could be added employment in the various States. In order to make the program attractive to the States, so that the States could go ahead and use the funds, it was provided that the money should be advanced to the States upon the basis of 70 percent to be paid by the Federal Government and 30 percent to be paid by the States, with the further right of the States to borrow against future allocations of Federal money for roads

known as primary, secondary, and urban improvement roads.

The most attractive feature of the whole bill, the one which permits so many States in the Union to avail themselves of the program, I may say to the Senator, is the very provision of the 70 percent payment by the Federal Government and 30 percent payment by the States. Unquestionably it is the best provision in the bill if we really seek to increase employment, and to give people the opportunity to work at this time. The system is different from the Interstate System in this respect: The so-called ABC roads, primary and secondary roads, are already planned. There is no necessity for delay for engineering and other preliminary work. The projects are ready to proceed.

I respect the opinion of the Senator very highly, but on the point of the States having more money available, I cannot agree with him.

The PRESIDING OFFICER. The time of the Senator from West Virginia has again expired.

Mr. REVERCOMB. Will the distinguished Senator from South Dakota yield me an additional minute?

Mr. CASE of South Dakota. I yield the Senator an additional minute. I should be glad to be more generous, but although the Senator is talking in opposition to the amendment, he is using our time.

Mr. REVERCOMB. The Senator is very generous to yield me an additional minute. I shall try to close within that time.

It seems to me that the provision dealing with the primary, secondary, and urban roads, which are ready to go forward, is the best provision for immediate relief of unemployment.

Returning to the point of the States being better able to put up 50 percent, I cannot agree with that, because today many States have plans for this type of road. They are ready to proceed, but they do not have sufficient funds to match on a 50–50 basis to any considerable extent. If we leave the ratio at 70–30, more roads will be built in States where the unemployment situation is most acute.

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

Mr. CASE of South Dakota. I yield.

Mr. DWORSHAK. The Senator from South Dakota refers to the 50–50 matching formula. Is that an inflexible formula, or does he consider reverting to the historic pattern, whereby the public-land States get a better matching deal than 50–50?

Mr. CASE of South Dakota. The 50–50 matching formula, as we speak of it, always gives credit to the public-land States.

Mr. DWORSHAK. Does the Senator intend to follow that formula?

Mr. CASE of South Dakota. Yes. That is not disturbed.

Mr. REVERCOMB. Mr. President——

Mr. KERR. Does the Senator from West Virginia wish additional time?

Mr. REVERCOMB. If the Senator could yield me 2 minutes, I should greatly appreciate it.

Mr. KERR. I yield 2 minutes to the Senator from West Virginia.

Mr. REVERCOMB. Further upon the question of the formula of 70–30, I do not see any great danger in it. In 1956 Congress created the ratio of 90–10 with respect to the interstate roads. There is nothing unusual in creating a 70–30 formula. It would not be a dangerous precedent.

Mr. KERR. Is it not a fact that the bill itself retains the 50–50 formula with respect to the ABC system, and provides that immediaitely following the expenditure of the $400 million extra in the fiscal year 1959, the apportionment, for both 1960 and 1961, shall remain on the 50–50 basis?

Mr. REVERCOMB. I think that is correct. As a matter of fact, the $400 million must be spent before December 1, 1959. It is in addition to and apart from the regular allotment for the primary and secondary roads.

The regular allotment of Federal moneys is on a 50–50 basis, and it so continues, as indicated by the Senator from Oklahoma, through 1960 and 1961.

I feel that if this amendment were adopted we would take from the emergency part of the bill the immediately helpful part of the bill, and the most attractive feature to the States.

It may be possible that some States could use a small part of the fund on that basis, but if we leave the 70–30 formula provision in effect, it will permit the States to expand broadly the roads for which they have already made preparation, and with respect to which they have met the engineering requirements. They are ready to go ahead and build, thereby providing new jobs.

So, with reluctance, I must oppose the amendment of the able Senator from South Dakota, because I feel that if it were adopted and we were to take out of the bill the 70–30 formula, we would destroy, in effect, the real helpfulness which would be afforded to the States throughout the Nation by the bill.

Mr. KERR. Mr. President, I yield myself 3 minutes.

I agree entirely and wholeheartedly with what the distinguished Senator from West Virginia [Mr. REVERCOMB] has said. He and the fine and distinguished Senator from South Dakota [Mr. CASE] were on the committee when we formulated the provision which is now before the Senate.

In a moment I shall yield some time to the distinguished Senator from New Hampshire [Mr. COTTON], who was the author of the provision in the bill. After it was discussed and worked over, it had the unanimous approval of the committee; at least I understood it had the approval of every member.

Let me say to my good friend from South Dakota that I think the formula which is before the Senate is tailormade to provide jobs. Those are the words which he used to describe the situation which would exist if his amendment were adopted.

I say to him further that if his amendment were adopted, he would take the heart out of the emergency provisions of the bill. If his amendment were adopted, the bill would not be tailormade to provide jobs in Oklahoma.

I have talked with the distinguished Governor of Oklahoma and with the head of the highway department. They tell me that they are in a position to put up the 10 percent cash, as provided by the language of the bill now before the Senate, but that if they had to put up more than that, they would be unable to take advantage of their share of the $400 million additional for the ABC system, which, as the Senator from West Virginia has reminded us, must be under contract before December 1 of this year, and the projects must be completed—subject only to conditions beyond the control of the contractors, or acts of God—by December 1, 1959.

I sincerely urge and earnestly request the distinguished Senator from South Dakota, who has labored so heroically on this bill, and whose hand is in it as much as is the hand of any other member of the committee, to feel gratification for the tremendous job he has done, and to withdraw his amendment in order that we may vote on the final passage of the bill.

Mr. CASE of South Dakota. Mr. President, I yield myself 3 minutes.

Any appeal made by the distinguished Senator from Oklahoma, especially with the flowers which accompanied the last appeal, is difficult to resist.

However, I cannot, in justice to some other situations avail myself of that invitation.

I still think this section of the bill is tailormade to provide jobs. It is tailormade, first of all, because it provides emergency money, to the extent of $400 million, in addition to the regular ABC money.

It is tailormade, in the second place, because there is an incentive to get the program under way. The program is conditioned on its being gotten under way immediately. Otherwise, we would not have the $400 million provision.

It is tailormade to provide jobs because it has complete transferability. We wrote in a provision that the money, once apportioned to a State, could be used on the primary, secondary, or urban system, or wherever the State wanted to use it to relieve unemployment.

We do not have complete transferability with respect to other moneys. There is a 20-percent transferability. Here we have a complete, 100-percent transferability. If in North Dakota it were desired to use the apportionment on secondary farm-to-market roads, it could be so used. In Wisconsin, if the unemployment situation were particularly severe in Milwaukee, the allotment could be used for urban roads.

With respect to the State's ability to match, my attention was called to the fact that my arithmetic was a trifle inaccurate at the time the Senator from Oklahoma and I were discussing the two-thirds provision. The language in subsection (e) now reads:

Provided, that the amount of such increase—

Referring to the additional fund—

of the Federal share shall not exceed two-thirds of the States' share of the cost of such project.

If the State's share of the cost of a project is 50 percent, two-thirds would be 33⅓ percent. Therefore if the State borrowed 33⅓ percent out of the loan

fund, it would have to put up only 16⅔ cents out of every dollar. It would not be much different than putting up 10 percent. The State could qualify by putting up 16⅔ cents out of every dollar. Therefore I believe this would help the States to use the money and put it to work and create the maximum number of jobs. I agree with everything the distinguished Senator from West Virginia said with respect to the value of the ABC roads in providing jobs, and that they afford the quickest means of doing that of any public works construction program I know of.

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

Mr. CASE of South Dakota. I yield.

Mr. REVERCOMB. I hope the Senator understood me to say that I am wholeheartedly in agreement with the idea that the ABC roads provide one of the greatest and quickest ways of bringing about employment. The $400 million goes to the ABC roads. That is the reason why the more help the Federal Government gives to the States on that program the more roads will be built and the more employment will result.

Mr. CASE of South Dakota. It is a question whether we wish to abandon the 50–50 formula and go to the 70–30 formula.

Mr. KERR. Mr. President, I yield 5 minutes to the Senator from New Hampshire.

Mr. COTTON. Mr. President, one of the most painful things about serving in the Senate is to observe Senators listening to the same speech repeated three or four times. I can see those signs of pain on several faces. Therefore, I shall not repeat the argument made by the Senator from West Virginia, with whom I agree completely, or the argument of the Senator from Oklahoma, with whom I also agree completely. I merely wish to emphasize one point. I believe that most of us who worked in the committee recognize, as the Senator from South Dakota recognizes and has so well expressed, that the heart of this whole bill is the $400 million fund for immediate use on the ABC roads. The heart of the fund is the 70–30 formula.

I have not heard this emphasized enough. I regret that the able Senator from South Dakota has seen fit to present his amendment, although I respect his feeling about amending the 50–50 formula. His amendment would not destroy it, but if the amendment is adopted, it would mean a bonus for the rich States in the Union, and it would be something held out before the eyes of the smaller and poorer States, who would be tantalized by something they could not get.

There is no doubt that it would be an easy matter for a rich State like New York or California or Illinois or Pennsylvania to provide the necessary money in order to avail themselves of their share of the fund immediately. I talked with the highway commissioner of my State, and he assured me that the State of New Hampshire could not do it. Besides, our legislature does not meet until next January. If the bill should be enacted in its present form, I was assured by the highway commissioner that he could start using the money within 2 months after the passage of the bill. If the bill should be enacted with the amendment offered by the distinguished Senator from South Dakota—and I am sure he offers it in the best of good faith—we in New Hampshire would not be able to avail ourselves of the money until the legislature meets next January, or even later, if we could avail ourselves of it at all. I am sure there are many other States in the same situation in which New Hampshire finds itself.

The purpose of the provision in the bill is to accelerate the program now, immediately, not next year, and to help the States that need help the most. The purpose is to build roads wherever they can be built most effectively and where we will get the most highway for the least number of dollars. Therefore I sincerely hope that the amendment will not be adopted. It would cut the heart out of the provision in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. I should like to make one more observation. If a State is thinking in terms of 10 percent, it certainly can put up 16⅔ percent. However, I have no desire to prolong the argument. If there are no further requests for time, I am prepared to yield back the remainder of my time.

Mr. KERR. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

The amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. GORE. Mr. President, I ask unanimous consent that the Committee on Public Works be discharged from the further consideration of H. R. 9821, the companion House bill, and that the Senate proceed to its consideration; that all after the enacting clause be stricken out and the text of the Senate bill, S. 3414, as amended, be inserted in lieu thereof; that the amendment be deemed to be engrossed and the bill as amended read the third time; that the time remaining on the question of the passage of the Senate bill be transferred to the House bill; and that the yeas and nays, previously ordered on the Senate bill, be deemed to be ordered on the passage of the House bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Tennessee?

Mr. KNOWLAND. Mr. President, before the Senate acts on the request, I wonder whether we might have a quorum call.

Mr. GORE. I withhold my request.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Minnesota.

Mr. THYE. Mr. President, in his state of the Union message to Congress on January 7, 1954, the President of the United States called attention to the need for a national highway system. On page 10 of that state of the Union message will be found a paragraph which sets forth the need for a national highway system, to which we are today giving final consideration.

I ask unanimous consent that the entire paragraph be printed at this point in the RECORD.

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

NATIONAL HIGHWAYS

To protect the vital interest of every citizen in a safe and adequate highway system, the Federal Government is continuing its central role in the Federal-aid highway program. So that maximum progress can be made to overcome present inadequacies in the Interstate Highway System, we must continue the Federal gasoline tax at 2 cents per gallon. This will require cancellation of the one-half-cent decrease which otherwise will become effective April 1, and will maintain revenues so that an expanded highway program can be undertaken.

When the Commission on Intergovernmental Relations completes its study of the present system of financing highway construction, I shall promptly submit it for consideration by the Congress and the governors of the States.

Mr. THYE. Mr. President, on January 22, 1955, in his message to Congress relative to a national highway program, the President of the United States again referred to the great need which existed to have an adequate and proper highway system. I ask unanimous consent that that part of the President's message to Congress on February 22, 1955, as it appears on pages 3, 4, 5, and 7 be printed at this point in the RECORD.

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

II. THE HIGHWAY SYSTEM

USE OF OUR HIGHWAYS

Highway transportation in the United States is provided currently by approximately 48 million passenger cars, 10 million trucks, and a quarter of a million buses, operating on 3,348,000 miles of roads and streets, which is by far the most comprehensive public transportation network in the world.

All forms of transportation are essential to the national economy, including waterways, railroads, airways, and pipelines and their continued functioning as complementary services under equitable competitive conditions is important. Representatives of the railroads have pointed out to us the competitive threat represented by improved highway facilities and increasing truck haulage. However, this Committee was created to consider the highway network, and other mediums of transportation do not fall within its province. This relationship between the several forms of transportation is under study by other Government agencies and special committees fully informed of these views.

In relatively recent years, the motor vehicle has come to occupy a unique place in America, not only because it is a major unit of transportation, but also because it is an intimate and seemingly indispensable part of our daily life. The bread winner uses an automobile to get to work; the housewife to shop; children ride in a car or bus to school, and the entire family relies on the automobile for many social and recreational activities. Privately owned passenger cars now in service could transport the entire population of the Nation at one time—with seats to spare.

The universal use of rubber-tired vehicles for transportation on a family-unit basis has resulted in the creation of large manufacturing, distributing and service industries. Highway transportation provides essential movement of people and goods; in addition, it has itself become a major element of the economy, generating directly or indirectly approximately one-seventh of all gainful employment, and accounting for about 14 percent of the total gross national product.

One out of every six retail, wholesale, and service businesses is connected with motor vehicles.

About 3 million miles, or 90 percent of the total, of the public roads carrying this traffic are rural highways, with the balance being streets inside municipalities. These figures have remained comparatively stable over the last two decades, increasing now at a very slight rate, because most construction of "new" roads actually is the replacement or betterment of existing facilities. A highway improvement program therefore is not designed to achieve more highways so much as it is to achieve better or more adequate ones.

HIGHWAYS DIVIDED INTO SYSTEMS

One of the principal characteristics of this road network is its classification into designated systems, for purposes of financing and management. Thus we have Federal-aid, State, county, township, and other systems, classified in accordance with the responsibility which those political jurisdictions have in the highway function. A street or road providing access to individual homes or farms obviously is of predominant local interest, whereas one linking together the principal population centers of a State is primarily of State and Federal concern. Traffic tends to concentrate on rather limited mileages of highways, so that some of these highways are required to carry heavier volumes than others.

With agriculture, industry, and our defense planning closely geared to motor transportation, Congress has recognized the national interest in a limited mileage of the principal roads by authorizing the designation of two Federal-aid systems, selected cooperatively by the States, local governments, and the United States Bureau of Public Roads.

In 1916 the basic Federal-Aid Highway Act provided for the sharing of highway construction costs between the States and the Federal Government, under standards mutually approved, and with the initiative retained by each State for choosing projects and carrying them out. The planning and development of the Federal-aid systems referred to above began in 1921. Federal funds share with State funds in costs of engineering, construction, and right-of-way acquisition on the designated systems while other charges, such as maintenance and policing, are entirely borne by the States and local agencies. It is proposed to continue this well established and very effective partnership in the enlarged program recommended herein.

The Federal-aid primary system as of July 1, 1954, consisted of 234,407 miles, connecting all of the principal cities, county seats, ports, manufacturing areas, and other traffic generating areas. In general, these are at the same time the main State trunkline roads.

In 1944, the Congress approved designation of the Federal-aid secondary system, which on July 1, 1954, totaled 482,972 miles commonly referred to as the farm-to-market system but which could equally be referred to as the market-to-farm system. It is composed of important feeder roads linking the farms, factories, distribution outlets, and smaller communities of our Nation with the primary system.

Responsibility for construction of these two Federal-aid systems traditionally has been shared in approximately equal amounts by the Federal Government and the States, in accordance with an apportionment formula in which land area, road mileage, and population are factors. But some sections of the primary system are more important than others, from the viewpoint of the national interest. Consequently, in 1944 the Congress authorized the selection of a special network, not to exceed 40,000 miles in length, which in the language of the act would be so located as to connect by routes, as direct as practicable, the principal metropolitan areas, cities, and industrial centers, to serve the national defense, and to connect at suitable border points with routes of continental importance in the Dominion of Canada and the Republic of Mexico.

The result was the creation of the national system of interstate highways embracing about 1.2 percent of total road mileage, joining 42 State capital cities and 90 percent of all cities over 50,000 population. The Interstate System carries more than a seventh of all traffic, one-fifth of the rural traffic, serves 65 percent of the urban and 45 percent of the rural population, and is the key network from the standpoint of Federal interest in productivity and national defense. Approximately 37,600 miles have been designated to date; the remaining 2,400 miles are reserved for future additions. This system and the mileage referred to are included within the Federal-aid primary system described above.

CIVIL DEFENSE ASPECTS

From the standpoint of civil defense, the capacity of the interstate highways to transport urban populations in an emergency is of utmost importance. Large-scale evacuation of cities would be needed in the event of A-bomb or H-bomb attack. The Federal Civil Defense Administrator has said the withdrawal task is the biggest problem ever faced in the world. It has been determined as a matter of Federal policy that at least 70 million people would have to be evacuated from target areas in case of threatened or actual enemy attack. No urban area in the country today has highway facilities equal to this task. The rapid improvement of the complete 40,000-mile Interstate System, including the necessary urban connections thereto, is therefore vital as a civil-defense measure. Responsibility for selecting the highway facilities needed for this defensive action has been delegated by Executive order to the Bureau of Public Roads.

III. WHY THE SYSTEM IS INADEQUATE

THE TRAFFIC JAM

Reduced to its simplest terms, the highway problem is this: Traffic has expanded sharply, without a corresponding expansion in capacity of roads and streets. As a result, a major portion of our facilities are seriously overcrowded. Moreover, this movement is faster and heavier than in previous years, and continues to increase.

Simple arithmetic illustrates the dimensions of the task. We now have more than 58 million motor vehicles registered—one for every 700 feet of every lane in both directions on all streets and highways in the Nation. This gigantic fleet traveled an estimated 557 billion vehicle miles in 1954, much of it concentrated on main arteries in urban areas which have become the expensive, hazardous bottlenecks referred to by the President.

The existing traffic jam is bad enough, but prospects for the future are even worse. Vehicle registrations are expected to continue their upward surge, reaching 81 million by 1965, an increase of 40 percent. Total highway travel of these 81 million vehicles will likewise continue to increase as we attempt to meet the transportation requirements of an expanding economy, probably to reach an estimated 814 billion vehicle-miles in 1965.

This Committee believes that these forecasts, carefully projected on the basis of all available data, are soundly conservative and represent the foundation upon which the Nation's highway improvement programs should be planned. Our population is expected to exceed 180 million by 1965. Our gross national product, which was about $357 billion in 1954, is estimated to reach $535 billion by 1965, an increase of almost 50 percent in the next decade, as recently reported by the Joint Congressional Committee on the Economic Report.

HIGHWAYS IN THE NATIONAL ECONOMY

The governors' report to the President pointed up sharply the importance of highways to the Nation's future economy in these words:

"An adequate highway system is vital to the continued expansion of the economy. The projected figures for gross national product will not be realized if our highway plant continues to deteriorate. The relationship is, of course, reciprocal; an adequate highway network will facilitate the expansion of the economy which, in turn, will facilitate the raising of revenues to finance the construction of highways."

Prewar, we did not hesitate to spend on the improvement of our highways sums ranging from 1.1 to 1.7 percent of our gross national product. Today, the need for further improvement is greater than ever. The sums needed to accelerate the program may seem high; they are not high in terms of what we have done in the past in relationship to our much larger and still growing gross national product.

The increasing use of our highways contributes materially to the growth of our national product, since industry and employment directly related to the highway transportation system and its byproducts account for about one-seventh of its total value.

Moreover, the improvement of our highway systems as recommended herein would reduce transportation costs to the public through reductions in vehicle operating costs competently estimated to average as much as a penny a mile. Based on present rates of travel, this saving alone would support the total cost of the accelerated program. It is further evidence of the desirability of undertaking highway improvement as a capital investment.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Oklahoma.

Mr. KERR. Mr. President, a little while ago, in the course of the debate on the amendment of the distinguished Senator from South Dakota [Mr. CASE] I stated, as I remember it, that the bill as reported to the Senate had the unanimous approval of all members of the Committee on Public Works. The Senator from South Dakota has reminded me that at the time he reserved the right to offer amendments, or otherwise, on the floor. I would not want the RECORD to fail to disclose that fact.

Mr. JOHNSON of Texas. Mr. President, it is my understanding that the

Senator from Tennessee [Mr. GORE] has proposed a request to discharge the Committee on Public Works from the further consideration of H. R. 9821. Has that request been acted upon?

The PRESIDING OFFICER. It has not. The request is the pending question. Is there objection to the unanimous consent request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

The question is on the passage, as amended, of House bill 9821, to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways.

Mr. JOHNSON of Texas. Under the terms of the request, which I have not had an opportunity to read, have the yeas and nays been ordered on the House bill?

The PRESIDING OFFICER. It is the understanding of the Chair that the yeas and nays have been ordered.

Mr. JOHNSON of Texas. Mr. President, I shall yield 3 minutes to the Senator from Pennsylvania [Mr. CLARK]. At the conclusion of his statement, I shall be prepared to yield back the remainder of our time on the bill, if the minority will be agreeable to doing likewise. Then a yea-and-nay vote on the bill can be had promptly. No other yea-and-nay votes are planned for this evening.

Mr. KNOWLAND. I am prepared to yield back the remainder of my time, unless there are other requests for time.

Mr. MARTIN of Pennsylvania. Mr. President, I should like to reserve 2 or 3 minutes.

Mr. JOHNSON of Texas. I yield 3 minutes to the junior Senator from Pennsylvania.

Mr. CLARK. Mr. President, I am happy to vote for the bill. I should like to suggest for the RECORD several points affecting the Commonwealth of Pennsylvania, which the Honorable George Leader, our distinguished Governor, has asked to have stated, so that when the problem arises next year, these matters will be in mind.

First, it is the position of my Commonwealth that there should be full reimbursement to the States for all free and toll roads built by all States if the roads are fairly close to conforming with the Federal standards.

My Commonwealth has built a number of toll roads, expressways, and freeways at great expense. It is our view that we should be reimbursed for our initiative, and not be penalized.

Second, it is our position that the Federal highway program should be completed in 13 years, and that definite appropriations should be made by Congress under the law.

Third, if and when we get back to schedule and can look forward to completing the program in 13 years, we should take up the question of reimbursement. The question of reimbursement should not be permitted to decrease the amount of the appropriations which are being made to help overcome the current recession and to complete the 13-year program on schedule.

Finally, it is my hope that careful study will be given by the Committee on Public Works next year to the work done by the General Accounting Office to determine the equity of the needs formula. Under that program, the so-called Gore program, my State is penalized by being cut from 5.321 percent to 4.78 percent of appropriated funds. That was because Pennsylvania was more accurate in estimating the cost of her needs than were her sister States. The general average indicates that the cost is 9 percent across the country. In Pennsylvania, it is only 4 percent. One of our large sister States overestimated its needs on a cost basis by 20 or 25 percent and is, accordingly, getting a higher allocation.

I hope the chairman and other members of the committee will bear these facts in mind when, next year, the needs formula is reevaluated.

Mr. LAUSCHE. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. JOHNSON of Texas. I yield 3 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, yesterday and today I received three letters from highway construction contractors in Ohio. Each of the three letters expresses the fear that because of further increases in the prices of materials, equipment, and supplies, and possibly new demands for increased wages, the cost of the construction will likely go up 10 percent a year.

I ask the Senator from Tennessee whether any of the suppliers or material men or labor representatives who testified urged the adoption of this program to stabilize the economy.

Mr. GORE. There was testimony urging the adoption of a vigorous highway improvement program not only for the purpose of building and improving highways, but also for the purpose of increasing employment opportunities.

Mr. LAUSCHE. In the calculation that the bill will make available an investment which will hire 550,000 workers, did the Senator from Tennessee have in mind the present wage levels and price levels?

Mr. GORE. We calculated on the basis of the existing situation.

Mr. LAUSCHE. That is, the Senator did not anticipate that while Congress intended to stabilize the economy, it might in the next year be faced with a 10-percent increase in cost because of increased costs of wages and supplies?

Mr. GORE. On the contrary, the subcommittee requested the Bureau of Public Roads to make a survey of the experiences the States were having with respect to costs; that is, the actual terms of bids and contracts as compared with estimates submitted to the committee in January. We were pleased to have the report that, nationwide, the contracts are running approximately 7 percent below the estimated cost.

Mr. LAUSCHE. After I received the letters, I called officials of the State of Ohio. I was told by them that there is now sound, keen competition. I called one other contractor, and he said he was of the belief that there may be a demand for increased wages and increased prices.

Mr. President, I contemplate voting for the bill. But I will be a bitterly disappointed man if, at the end of 1 year, we find that, whereas we were trying to stabilize the economy and provide jobs, 10 percent of the amounts provided will have been expended for increased costs of materials, supplies, and labor.

Mr. President, I yield the floor.

Mr. WATKINS. Mr. President, will the Senator from California yield 2 minutes to me?

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Utah.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senator from Utah is recognized for 2 minutes.

Mr. WATKINS. Mr. President, I intend to vote for the bill. I believe it provides for the kind of public works which can be fully justified in meeting the present recession. The Nation is a long way behind in its highway program and stepping it up can be justified as a matter of economics.

I believe Federal and State highway officials will do everything within their power to make this program successful. Fully justified expenditures will be spread out over the whole country where the most good can be done.

With respect to reclamation projects, lately there has been a definite tendency to offer bids well within the estimates; in one case, Glen Canyon Dam, the bid was nearly 20 percent lower than the estimate.

Of course, the program under this bill will not need go forward any faster than the funds are made available.

Many of us will be disappointed if the program under the bill adds to the spiral of inflation, although in that case something probably can be done by slowing down the rate of appropriations, or the construction schedule.

As the President has indicated and recommended, I believe the program is fully justified even though it may have in certain particulars gone beyond his recommendations.

The bill contains some provisions and authorizations of new appropriations with which I am not in full accord.

However, I have high hopes that the House of Representatives will scrutinize, in conference, the action taken by the Senate, and that it will be possible to remedy the defects which I believe the bill contains, and to reduce somewhat some of the authorizations for higher appropriations.

Mr. President, I think the passage of this bill will be a powerful stimulus to our economy.

SEVERAL SENATORS. Vote! Vote!

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back the remainder of the time under my control, if the minority leader is prepared to do likewise.

Mr. KNOWLAND. Mr. President, I yield back the remainder of the time under my control.

Mr. JOHNSON of Texas. Then, Mr. President, I yield back the remainder of the time under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question before the Senate is on the final passage of House bill 9821, as amended.

The question is, Shall the bill pass?

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

The Chief Clerk called the roll.

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

The Senators from Louisiana [Mr. ELLENDER and Mr. LONG] are absent on official business attending the funeral of the late Congressman George Long.

The Senator from Oklahoma [Mr. MONRONEY] is absent on official business attending the Interparliamentary Conference in Europe as a representative of the Senate.

I further announce that if present and voting, the Senators from Louisiana [Mr. ELLENDER and Mr. LONG], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Montana [Mr. MURRAY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Connecticut [Mr. BUSH] is absent on official business of the Committee on Armed Services.

The Senator from Indiana [Mr. CAPEHART] is absent because of illness.

The Senator from Indiana [Mr. JENNER] is necessarily absent, and, if present and voting, would vote "yea."

The Senator from Vermont [Mr. FLANDERS] is detained on official business.

The Senator from Indiana [Mr. CAPEHART] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 84, nays 4, as follows:

YEAS—84

Aiken	Hayden	Morton
Allott	Hennings	Mundt
Anderson	Hickenlooper	Neuberger
Barrett	Hill	O'Mahoney
Beall	Hoblitzell	Pastore
Bible	Holland	Payne
Bricker	Hruska	Potter
Bridges	Humphrey	Proxmire
Butler	Ives	Purtell
Carlson	Jackson	Revercomb
Carroll	Javits	Russell
Case, N. J.	Johnson, Tex.	Saltonstall
Case, S. Dak.	Johnston, S. C.	Schoeppel
Chavez	Kefauver	Scott
Church	Kennedy	Smathers
Clark	Kerr	Smith, Maine
Cooper	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Dirksen	Langer	Stennis
Douglas	Lausche	Symington
Dworshak	Magnuson	Talmadge
Eastland	Malone	Thurmond
Ervin	Mansfield	Thye
Frear	Martin, Iowa	Watkins
Fulbright	Martin, Pa.	Wiley
Goldwater	McClellan	Williams
Gore	McNamara	Yarborough
Green	Morse	Young

NAYS—4

Bennett	Curtis	Robertson
Byrd		

NOT VOTING—8

Bush	Flanders	Monroney
Capehart	Jenner	Murray
Ellender	Long	

So the bill (H. R. 9821), as amended, was passed.

Mr. GORE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, the title of the House bill is amended by substituting for it that of the Senate bill, and the Senate bill will be indefinitely postponed.

Mr. JOHNSON of Texas. Mr. President——

The PRESIDING OFFICER. The Senator from Texas.

Mr. JOHNSON of Texas. I yield to the Senator from Tennessee.

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

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. KERR, Mr. GORE, Mr. MARTIN of Pennsylvania, and Mr. CASE of South Dakota conferees on the part of the Senate.

Mr. GORE. Mr. President, I ask unanimous consent that House bill 9821, as amended and passed by the Senate, be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, we have just closed debate on one of the most important measures we could possibly pass to help the unemployed.

This is a bill which will have a direct and certain effect upon jobs. It means that men will be put to work building the highways the Nation so badly needs.

The Senate owes a deep debt of gratitude to all the Members of this body for their patience and for the long hours they have spent during the time we were debating this important measure. The Senate owes a particular debt of gratitude to the junior Senator from Tennessee [Mr. GORE], chairman of the subcommittee which held the long hearings, and to the Senator from New Mexico [Mr. CHAVEZ] for the fine work they have done on the bill.

As chairman of the committee, the Senator from New Mexico acted promptly and expeditiously. And the junior Senator from Tennessee is one of the Nation's outstanding experts on this difficult field of legislation.

The passage of this measure is clear and unmistakable notice to the unemployed men and women of this country that Congress is determined to act and to help them. We are not going to stand idly by.

This measure strikes me as being of unusual importance in this situation. According to expert surveys, 90 cents out of every dollar spent on roads—aside from acquisition of rights-of-way—goes directly or indirectly into wages.

I congratulate all the Members of the Senate, and particularly the members of the Committee on Public Works, the junior Senator from Tennessee, the Senator from New Mexico, and their colleagues for this fine achievement.

Mr. BEALL. Mr. President, will the majority leader yield?

Mr. JOHNSON of Texas. I yield.

Mr. BEALL. I should like to know whether the minority members cooperated in bringing about the passage of this bill. Did the minority members, the Republicans, cooperate in bringing it?

Mr. JOHNSON of Texas. I said the entire membership of the Committee on Public Works. I would assume the Senator would realize that included the minority.

Mr. BEALL. The Senator was very emphatic about mentioning certain names. I wonder whether the Senator from Pennsylvania [Mr. MARTIN] was included.

Mr. JOHNSON of Texas. If the Senator desires me to mention his name, I shall be glad to commend the Senator.

Mr. BEALL. I am not a member of the committee.

Mr. JOHNSON of Texas. I referred to all the Members of the Senate and expressed my appreciation to them. I express my appreciation to the Senator from Maryland again.

I referred to every member of the subcommittee, but I thought particular attention should be given to the chairman of the full committee and the chairman of the subcommittee, who probably spent more hours on the matter than any other Members of the Senate.

ATTACKS ON JEWISH COMMUNITY CENTERS

Mr. KEFAUVER. Mr. President, while I was in Bonn, Germany, recently on business connected with NATO I learned the deeply shocking news that a Jewish community center in Nashville, Tenn., had been subjected to a dynamite attack. Two hours later a similar attack was made on a Jewish synagogue in Miami, Fla.

These two attacks followed two unsuccessful efforts to dynamite buildings dedicated to the Jewish faith in North Carolina.

The attack in Nashville was followed by telephone threats to a distinguished jurist, Circuit Judge William E. Miller.

I am glad that there was a quick and proper response from officials of the State of Tennessee and the city of Nashville. In both Nashville and Miami the Councils of Churches expressed the sense of outrage undoubtedly felt by all decent citizens.

This matter is now in the hands of the police. In Nashville the police are being aided by the Federal Bureau of Investigation. I am encouraged to think that the criminals will be brought to justice in both instances.

It would appear that these bombings are more than coincidental. The facts, in any event, must be brought fully to light. We cannot tolerate in this Nation vicious and violent attacks on any religion, whether it be Protestant, Catholic, Jewish, or any other faith.

Beyond finding the immediate culprits in these cases and bringing them to justice, we must work without relenting to banish the underlying causes of such attacks—which are ignorance and hate.

As a member of the Christian community, I want to express my sorrow that anything like this could happen in America to our fellow citizens of the Jewish community.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954

Mr. JOHNSON of Texas. Mr. President, I do not expect any rollcalls this evening, although there are some statements to be made, and we do want to consider a bill affecting colleges, Order No. 1427, H. R. 8268, when Senators are ready to consider it.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1427, House bill 8268.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 8268) to amend section 512 of the Internal Revenue Code of 1954.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

CHICKEN IN THE POT AGAIN?

Mr. JOHNSTON of South Carolina. Mr. President, first it was within the next 30 days—then it was by the middle of March—and now it is within the next 60 days or possibly the last quarter of 1958—that the present rapid decline in the national economy is supposed to level off.

Meanwhile, I submit that the administration, by its failure to deal promptly and vigorously with the business recession, has virtually nullified the Full Employment Act of 1946.

Mr. President, for 6 consecutive months official reports on the state of the economy have registered continuing declines in factory and mining output, sharp curtailment of oil production, heavy cutbacks in auto manufacture and an alarming rise in unemployment—while the administration has sat on its hands.

Furthermore, nothing in the latest reports of the Federal Reserve Board, the Bureau of Employment Security, or the Department of Commerce would seem to justify the administration's sunny optimism that within the next 60 days or at least by next fall things will get better—if they do not get any worse.

Mr. President, I am painfully aware that to a jobless worker with hungry mouths to feed this optimism about the future is a poor substitute for a regular paycheck. I do not believe that some 5½ million unemployed Americans—especially those who have exhausted their unemployment benefits—presently regard the exercise of their "right to suffer" as one of the joys of living in a democracy.

Mr. President, I would remind the administration that when the Congress passed the Employment Act of 1946, we declared it to be the continuing policy and responsibility of the Federal Government to use all practicable means to promote maximum employment, production and purchasing power.

The President stated recently, as he has on numerous other occasions since the recession began, that—

> This administration will continue to undertake, by Executive order or proposal to the Congress, any measures—including tax reduction if, after consultation with Congressional leaders, such action should prove desirable and necessary—that will assist health economic recovery.

These are reassuring words, but they are without meaning unless they are followed by bold action. And so far, the administration has failed to act, apparently waiting in the hope that the economy will eventually right itself.

Mr. President, it is with grave misgivings that I seem to detect in this just-around-the-corner attitude on the part of the administration, a close parallel with that of another day.

Indeed, I find an unhappily reminiscent ring in this passage from The American Past, by Mr. Roger Butterfield. Headed "Just Around the Corner" this passage describes that turbulent period in current history which has, I believe, come to be known as the roaring twenties, in these words:

> In October 1929 President Hoover declared: "The fundamental business of the country * * * is on a sound and prosperous basis." In January 1930 he said that there were definite signs that the Nation had turned the corner. In March he predicted that the high point of unemployment would be passed in 60 days. In May he announced: "We have now passed the worst and with continued unity of effort we shall rapidly recover." His words were brave but futile. The crash rolled on and settled dismally into the depression. The national income dropped from $85 billion to $37 billion, wages fell off $22 billion, 1 out of every 4 farms was sold for taxes. At the end of 1930 there were 3 million unemployed; by 1933 there were 15 million. Five thousand banks closed their doors. Private construction came to an end.
>
> But dividend and interest payments rose to an alltime high of $8 billion in 1931, and never fell lower than the level of 1928. Investors generally continued to collect; wage-earners and farmers bore the brunt.

Mr. President, any similarity between this tragic period in our history and the present time is, of course, purely coincidental. Nevertheless, on Febraury 12, 1958, President Eisenhower issued a statement in which he said:

> I believe that we have had most of our bad news on the unemployment front. * * * Every indication is that March will commence to see the start of a pickup in job opportunities. That should mark the end of the downturn in our economy, provided we apply ourselves to the job ahead.

By the first of March the lines of the unemployed were still growing longer.

At the halfway mark, on March 19, the Chief Executive stated—according to headlines in the Washington Post and Times Herald—that he saw the "United States not only shaking off the current economic recession, but also taking the road to ever higher levels of prosperity." The Chief Executive said, as he has several times before, that he would favor tax reduction if he felt it was necessary and desirable to bring about recovery. His associates have reported that he is not yet convinced that a tax cut will be necessary.

But on the very next day, March 20, the Washington Daily News reported:

> Labor Department economists predicted today that unemployment will show another increase this month, setting a new postwar record.

Meantime, carloadings were dropping from 689,226 a year ago to 539,057 in the second week of March. Layoffs are continuing in the automobile industry. Steel is operating at about 50 percent of capacity; and the seasonal pickup in employment normal for this time of the year has not materialized.

Mr. President, for my part I do not believe that we can talk ourselves out of a depression anymore than I have credited criticism from some quarters that we could talk ourselves into one. Personally, I would rather be known as a gloomy prophet than become a remorseful optimist—with the sufferings of some 6 million unemployed Americans and the hunger of their children on my conscience.

Mr. President, it is for this overwhelming reason alone that I state I am prepared to vote without further delay for a tax cut or for such other sound proposals as our leadership may recommend to put people back to work quickly, to lift the burden of debt from their shoulders, to restore their purchasing power, and to implement in other ways the Full Employment Act of 1946.

POSSIBLE CURTAILMENT OF AMERICAN BROADCASTING CO. RADIO OPERATION

Mr. SCHOEPPEL. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. SCHOEPPEL. It was with considerable concern I read recently in the trade papers that the American Broadcasting Co. is contemplating the curtailment of its radio network operation.

Since its inception radio has been a vital agency for preserving our cherished tradition of free speech and for protecting and vitalizing the American system of free enterprise. Under this system of freedom the bad ideas get washed out, the good ones survive, and mankind goes forward.

Wherever freedom of speech exists, freedom of the air is an inseparable part of it and radio networks are able to maintain a free and open forum of discussion. More importantly, these networks speed the understanding of honest controversy by the whole people and accelerate the development of public opinion which guides national action.

The advent of electronic mass communications opened a new and swifter avenue to man's intelligence. It has augmented the established methods of communication by publication, thus enabling our citizens to become the best informed in the world.

The evidence of radio's influence is rather conclusive. Its implications are equally striking—and to the responsible

broadcaster, often sobering. For with him rests the control of what his listeners hear about their community, their country, and their world—things that, in the judgment of the broadcaster, at least, are believed to be worth hearing.

Today 53,300,000 American families own and listen to radios. Serving this vast audience are more than 1,000 network affiliates that draw upon 1 of the 4 nationwide networks for part of their daily program offering. The American broadcasting network serves 310 of these stations. In a typical week, the networks offer 1,100 different programs. Certainly the most varied bill of fare of music, news, information, education, entertainment and inspiration ever offered. Radio is not, however, exclusively a medium for entertainment and diversion. It is an informational media, peculiarly and favorably suited to the transmission of news, because it captures the essence of news, its immediacy, and the actual verity of its sound.

At a time when international crises are occurring with awesome regularity, it would be most unfortunate to diminish in any way the access of the American people to any source of information that might bear upon our national well being. In this sphere of intelligence, the essentiality of radio networks is more pronounced than ever, for no other medium provides more readily, news of the crucial events which are inevitably shaping the destiny of the world.

The American Broadcasting Co., the Columbia Broadcasting System, and the National Broadcasting Co. have all testified before the Federal Communications Commission that their radio network operations have long been unprofitable. That CBS and NBC are continuing these operations in the face of considerable economic imbalance is a tribute to their determination to serve the public interest. I doubt that ABC would want to do less.

I sincerely hope that the American Broadcasting Co., in a decision worthy of public admiration, will find it possible to continue its radio network's role as a vital link in the chain of man's knowledge and understanding.

THE PLIGHT OF SMALL BUSINESS

Mr. SCHOEPPEL. Mr. President, will the Senator from Texas further yield?

Mr. JOHNSON of Texas. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I have prepared on Senate bill 3194, dealing with the plight of small business.

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

STATEMENT BY SENATOR SCHOEPPEL

The small businesses of this country are in trouble. Last fall I participated with other members of the Small Business Committee in a study of the tax problems of small business. After a very intensive series of hearings the committee offered its findings and recommendations in Senate Report No. 1237. The committee stated as a basis for its recommendations the discrimination it found to exist within the Federal tax system. I feel that this tax discrimination has caused many of the problems which confront small business today.

Kansas is a State of small businesses. The economy of my State cannot be healthy unless its small businesses are offered an opportunity to prosper. At the tax hearing in Wichita, on November 22, 1957, the representatives of Kansas small business advised the Senate Small Business Committee on their needs. These needs are the same as those expressed by other witnesses in other parts of the country. It is my belief that we can assist the economy of the whole country by meeting the most pressing tax needs of small business.

S. 3194, the Small Business Tax Adjustment bill of 1958, is a bill which was proposed by the Small Business Committee to amend the Internal Revenue Code to eliminate discrimination within the tax system. It is a measure which follows the recommendations of the businessmen who appeared before the committee. It includes seven sections:

1. To permit a tax allowance for reinvestment.
2. To provide for individual retirement plans.
3. To allow installment payment of estate taxes.
4. To extend alternative methods of depreciation to used property.
5. To permit corporations to elect by unanimous agreement of stockholders to be taxed as partnerships.
6. To increase minimum accumulated earnings credit.
7. To clarify Internal Revenue Code interpretation.

When this bill was introduced in the Senate, I was in Kansas on official business, and for that reason was unable to join as a sponsor of this measure. I ask unanimous consent that I may be added as a cosponsor of this very important bill. I believe that its quick passage will permit small business to remain on the main streets of America.

THEODORE ROOSEVELT CENTENNIAL

Mr. MARTIN of Iowa. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. MARTIN of Iowa. Mr. President, many observers have remarked that among the characteristics of American politics are the suddenness and completeness with which so many prominent leaders in national affairs pass from public consciousness. One notable exception, however, is Theodore Roosevelt, the 100th anniversary of whose birth will be celebrated on October 27, 1958.

As a student of Panama Canal problems over many years, I long ago recognized the preeminent part played by President Theodore Roosevelt in starting that great enterprise and have long pondered the steps whereby he rose to greatness.

It was most gratifying to read in the March-April 1958 issue of the Military Engineer, the bimonthly journal of the Society of American Military Engineers, an admirable condensation of Roosevelt's career, by Dr. Sidney Foreman, of West Point. Included in the same issue is the following biographical note of the author:

Dr. Sidney Foreman is Archivist of the United States Military Academy with additional duties as staff historian. Employed at West Point in various capacities since 1946, he has published a number of monographs on the Military Academy and is the author of A History of the United States Military Academy, published by Columbia University, where he took his doctor of philosophy degree. He is also professor of social sciences at Ladycliff College, Highland Falls, N. Y.

Mr. President, in order that Dr. Foreman's informative summary of the late President's career may be better known in connection with the Roosevelt Centennial, 1957–58, and find a permanent place in the proceedings of the Congress, I ask unanimous consent that the indicated article be printed at this point in the RECORD.

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

THEODORE ROOSEVELT

(By Dr. Sidney Foreman)

The 100th anniversary of the birthday of Theodore Roosevelt will be celebrated by the American people on October 27, 1958, as well as on other appropriate formal occasions in the course of the year. He will be remembered as the 26th president of the United States, having taken office following the assassination of President McKinley. Roosevelt was sworn into office on September 14, 1901, and served for the remainder of the term. He was elected in his own right in 1904, and served until the inauguration of William Howard Taft in 1909.

Popularly, there may be more inclination to recall Theodore Roosevelt as Teddy, the hero of the war with Spain, the politician who affected a broadbrimmed Army hat, and wore an expansive grin.

In some circles Roosevelt will be remembered as a prolific writer. Prominent for his literary narrative and historical works, he was one of the most popular authors of his day. His Hunting Trips of a Ranchman and Ranch Life and the Hunting-Trail, were widely read. His Naval War of 1812, the biography of Thomas Hart Benton, and the four volumes of The Winning of the West, placed him in the front rank of American historians, and won for him the presidency of the American Historical Association in 1912. His published books and articles numbered more than 2,000.

In the hearts and minds of Americans who were repelled by urban life and the evils of industrialization, the cult of the hunter-naturalist which Roosevelt represented in his writings struck a responsive chord. His expeditions into the African jungle in 1910 and into the unmapped interior of Brazil in 1914 were widely and dramatically publicized. In addition, Roosevelt's experience as a rancher, his hunting trips in the West, and his invitation to Geronimo to participate in the inaugural parade made him the idol of the devotees of outdoor life. Roosevelt's fondness for big game hunting gave rise, in a playful allusion, to the name Teddy Bear for the stuffed, plush toy bear. His support of Federal conservation legislation with Gifford Pinchot, head of the United States Forest Service, appeared to make possible an outdoor career for every office- and factory-bound American.

MILITARY SERVICE

Roosevelt was catapulted into the presidency by the reputation he won as a military man; a role which he found most attractive. Any judgment of his many-sided public life will necessarily have to take into consideration his career as a soldier.

In 1882, the year The Naval War of 1812 was published, Roosevelt was commissioned as a second lieutenant in the 8th Regiment of the New York National Guard. This experience presaged his active interest in both

the Army and the Navy. His years of service in the National Guard, which he left as a captain in February 1886, were later offered as a supporting justification for his request to organize the Rough Riders. His research in naval history established him as an authority on naval matters and was most useful when, in 1897, he became Assistant Secretary of the Navy. He then gave free rein to his expansionist convictions, as well as to his belief in the importance of larger naval appropriations and military preparedness. Roosevelt liked to summarize his reasons for this and other policies with short, pithy maxims. One of his favorites was, "Speak softly and carry a big stick; you will go far."

With Secretary of the Navy John D. Long, Roosevelt did all that he could to prepare the fleet for the war with Spain which he felt was inevitable. With this end in view, he used as much of the naval appropriation as he could for target practice. He also encouraged naval officers to take a more active part in determining the course of political events. It was on the afternoon of February 25, 1898, that Roosevelt sent the famous cable to Admiral Dewey—that in the event of war to "see that the Spanish fleet does not leave the Asiatic coast," and to begin operations in the Philippine Islands. These instructions laid the groundwork for the victory at Manila Bay.

Characteristic of Roosevelt's imagination and initiative was his recommendation, on March 25, 1898, after seeing pictures of a flying machine, that the Navy and War Departments explore the costs and military applications of this new apparatus.

After the *Maine* was sunk in Havana Harbor, Roosevelt resigned as Assistant Secretary of the Navy and offered to organize a regiment for the New York National Guard. But he changed his plans when Congress authorized three cavalry regiments to be recruited in the West, and Secretary of War Russell A. Alger offered him the command of one. Roosevelt accepted in April 1898, to serve as a lieutenant colonel under the more experienced Leonard Wood, and as a colonel when the latter was promoted. The new unit which Roosevelt and Wood organized was designated the 1st United States Volunteer Cavalry; the newspapers named the motley collection of recruits "The Rough Riders." Most of the men were cowpunchers from Arizona, New Mexico, and Oklahoma; there were also a few college graduates. The unit was ordered on June 7 to leave for Cuba from Tampa, Fla., after a short period of organization and drill at San Antonio, Tex. Roosevelt's major concern was that the war should be over before he could get to Cuba and join the action. His first contact with the enemy was made when his regiment was landed at the village of Daiquiri on June 22, and ordered against Las Guasimas. In the action which followed, more Americans than Spaniards were killed. Whether or not Roosevelt's unit was caught in an ambush is not known. However, the regiment did continue to advance on Santiago.

The next military clash in which Roosevelt was involved took place at El Caney. In that area, Wood, Roosevelt, and the Rough Riders advanced against Spanish batteries. There has been some dispute over whether they charged up San Juan Hill or nearby Kettle Hill. But there has been none concerning Roosevelt's personal bravery; it was most conspicuous according to those who witnessed him in battle. "I waved my hat and we went up the hill with a rush," was the way he described the charge in his memoirs.

After the action was over in Cuba, many men became ill of yellow fever. When nothing was done about moving the men home, a group of career officers persuaded Roosevelt to draft a letter which was presented to Gen. William R. Shafter, the commanding general. When General Shafter callously refused to accept the petition, the critical press reported the incident in every part of the country. The War Department was embarrassed by the unfavorable publicity and the troops were quickly ordered home. This incident resulted in another personal victory for Theodore Roosevelt. For the rest of his life Roosevelt was deeply attached to the veterans of his regiment—the Rough Riders—and they to him. The charge at San Juan Hill and Roosevelt's intervention on behalf of the soldiers in Cuba were so widely publicized that the popularity he won led him to the governorship, the vice presidency, and finally to the presidency of the United States.

FOREIGN AND DOMESTIC POLICIES

His most important public contributions to American life were made as President. In that office, his outstanding achievements resulted from his efforts to adjust the Nation to a new role made necessary by the impact of the industrial revolution and the conclusion of the war with Spain. It was his decisive political action which led to the building of the Panama Canal, expanded the area of American commerce, and further united the Nation. Roosevelt defended his arbitrary moves against the Republic of Columbia with the words, "I took the Canal Zone and let Congress debate, and while the debate goes on, the canal does also."

Theodore Roosevelt further advanced American hegemony in Latin America by asserting the rights of the United States in the affairs of the Western Hemisphere republics. His goal was to rid the American continents of any European controls. This policy became known as the Roosevelt corollary to the Monroe Doctrine.

But Roosevelt's concern also embraced Europe, Africa, and Asia. He did not hesitate to express American diplomatic interest in Venezuela, Morocco, or China. A major expression of this far-reaching policy was his influence in ending the Russo-Japanese War with the Treaty of Portsmouth, on September 5, 1905.

Rooseveltian domestic policies were restricted by Democratic opposition and by the hostile distrust of conservative, stand-pat elements in his own Republican Party. A number of successful domestic programs, however, were associated with the Roosevelt name. The most notable was his demand that the trusts—large industrial combinations—be placed under public controls. He also encouraged consumer protection by pure food and drug laws.

INFLUENCE UPON THE ARMY AND NAVY

President Roosevelt used his office to improve the effectiveness of both the Army and the Navy. For the Army, he encouraged the formation of the General Staff Corps, the Army War College, and the office of the Chief of Staff. He emphasized the need for a larger Army, and higher standards for enlisted and officer personnel. He also forcefully supported the modernization and physical reconstruction of the Military Academy at West Point. To encourage recognition of merit, as opposed to promotion for seniority alone, it was Roosevelt who promoted John J. Pershing from captain to brigadier general for his outstanding services against the Moros in the Philippine Islands.

Theodore Roosevelt urged similar reforms and physical growth for the Navy. A turning point in American naval policy was his approval of an agreement on February 24, 1903, giving the United States naval coaling stations in Cuba. In addition, he made the pioneer proposal that Congress make appropriations for submarines to strengthen the Navy's aggressive potential. And to dramatize the Navy's role of support for American political policy, he sent the fleet on a world cruise (December 1907-February 1909) to test its capacity for long-range operations.

Roosevelt was outspoken in favor of strengthening American defenses even before the outbreak of World War I in Europe. After the election of Woodrow Wilson, he took up the cudgels in an active campaign against the new President's policies. Roosevelt urged the American people to prepare militarily and to aid the allied powers. His speaking tour in the West was a crusade of enlightenment against pro-German propaganda. Roosevelt then begged for authority to raise a volunteer division and to command one of its brigades when the United States entered the war. His request was turned down. Although embittered by this denial, as well as the death of his youngest son in the service, he spoke and wrote effectively to whip up American support of the war effort. American help to France was so closely tied to the Roosevelt name that when the first American troops march through the streets of Paris on July 4, 1917, the Parisians shouted, "Teddy! Teddy! Long live the Teddies."

Rooseveltian policies created the organization and cadres in both the Army and Navy which led the way to the victories of World War I. On January 6, 1919, Theodore Roosevelt died in his sleep at the age of 61.

Theodore Roosevelt's birthday is well worth remembering in 1958 for his contributions to the national life and national strength of the United States. The record of his dedicated citizenship also should be recalled as an inspiration to the American people in the struggle for the survival of freedom in the world.

NOTICE OF HEARINGS ON NOMINATION OF STAFF DIRECTOR OF CIVIL RIGHTS COMMISSION

Mr. HENNINGS. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Missouri.

Mr. HENNINGS. Mr. President, late yesterday afternoon a letter from the chairman of the Senate Committee on the Judiciary dated March 25, 1958, was received in the office of the Standing Subcommittee on Constitutional Rights, of which I am chairman, referring to the subcommittee the nomination of Gordon MacLean Tiffany, of New Hampshire, to be staff director for the Commission on Civil Rights.

Therefore, I announce at this time that the Senate Constitutional Rights Subcommittee will hold a hearing on this nomination on Tuesday morning at 9:30 a. m., April 1, 1958, in room 104-B, Senate Office Building, Washington, D. C.

Section 105 (a) of the Civil Rights Act of 1957—71 Statutes at Large, page 634—requires the advice and consent of the Senate to the appointment of the staff director of the Commission.

Mr. President, I do not intend to be a party to delay in getting the Civil Rights Commission into full operation, particularly since the life of the Commission is only 2 years from the date the act became law, namely, September 9, 1957. Already, several months have gone by. I am anxious to complete the hearing on Mr. Tiffany's nomination, and to get it before the full Committee on the Judiciary, so that the Senate may act as soon as possible.

PRAYER ON ANNUAL BROTHERHOOD NIGHT

Mr. MORSE. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, on February 25, 1958, I addressed a banquet held by a group of dentists in the District of Columbia, on annual Brotherhood Night. A very moving prayer was delivered on that occasion by by the Very Reverend Edward B. Bunn, S. J., president of Georgetown University. I ask unanimous consent that it be printed in the RECORD.

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

PRAYER FOR BROTHERHOOD, DELIVERED BY THE VERY REVEREND EDWARD B. BUNN, S. J., PRESIDENT OF GEORGETOWN UNIVERSITY, ON ANNUAL BROTHERHOOD NIGHT, FEBRUARY 25, 1958

Almighty and Eternal God, in the boundlessness of Thy paternal love, Thou has created all men to be Thy children. In Thy all embracing goodness, Thou does not regard the differences and the barriers which in their pride men have set up, between nation and nation, between races and classes, between rich and poor, learned and unlettered; but Thou does look only to this that every man is the object of Thy predilection and the handiwork of Thy power. Grant us then, Heavenly Father, in imitation of Thee to have regard not to those things which separate and divide us, but rather to that truth which unites us all in Thee. Give us grace to see in each of our fellowmen a child of God and treat all men accordingly. Thus may we, in peace, in mutual respect and in fraternal charity, fulfill the holy words of the Psalmist: "Behold how good and how pleasant it is for brethern to dwell together in unity." Amen.

FREIGHT RATE RESOLUTION BY NATIONAL CONVENTION OF YOUNG DEMOCRATS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I have received from Mr. John R. Churchill, publisher of the Oregon Democrat, under date of February 5, enclosing a resolution adopted by the National Convention of Young Democrats, at Reno, Nev., with regard to freight rates.

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

THE OREGON DEMOCRAT,
Portland, Oreg., February 5, 1958.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I was happy to hear of your able pleading before the Interstate Commerce Commission. Frankly, I am convinced that the freight rate question is one of the best campaign issues of the coming election. I am enclosing a copy of my freight rate resolution which was passed at the National Convention of Young Democrats, at Reno.

As long as distance costs have gone up scarcely at all, I see no justification whatever for penalizing distant shippers, just because percentage increases in rates are more easy to administer than any other method of increases.

With best regards.

JOHN A. CHURCHILL.

FREIGHT RATE RESOLUTION

1. Whereas the railroad freight rates of the past 10 years have been increased by the percentage method, to over 100 percent of the 1946 rate structure, and it is expected that the next two decades will witness an increase of at least another 100 percent; and

2. Whereas the percentage method of rate increases has discriminated unfairly against distant shippers, because the line-haul costs have not increased as much as terminal costs, and this discrimination has disrupted trade relationships between many parts of the country, obstructing the free flow of economic activity within the United States;

3. We urge that Congress direct the Interstate Commerce Commission to restore the dollars-and-cents rate relationships existing in 1946, and to make any future rate increases on a dollars-and-cents basis, based on actual increases in costs.

ADDRESSES, PRAYERS, AND PROGRAM AT KIWANIS BROTHERHOOD LUNCHEON

Mr. MORSE. Mr. President, on February 27, the Senator from Wisconsin [Mr. WILEY] and I represented the United States Senate at the Kiwanis Brotherhood luncheon, given in Washington, D. C., by the Georgetown, D. C., and Washington, D. C., Kiwanis Clubs.

This was one of the most moving affairs of this type I have ever attended, and I am honored to make this request for the insertion in the RECORD of the program, the prayers, introductory remarks by Dr. Morton O. Alper, president of the Georgetown Kiwanis Club; address by Dr. Ali Amini, Ambassador of Iran; address by Mr. G. L. Mehta, Ambassador of India; and address by Dr. Everett Clinchy, president of World Brotherhood, president of the National Conference of Christians and Jews.

I ask unanimous consent that the program of the luncheon, the prayers, and the brief individual addresses by various participants, be printed in the RECORD.

In my judgment this discussion of world brotherhood should be of great interest to Senators, and I believe that this program should be made a matter of historic record.

There being no objection, the various materials were ordered to be printed in the RECORD, as follows:

PROGRAM

Presiding: Reid Wallace, president, Washington Kiwanis Club.

Entire assembly: First verse of America; pledge of allegiance.

Invocation: Dr. Norman Gerstenfeld, rabbi of the Washington Hebrew congregation.

Lunch.

Air Force hymn: Singing Sergeants, United States Air Force.

Prayer of brotherhood: Dr. Edward G. Latch, minister of the Metropolitan Memorial Methodist Church.

Introduction of honored guests: C. Vernon Hill, chairman, Kiwanis International support of churches committee.

Introduction of speakers: Morton O. Alper, president, Georgetown Kiwanis Club.

A Moslem Looks at Brotherhood: Dr. Ali Amini, Ambassador of Iran.

A Buddhist Looks at Brotherhood: Mr. U. Win, Ambassador of Burma.

A Hindu Looks at Brotherhood: Mr. G. L. Mehta, Ambassador of India.

Summation: Dr. Everett Clinchy, president of World Brotherhood, president of the National Conference of Christians and Jews.

The Lord's Prayer: Singing Sergeants, United States Air Force.

Benediction: Rev. Gilbert Hartke, O. P., Catholic University.

PRAYER BY EDWARD G. LATCH

O God, who hast made of one blood all nations of men; give us to know that Thou art the Father of all and that we, Thy children of every race and nation are brothers together. Let us not close the door of fellowship to any brother. Make us to remember that whatever we do to one of the least of these, our brethren, we do unto Thee, and by Thy great love help us to seek for all men everywhere the opportunity of fullness of life.

Pour out Thy Spirit upon us that there may be within us and without a fellowship where there is no east or west, no south or north, no bond or free. Deliver us from self-righteousness and foolish pride; deliver us from the desire to impose our wills upon others; deliver us from putting our trust in the military alone and neglect the demands of Thy righteousness, the ways of Thy mercy and the adventures of Thy faith.

O Thou who hast created the world and sustains it, who art from everlasting to everlasting, make us to know that Thou art God and that in Thee is our hope. Grant us the grace to repent our misdoings and to yield our wills to Thine, that Thou mayest heal all our diseases and redeem our lives from destruction. Bring us more and more into fellowship with our fellow man.

"In Thee there is no east or west,
In Thee no south or north:
But one great fellowship of love
Throughout the whole wide earth.

"Join hands, then, brothers of the faith,
Whate'er your race may be.
Who serves my Father as a son
Is surely kin to me."

INTRODUCTORY REMARKS BY DR. MORTON O. ALPER, PRESIDENT, GEORGETOWN KIWANIS CLUB

On behalf of the Kiwanis Club of Georgetown, and our parent club, Kiwanis of Washington, I would like to welcome our distinguished guests at the head table as well as our distinguished guests in the audience, for to us, all Kiwanians are distinguished.

It is fitting, that in observance of brotherhood, we should hear from representatives of the world's major religions, for nothing patterns the destiny of men or nations more than the philosophy that motivates them. Understanding and respecting the philosophy of others is the basis for all brotherhood.

For our part, we have come to realize that it is not so much a question of how a man believes, but that he believes. By the same token, we view with great concern a society that frowns on the practice of any faith. All too often, in such a system, the end can be justified by any means, and it is difficult to find common ground for mutual concepts of justice, ethics, and morality.

Time has shown that we must do more than sit and wait, and hope for the coming of a Messiah. We must translate our dreams into realities, our prayers into action, and strive to build a Messianic age, an age in which all men will come to realize their brotherhood and the fatherhood of Almighty God.

Our first speaker.

THE BASIS OF UNIVERSAL BROTHERHOOD IN ISLAM

(Address by Dr. Ali Amini, Ambassador of Iran, to the Kiwanis Clubs of the District of Columbia and area, February 27, 1958)

Mr. Chairman, ladies, and gentlemen, as a Moslem, I think I should greet you all in the traditional Islamic manner by saying: As-Salamun-Alaikom. Translated into simple English, this Arabic phrase means, "peace be upon you." But the devout Moslem would add another phrase so that the greeting would mean, "Peace be upon you, and the mercy and blessings of God." The meaning, however, goes much deeper because of the significant word "salam" comes from the same root that has given Islam its basis for the universal brotherhood of man through submission to the will of God.

A glance at the pages of history would tell us how all this came about.

Prophet Mohammed was born in Mecca in the year 570 A. D., in one of the noblest Arab families, namely the Koreish family. But the Arabia of the early sixth century was a very unhappy land.

It was, as historians have called it, a land of intolerances and civil wars; and those who did not speak Arabic were considered to be absolutely inarticulate, unable to express themselves. Into such a society was the prophet of Islam born. But two decades after the prophetic call, this society was changed, and the teachings of Islam had brought about a revolution unprecedented in the annals of human history.

And what we see next is this:

Belal, an Abyssinian, becomes the Governor of Medina. Bazan, a Persian, is appointed the Governor of Yemen. A young freed slave, Zaid, is adopted by the prophet as his son. Soheib, a Greek convert, leads prayers at the very Mosque of the Prophet; and another freed slave, Osma Ibn Zaid, is supported as commander of the army. All traces of racial prejudice are forgotten, and the baseless theory of the supremacy of the so-called chosen race and language abandoned forever.

This revolution in human thought and society continued with the spread of Islam to other lands. Non-Arabs, mainly Persians, contributed to Arab grammar and wrote the first dictionary of the Arabic language.

Perhaps the best incident which illustrates this Islamic brotherhood took place in the year 638 A. D., at the fall of the city of Jerusalem.

As you know, the patriarch of Jerusalem had agreed to surrender the city to the caliph in person. Omar, the second caliph was not with the army. A messenger was sent to Medina to inform the caliph of the matter, and the caliph set out on the long 600-mile journey accompanied by a servant. Only one camel was available for the journey, and so the caliph and the servant rode it by turn. It so happened that when they reached Jerusalem, it was the servant's turn to ride the camel; and the caliph of Islam entered the city leading the camel on which his servant was riding.

The question is: How did such a great change occur in such a short period of time?

The answer is: Islamic brotherhood.

Brotherhood, the universal brotherhood of Islam, is not a statesman's or a reformer's dream. It is neither an ideal envisaged by the weak, nor is it a promise given by the powerful to pacify surging masses. It is a reality. It transcends political equality, or equality in the eye of the land of the land. It is equality in everything: from worship to economic equality and opportunity and privileges, including the sharing of scientific knowledge. On a higher plane, it is that kind of equality and brotherhood that are achieved through dedication to the service of God; and the most important way of serving God, according to Islam, is serving humanity.

Indeed, the Koran and the Traditions of the Prophet are most explicit on this point. The holy Koran (ch. 33, v. 52) says, "And verily this brotherhood of yours is a single brotherhood and Allah is your Lord God and Cherisher." Again, (ch. 2, v. 13) states, "Mankind is a single community and Allah has sent unto them prophets as bearers of good tidings and as warners against evil." At another place the holy Koran explains, "God has created you into different nations that you may know and appreciate each other," and the Prophet said, "The most pious among you is the noblest in the eye of God."

This conception of Islamic universal brotherhood is best expressed by the term "Ummat." Ummat does not mean nation, or follower, or a special community embracing a set of principles. Any person, from whatever race or country of origin or language becomes a member of the Ummat the moment he embraces Islam. Thus no Muslim is ever considered a foreigner upon entering an Islamic country. It means the complete fusion of interests, welfare, and happiness of all under the guidance and the suzerainty of Almighty God. This conception of equality and brotherhood is closely linked to the Moslem way of life.

Thus, Islam does not recognize a priest-class or in fact any class whatsoever.

In religious practices, the most learned man in the congregation leads prayers. In civil practices, the leaders must be chosen by the free vote of the population.

Again, in the spiritual sphere, Islam does not recognize any person to act as intercessor or mediator between man and God. This principle is another manifestation of the concept of human equality and brotherhood. All men are equal and brothers; and the spiritual privileges attainable by a human being in the eye of God rest upon his own efforts in serving mankind, which is the noblest way to serve God Almighty. Each individual has direct access to God.

Neither are non-Moslems denied this right. Islam bids all its followers to respect other nations and consider them as brothers. The holy Koran, in fact, even forbids Moslems to enter into useless and spiteful arguments with the followers of other faiths. Religion, according to Islam, is a deep personal relationship between man and God. Hence the Koran says, "There is no compulsion in religion."

Again, it is for this reason that Prophet Mohammed did not call Islam a new faith. The revelation, he said, is a continuation of what had been revealed previously to other prophets: Abraham, Isaac, Ishmael, Moses, Jesus, and other prophets. All these prophets and their God-fearing followers are to be respected and considered as brothers. Similarly, Islam forbids wars of aggression as such wars are not consistent with the principle of universal brotherhood. A Moslem is defined as a person from the harm of whose hands and mouth people are immune—one who does not harm anybody by word or deed.

It was to express this idea further that the prophet of Islam said: "All humanity is like a single body. When a part of the body is afflicted, all other parts—no matter how remotely removed—are likewise afflicted and share in the discomfort."

These principles of universal brotherhood propounded by Islam could be applied to modern society without any consideration for race, religion, or political beliefs. In reality, many of the accepted principles of modern administration and friendly political relations between the countries of the world are applications of Islamic principles. The ousting of war as a tool of national policy has been an Islamic principle initiated 13 centuries ago. The democracy of Islam outlaws all racial, religious, and other baneful prejudices. Islam categorically rejects the theory of the supremacy of one race over another. It rejects the false pretensions of the so-called master race of the chosen people. The manner in which the first four successors to the prophet were chosen is an example of democracy in action; namely, election to the rulers, rulers who are responsible to the people they rule and who obtain their powers from those under their administration through the free consent of the people.

To this, Islam gives a deep spiritual significance. It promotes human brotherhood to a higher level and unites humanity into a single community with one goal; namely, the worship of God through rendering service to man. Mere brotherhood is not considered enough. Let me explain this through a Persian story:

It is said that a man approached a wise man and said to him, "Sir, which is better—a brother or a friend?" and the wise man said, "It is better that the brother should also be a friend."

BROTHERHOOD AND WORLD PEACE

(Address by Mr. U Win, Ambassador of Burma, before the Kiwanis Clubs of the District of Columbia and area, February 27, 1958)

It is a pleasure and privilege to participate in your celebration for Brotherhood Week and I thank the directors and officers of the Georgetown Kiwanis Club for the kind invitation extended to me.

In this world there is enough money and material and there is no lack of intellect. Yet something is lacking. What is it? The answer is the spirit of brotherhood—the spirit of fellowship. This lack of the spirit of brotherhood and fellowship is the major cause of war. Apart from military conflicts, there are many other conflicts such as racial, economic, and even religious conflicts.

In a conflict, each side has its own conceit, but to hide it, both parties have their own nicely written labels such as "New World Order," "Coprosperity in East Asia," and "Civilizing the Backward Peoples." In almost every conflict each side blames the other, both parties claiming that they are right. They use even the names of religion to justify their actions. They will try to persuade God to take their side, but they do not seem to make any attempt to be on God's side. They claim that there is only one God but they forget that if there is only one God, there must be only one family of men. They treat one another not only as strangers but as enemies.

Since the end of the First World War, there have been many organizations called "international." Many authors have written on this subject of internationalism. Idealistic workers, hoping for a better future, have started many international movements. We had the League of Nations, founded in 1920, but it had failed to maintain peace. Why? Because most of these organizations have dealt with mere external and material adjustments. Too much attention has been paid to the material and too little to the spiritual side of life.

Then a Second World War, which is unparalleled in history for destruction, had ended. The world is still in a state of chaos and there is no peace and happiness. Again idealistic workers, lecturers and writers produced books and have restarted international organizations. These organizations will only be successful if the leaders can carry through their plans in a spirit of world fellowship and brotherhood. The peace which we all desire, peace in our hearts, and in our minds, peace between neighbors, and peace amongst nations is no miracle which is God's task to perform. It can only come about as the result of a reconstruction of thought, feeling and action by means of the spirit of fellowship and brotherhood.

In attempting to discover a form of appeal on which to base morality Buddhism does not appeal to any external authority such as a Deity, but to the natural desire of the human heart. Buddhists learn that certain actions such as selfishness, violence and laziness, tend to disorganize society and to cause unhappiness to its members. Buddhism teaches that misery and suffering are not the result of the wrath of God or gods, but are the consequence of man's ignorance of his own nature and of his surroundings. The chief defect of our economic system is the existence of useless luxury on one side, and unnecessary burdens on the other. The problem is to devise some scheme of protection and distribution which will make human life less burdened on the one side and less full of useless luxury on the other. By this, I do not mean the socialism that takes, but I do mean the socialism that gives. The Buddhist concept of socialism is the socialism of love, which can only bring about realization of world brotherhood.

The real spirit of brotherhood which is lacking in the world today, can be promoted through religion. Religion is an action of the heart, with the view to refining our nature and elevating us in the scale of human beings. Religion is not merely theory, but practice. The heart, like the body, becomes healthy and strong by physical exercise. No doctrine merely held in the minds as an intellectual belief has any driving force. No doctrine is of any value unless and until already applied. Religion is not confined to any one country or to any particular nation or race. It is universal.

The world has found itself as one body, yet the fact of physical unity and economic interdependence, though of no great value, is not by itself sufficient to create a united family. In this we require a human consciousness of community, a sense of personal interrelationship amongst men, the spirit of world brotherhood. To have the spirit of brotherhood, we must realize the oneness of the world, and understand that we are one family.

Life is a mighty wheel in perpetual motion. This wheel contains within it, numberless small wheels, corresponding to the lives of individual men, each of which has a pattern of its own. The great wheel and the small wheels; the whole world and individual men, are intimately and indissolubly linked. The whole human family is so closely knit together that every unit is dependent upon all others for its growth and development. The ideal that is placed before us, is to a mutual service and practical brotherhood. Mutual service is a perpetual call on humanity, for we are bound alike by the bonds of humanity.

Science proves that the fundamental structure of the human mind is uniform in all races. What differences that there are, are due to historical circumstances and stages of development. Without recognition of the oneness of the world for all in all its aspects, spiritual as well as social, economic as well as political, there will never be peace. The spirit of world brotherhood is the only logical basis of all true and high civilization and real world peace.

A HINDU LOOKS AT BROTHERHOOD

(Address by Mr. G. L. Mehta, Ambassador of India, to the Kiwanis Clubs of the District of Columbia and area, February 27, 1958)

Although religion has many complexions and dialects, it expresses the innermost urge of man for salvation or immortality, it stresses the supremacy of the spirit over matter, it proclaims the eternal verities of truth and peace, it teaches the value of compassion and renunciation. But while we recite verses from Scriptures, and sing hymns, we are apt to forget that these teachings and doctrines have to be translated day by day in practice by ordinary men and women. Unless we seek to practice these principles in our public conduct and private lives, religious doctrines have little significance or value.

Hinduism or the religion of the Hindus has been in its evolution so eclectic and all-embracing that it is not always easy to define. Although the Hindus worship many deities and have elaborate rituals and ceremonies, in its essence Hinduism is inspired by the concept of the oneness of all things, of gods as well as of sentient beings. In Hinduism, religion and philosophy have coexisted, and together they have encompassed some of the most abstruse thought that the human mind has been capable of.

Hinduism has striven to achieve a synthesis of mind and spirit and sought harmony in divergent and dissident elements. This underlying trend has influenced various schools of thought and many religious movements. Sufism, for example, was influenced by this philosophy. One of the renowned sages of the middle ages, Kabir, preached and practiced a religion which tried to combine the spirit of Hinduism and Islam. And the great Muslim Emperor, Akbar, endeavored to evolve a religion in which he wanted to combine the best of all—he had also a Christian priest near him. This Din-i-Ilahi, as it was called, was a characteristic example of the climate of India.

It is this fundamental concept of unity in diversity that leads the Hindu to believe that God is one but men follow different routes to reach Him. An ancient saying of the Hindus proclaims, "He is one but the sages describe Him differently." The Hindus, therefore, do not insist on conformity between different religions. Every man has a right to choose that form of belief and worship which most appeals to him. Hinduism, in this sense, is not a sect but a fellowship of all who accept the law of right and earnestly seek for the truth. Its conception of brotherhood includes not only human beings but all living creatures. The Bhagavad Gita (translated as Song Celestial) says "part of myself is the God within every creature" and a still more ancient sacred book of ours, the Eesha Upanishad, observes: "Of a certainty, the man who can see all creatures in himself, himself in all creatures, knows no sorrow."

From this conception are derived reverence for all life, tolerance, and compassion. I do not mean to suggest that as individuals or as a people we are not intolerant at times. But I do venture to say that the best among us from the ancient rishis to Gandhi have not only preached but sought to practice this virtue of tolerance. The Hindu thinker readily admits points of view other than his own and considers them worthy of attention. A Hindu, if he is true to his principles, believes that everyone who is following his own religious convictions, who is following his own Dharma, is treading the right path because no one is superior enough to show him a better way. All spiritual religions are paths of truth. There is no one uniform standard for the human race; whether one worships in a temple or tabernacle, a church or a mosque or synagogue, provided he does it sincerely and with humility and reverence, there is no reason why other people should try to deflect him from his course. Religion is a matter of conviction, not coercion.

The idea that mankind is one is enshrined in an old Sanskrit saying, "To the enlightened ones, the whole world is a family." India, in many respects, has been like a vast ocean in which many streams of races and religions have flown since times immemorial, and India has had the capacity of absorbing these varied trends, of assimilating them instead of rejecting them. If I may add in parenthesis, even centuries ago, people who were persecuted in other lands because of their religion have come over to India and India gave them refuge. Systems of thought have developed in India trying to harmonize various creeds and distill the essence of religion from the mass of doctrines and the gamut of rituals and ceremonies. The Hindus revere and worship Buddha. Christianity reached India nearly 1,900 years ago and there are over 10 million Christians of various denominations in India going to their churches and following their creeds. There are 45 million Moslems; and Hindus hold sacred not only the mosques and shrines of the Moslems but revere many of their saints as holy men.

It is this heritage of the imminence of the divine, the supremacy of spirit over matter which inspires countless men and women through the ages. May I conclude by reciting an ancient prayer of ours, recited on the banks of the Ganges and the Jumna and which has been used almost daily by millions for more than 3,000 years; for, it is as vital and ennobling today as when first uttered in the dim past.

"Lead me from the unreal to the real.
Lead me from darkness to light.
Lead me from death to immortality.
Peace, peace, peace."

ADDRESS BY DR. EVERETT CLINCHY, PRESIDENT OF WORLD BROTHERHOOD, PRESIDENT OF THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS

On behalf of world brotherhood, I want to congratulate the Kiwanis Club of Georgetown on the success of this unique and meaningful event in celebration of Brotherhood Week. This occasion—when we have with us their Excellencies, the Ambassadors of India, Iran, and Burma, representing 3 great religions of the East, as well as Rabbi Gerstenfeld, Dr. Latch, and Reverend Hartke, of 3 of the faiths predominating in our Western World—symbolizes the growing yearning of us of all creeds, to know more about our brothers of the human race, and to understand the faiths by which they live.

This is also an occasion for us of the Western World, to be reminded that the concept of the brotherhood of man can be said to have originated in Asia, where it is a basic element in the great living religions. Because of this fact, Moslems, Hindus, and Buddhists in many cities of Southeast Asia have shown great interest in creating under their own leadership, committees and chapters of world brotherhood. These committees work with the leaders of their own educational institutions, religious groups, community, youth and business organizations, in developing educational programs to overcome prejudice based on differences in race, religion, and culture. We are very proud of the fact that world brotherhood has as members of its general assembly distinguished leaders of many different countries, religions, groups, and races.

Another reason for which this occasion today seems to me so important is that it is evidence of a deep and growing concern on the part of businessmen and men of affairs—Kiwanians—for things of the spirit and for the development of real friendship among all members of the great family of man. This is one of the most encouraging signs of our troubled times.

And now I want to bring you a message which one of our cochairmen, Paul-Henri Spaak, has sent us for Brotherhood Week: If one could organize a plebiscite in all the countries of the earth on the following question: "Are you in favor of world brotherhood?" the response would be a unanimous "Yes." How, therefore, can there be any doubt as to the power of an idea which lies so implicit in the heart of every man and woman in the world? Furthermore, if one considers history in its perspective, one perceives that brotherhood has won over to it,

peoples and continents formerly hostile or divided. In spite of appearances, the idea is making its way. It will do so all the more quickly, as it becomes apparent to all governments that war is no longer a solution to the problems of this time, and that from now on we must all live together or perish together.

BROTHERHOOD LUNCHEON: BENEDICTION, FATHER HARTKE

We give Thee thanks, Almighty God, for these, Thy benefits, which we have received from Thy bounty. Through Christ our Lord. Amen.

FEBRUARY 27, 1958.

FARM LEGISLATION—LETTER TO THE PRESIDENT FROM SENATOR JOHNSON OF TEXAS

Mr. JOHNSON of Texas. Mr. President, I wish to read for the RECORD a brief letter I have written to the President, and to have printed in the RECORD in connection therewith a statement by the Senate majority policy committee, concurred in by 42 Members of the Senate. The letter is very brief and reads as follows:

SENATE MAJORITY POLICY COMMITTEE,
March 27, 1958.

Senate Majority Leader LYNDON B. JOHNSON has sent the following letter and enclosure to the President:

MARCH 27, 1958.

The PRESIDENT,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: I am enclosing for your consideration a resolution adopted by the Senate majority policy committee and signed by 42 Members of the Senate majority. I commend it to your attention.

The measure to which it refers represents an effort by Members of both parties in the Congress to maintain the income and purchasing power of our farmers at a time when it is vitally important that we keep our economy at the highest possible level. It is my understanding that the Senate minority policy committee has also urged that the measure be approved.

Sincerely,

LYNDON B. JOHNSON,
Chairman, Senate Majority Policy Committee.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by the Senate majority policy committee. The statement or resolution refers to the farm bill, which is now at the White House awaiting the President's action.

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

SENATE MAJORITY POLICY COMMITTEE,
March 27, 1958.

Whereas net income from farming has fallen from $14.3 billion in 1952 to $11.5 billion in 1957; and

Whereas the farmer's share of the consumer's dollar has fallen from 47 percent in 1952 to 40 percent in 1957 during the same period that the Consumer Price Index has risen from 114.6 to 115.4; and

Whereas the drop in farm purchasing power has contributed directly to unemployment in manufacturing industries which depend upon agriculture for a substantial share of the market

Therefore, the Senate majority policy committee respectfully urges the President to sign into law the bill passed by Congress which would prevent use of the powers of Government to force farm income down below 1957 levels. We believe that this measure is an act of simple justice and would represent an important weapon in the battle against increasing unemployment.

LYNDON B. JOHNSON, Chairman; MIKE MANSFIELD; THOMAS C. HENNINGS, Jr.; RICHARD B. RUSSELL; ROBERT S. KERR; CARL HAYDEN; THEODORE F. GREEN; JAMES E. MURRAY; LISTER HILL; ALLEN J. ELLENDER; JAMES O. EASTLAND; RUSSELL B. LONG; J. W. FULBRIGHT; JOSEPH S. CLARK; JOHN A. CARROLL; W. KERR SCOTT; JOSEPH C. O'MAHONEY; FRANK CHURCH; ALAN BIBLE; STROM THURMOND; A. S. MIKE MONRONEY; HUBERT H. HUMPHREY; JOHN L. MCCLELLAN; JOHN F. KENNEDY; DENNIS CHAVEZ; HENRY M. JACKSON; RICHARD L. NEUBERGER; HERMAN E. TALMADGE; OLIN D. JOHNSTON; WARREN G. MAGNUSON; WILLIAM PROXMIRE; PAUL H. DOUGLAS; RALPH YARBOROUGH; JOHN SPARKMAN; SAM J. ERVIN, Jr.; STUART SYMINGTON; WAYNE MORSE; ESTES KEFAUVER; PAT MCNAMARA; JOHN STENNIS; GEORGE SMATHERS; ALBERT GORE.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECIPROCAL TRADE

Mr. HUMPHREY. Mr. President, today at the Sheraton Park Hotel in Washington, D. C., there is being held the National Conference of Organizations on International Trade. The theme of the conference is Reciprocal Trade: The 1958 Imperatives.

More than 125 national and local organizations from every section of the United States are participating in the conference.

Representing industry, labor, agriculture, commerce, consumers, civic groups, religious life, our two major political parties, and all other phases of American life, the memberships of these organizations comprise the majority of the voting citizens of the United States.

As individuals and as organizations, the conference participants may disagree on many other issues. It is significant, however, that they are in agreement in support of an extension of the Trade Agreements Act, which is before Congress at this time.

It was my privilege to be one of the participants in the program of the conference this afternoon, under the chairmanship of Mr. Philip Cortney, chairman, United States Council of the International Chamber of Commerce, Inc.

The following speakers were participants:

The Honorable John Foster Dulles, Secretary of State; the Honorable James F. Mitchell, Secretary of Labor; the Honorable C. Douglas Dillon, Deputy Under Secretary of State; Henry J. Heinz II, president, H. J. Heinz Co.; and James S. Schramm, executive vice president, James S. Schramm Co., and a director of the National Retail Merchants Association.

I, too, had the honor to participate in the afternoon's program.

This evening, the President is to be the honored guest, and he will be introduced by the Speaker of the House of Representatives, the Honorable SAM RAYBURN. Also present at the dinner this evening will be the Vice President.

I ask unanimous consent that the names of the participating organizations and the names of the heads of the organizations be printed in the RECORD at this point.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

ORGANIZATIONS PARTICIPATING IN THE CONFERENCE SUPPORTING RECIPROCAL TRADE PROGRAM

American Association of Port Authorities, P. J. McCulloch, president.

American Association for the United Nations, Oscar deLima, acting president.

American Association of University Women, Dr. Anna L. Rose Hawkes, president.

American Cotton Shippers Association, E. F. Creekmore, president.

American Farm Bureau Federation, Charles B. Shuman, president.

AFL–CIO, George Meany, president.

American Merchant Marine Institute, Ralph E. Casey, president.

American Retail Federation, Rowland Jones, Jr., president.

American Seafood Distributors Association, Walter R. Meier, Jr., president.

American Veterans Committee, William R. Ming, president.

AMVETS (American Veterans of World War II), Stuart J. Satullo, national commander.

American Watch Association, Jean R. Graef, president.

Americans for Democratic Action, Robert Nathan, president.

Association of Marine Underwriters of the United States, Harold Jackson, president.

Atlanta Chamber of Commerce, John J. McDonough, president.

Automotive Exporters Club, J. Theodore Wolfson, president.

Baltimore Association of Commerce, Martin B. Kohn, president.

Board of World Peace of the Methodist Church, Rev. Ralph W. Sockman, president.

Brotherhood of Railway and Steamship Clerks, George Harrison, grand president.

Brunswick Port Authority, Joe Isenberg, chairman.

Buffalo Chamber of Commerce, Charles N. Diefendorf, president.

Burley and Dark Leaf Tobacco Export Association, Claude W. Maloney, president.

Canners League of California, O. R. Hayes, president.

Catholic Association for International Peace, Harry W. Flannery, president.

Cedar Rapids Chamber of Commerce, L. P. Boudreaux, president.

Chamber of Commerce of Greater Philadelphia, George E. Whitwell, acting president.

Chamber of Commerce of Kansas City, Cliff C. Jones, Jr., president.

Chamber of Commerce of the City of Newark, N. J., James E. Mitchell, president.

Chamber of Commerce of the New Orleans Area, E. N. Rowley, president.

Chamber of Commerce of the United States, Philip M. Talbott, president.

Chicago Association of Commerce and Industry, Joseph L. Block, president.

Commerce and Industry Association of New York, Edward Staley, president.

Committee for a National Trade Policy, George L. Bell, president.

Committee of American Steamship Lines, Solon B. Turman, chairman.

Committee on Foreign Trade Education, Warren Dywer, chairman.

Cooperative League of the United States of America, Murray Lincoln, chairman.

Dallas Chamber of Commerce, J. E. Jonsson, president.

Dayton Area Chamber of Commerce, Kenneth P. Morse, president.

Detroit Board of Commerce, Ross Roy, president.

Export Managers Association of San Francisco, R. A. Rothe, president.

Export Managers Club of Chicago, Charles A. Hofstetter, president.

Foreign Commerce Club of New York, Erwin Wedemann, president.

Foreign Trade Association of Southern California, Herbert H. Pierce, president.

Foreign Traders Association of Philadelphia, Charles M. Hentz, president.

Fort Worth Chamber of Commerce, Clay J. Berry, president.

Friends Committee on National Legislation, Delbert Relogle, chairman.

Galveston Chamber of Commerce, Edward Schreiber, president.

General Federation of Women's Clubs, Mrs. R. I. C. Prout, president.

Georgia Ports Authority, Robert E. Frankenfield, chairman.

Greater Boston Chamber of Commerce, Thomas M. Hennessey, president.

Greater Charleston Chamber of Commerce, W. P. Brennan, president.

Greater Erie Chamber of Commerce, K. H. Ishler, president.

Greater Muskegon Chamber of Commerce, Don F. Seygerth, president.

Greater Tampa Chamber of Commerce, William C. MacInnes, president.

Houston Port Bureau, Nicholas Patton, general manager.

Houston World Trade Association, William L. Brewster, president.

Indianapolis Chamber of Commerce, Harry T. Pritchard, president.

International Advertising Association, George E. Kendall, president.

International House, New Orleans, Joseph M. Rault, president.

Jacksonville Area Chamber of Commerce, Glenn Marshall, Jr., president.

Jewish War Veterans of the United States of America, Benjamin H. Chasen, national commander.

Junior World Trade Association of San Francisco, Richard J. Abbott, president.

Leaf Tobacco Board of Trade of the City of New York, Morton Morris, president.

Leaf Tobacco Exporters Association, C. M. Dozier, Jr., president.

League of Women Voters of the United States, Mrs. John G. Lee, president.

Long Beach Chamber of Commerce, George J. Badenhausen, president.

Los Angeles Chamber of Commerce, George B. Gose, president.

Louisville Chamber of Commerce, Dillman A. Nash, president.

Maine Port Authority, Donald S. Laughlin, president.

Maryland Port Authority, Robert W. Williams, chairman.

Massachusetts Council of Retail Merchants, Daniel Bloomfield, managing director.

Miami-Dade County Chamber of Commerce, James Moulder, president.

Millers National Federation, G. S. Kennedy, president.

Milwaukee Association of Commerce, Lester S. Olsen, president.

Milwaukee World Trade Club, P. C. Foote, president.

Minneapolis Chamber of Commerce, Felton Colwell, president.

Mississippi Valley Association, W. W. Hollowell, chairman.

Mobile Chamber of Commerce, George M. Hass, president.

Motion Picture Association of America, Eric Johnston, president.

National Anti-Dumping Committee, A. W. Horton, president.

National Catholic Rural Life Conference, Rt. Rev. Msgr. Luigi Ligutti, president.

National Council of American Importers, I. Mark Bomba, president.

National Council of the Churches of Christ in the United States of America, Rev. Edwin T. Dahlberg, president.

National Council of Jewish Women, Mrs. Moise S. Cahn, president.

National Council of Negro Women, Miss Dorothy Height, president.

National Farmers Union, James G. Patton, president.

National Federation of Business and Professional Women's Clubs, Miss Hazel Palmer, president.

National Retail Merchants Association, George W. Dowdy, president.

Norfolk Chamber of Commerce, Henry Clay Hofheimer, president.

Norfolk Port Authority, J. Rives Worsham, Sr., chairman.

North Atlantic Ports Association, James W. Davis, president.

Oakland Chamber of Commerce, Mortimer Smith, president.

Oakland World Trade Club, Jack O. Grounds, president.

Omaha Chamber of Commerce, Ralph E. Svaboda, president.

Overseas Automotive Club, E. R. Wyler, president.

Pacific American Steamship Association, Ralph Dewey, president.

Port of Beaumont, R. A. Coale, president.

Port of Detroit Commission, T. H. Browning, chairman.

Port Everglades, Nelson DeBan, chairman.

Port of New Orleans, Edgar A. G. Bright, president.

Port of New York Authority, Donald V. Lowe, chairman.

Port of Palm Beach, Billy B. Burns, chairman.

Propeller Club of the United States, Adm. T. P. Wynkoop, national president.

Rochester Chamber of Commerce, Sol M. Linowitz, president.

San Francisco Chamber of Commerce, Alan K. Broone, president.

San Francisco World Trade Center Authority, Harry J. Boyle, chairman.

Savannah District Authority, L. C. McClurkin, chairman.

Seattle Chamber of Commerce, Irving S. Smith, president.

South Atlantic and Caribbean Ports Association, R. T. Spangler, president.

Synagogue Council of America, Rabbi Theodore L. Adams, president.

Tobacco Association of the United States of America, A. P. Thorpe, president.

Tobacco Associates, J. B. Hutson, president.

Toledo Lucas County Port Authority, W. W. Knight, Jr., chairman.

Traffic Club of Galveston-Texas City, M. L. Shupe, president.

United States Council of the International Chamber of Commerce, Philip Cortney, president.

United States National Student Association, Ray Farabee, president.

Unitarian Fellowship for Social Justice, Miss Lois McColloch, president.

United Church of Christ, Council for Social Action, Rev. Henry C. Kock, chairman.

United Church Women, Mrs. Theodore O. Wedel, president.

United World Federalists, Donald Harrington, president.

Washington Board of Trade, Howard C. Drake, president.

Worcester Chamber of Commerce, Richard N. Symonds, president.

World Affairs Council of Philadelphia, William L. Batt, president.

World Trade Center of New England, Ernest Henderson, president.

World Trade Club of New York, Robert J. Wynn, president.

World Trade Club of Seattle, Fred Becker, president.

Young Democratic Clubs of America, Nelson Lancione, president.

Young Republican National Federation, John Ashbrook, chairman.

Young Women's Christian Association of the United States, Miss Lilace Reid Barnes, president.

Mr. HUMPHREY. Mr. President, the program also lists the experts on trade policy, and I ask unanimous consent that the names of these experts be printed in the RECORD at this point.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

EXPERTS ON TRADE POLICY TO ANSWER QUESTIONS

Charles P. Taft, general counsel, CNTP.

Lamar Fleming, Jr., president, Anderson-Clayton; member, Randall Commission; observer, GATT-Geneva.

Harry C. Hawkins, economic adviser, United States Council, International Chamber of Commerce.

Lynn Edminster, vice chairman, United States Tariff Commission, 1942–53.

Dr. Francis C. McIntyre, director, economic research, California-Texas Oil Co., Ltd.

Andrew J. Biemiller, director, department of legislation, AFL–CIO.

Bert Seidman, economist, research department, AFL–CIO.

Henry Kearns, Assistant Secretary of Commerce.

Thomas C. Mann, Assistant Secretary of State.

George Dietz, director, international affairs, American Farm Bureau Federation.

Reuben Johnson, coordinator of legislative services, National Farmers Union.

Dr. Irene Taueber, Institute of Advanced Studies, Princeton.

Mrs. Richard Newman, League of Women Voters.

Hon. PETER FRELINGHUYSEN, Member of Congress from New Jersey.

Hon. RICHARD BOLLING, Member of Congress from Missouri.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point the text of my remarks at the conference.

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

REMARKS OF HON. HUBERT HUMPHREY, OF MINNESOTA, TO THE NATIONAL CONFERENCE OF ORGANIZATIONS ON INTERNATIONAL TRADE POLICY

It is no secret that in recent weeks I have expressed some serious doubts that the reciprocal trade program can be renewed in this Congress without crippling amendments. This great conference today provides some hope that my doubts may be unwarranted. I wish to assure you that I have no desire in this important matter to be a true prophet. With your help, we may hope that a sound, constructive reciprocal trade program will be enacted this year.

It will not be easy, however. If I don't leave any other word here today, I want to

assure you that your opponents in this matter are doing their usually good job. The pressure is terrific. Those who have been working hard for a long time to destroy the reciprocal trade program are today working harder than ever. The high-tariff lobbyists are busy not only in Washington. They are active all across the United States. They are taking advantage of every difficulty which industry may be facing. They are almost gleeful that we have a recession at this time. They keep repeating over and over again this simple message, "Low-cost foreign labor threatens the jobs of American workers." Too many Americans are falling for this line, and they are letting us in the Congress know how they feel.

Make no mistake about it. The reciprocal trade program is in trouble today. But it need not be. If all the proper and sensible things that are being said today at this conference could be told to the American people, I am confident that they will start speaking out in support of—rather than in opposition to—the program.

The nature of the protectionist lobby has been clear for a long time. More than 40 years ago Woodrow Wilson declared: "Washington has seldom seen so numerous, so industrious and so insidious a lobby. * * * There is every evidence that money without limit is being spent to sustain this lobby. * * * Great bodies of astute men seek to create an artificial opinion and overcome the interest of the public for their private profit."

This warning against the protectionist lobby is just as important today. Its steady pressure on Congress has resulted in recent years in a series of amendments to the Reciprocal Trade Agreements Act which have gradually altered the act from its true purpose. Protectionist devices have been added to the act, some, I regret to say, with the blessings of the administration. Others, even more serious, are again threatening the act.

Therefore I especially applaud this conference today. It has brought together men and women from both sides of the political aisle, from industry and from labor, from farm groups and church groups. Through these organizations we must counteract the deliberately concocted half-truths and untruths about our foreign trade program. Through these organizations we must make every effort to have the American people understand some simple economic facts of life. Let me list briefly for you a few of these basic facts:

1. The Communists are engaged in an economic offensive which in the long run may constitute a greater danger than all their sputniks and intercontinental ballistic missiles. As far back as 1952 their strategy for spreading communism shifted from military aggression to an economic and diplomatic offensive. It was Stalin himself who proclaimed the new economic warfare as the means whereby communism would eventually dominate the world. Last year Khrushchev stated frankly, "We declare economic war on you Americans." Every year the Soviet economic offensive is being stepped up. Whether it be the need for investment capital, requests for technical assistance, or negotiation of trade agreements, the Soviets have shown determination and skill.

Trade has been a primary weapon in the arsenal of this Communist economic offensive. Trade missions from the Soviet Union, Communist China, and the satellite countries have been busy, especially in the uncommitted countries of Asia and the Middle East. The number of trade agreements negotiated between the Communist bloc and other countries has more than doubled since 1953.

The tragedy is that at the very time the Communists are stepping up their use of trade as a weapon against us in the cold war, we are helping them by weakening our own most effective instrument for promoting trade among the free nations of the world. I do not doubt for a split second that the overwhelming majority of free and uncommitted peoples would prefer to trade with us. You cannot blame them, however, if our protectionist tendencies drive them to deal with the Russians instead.

2. A second consideration in our foreign-trade program is its importance for the continued economic and political well-being of the Free World. Nearly every nation in the non-Communist world needs to buy more products from the United States than we need to buy from them. If these other nations cannot sell goods for American dollars with which in turn to purchase American products, 1 of 3 things must happen. We must loan or give them the dollars that they need with which to buy from us; or, if they are caught in an inflationary situation, with consequent weakness to themselves and to the entire Free World; or, as we have seen, they are compelled to deal with the Communist bloc or to develop arrangements among themselves, such as the European common market.

A CHALLENGE AND AN OPPORTUNITY

Our people do not fully understand the importance to other countries of the products they sell to us. We are so big and so diversified in our production that we sometimes forget that other countries depend very heavily upon one or just a few products. Every time we invoke the escape clause, some nation or nations suffer. Some of our best friends—Norway, Sweden, Switzerland—have been among the nations thus affected. Imagine the howls that would go up in this country if because of the actions of some other country our entire economy were suddenly threatened.

Our friends abroad want to stand on their own feet. We have been glad to help them through the Marshall plan and other types of aid. But in the final analysis, their economic well-being will depend upon the growth and strengthening of the industries which they are best qualified to maintain. We must help them achieve such a goal.

3. A third consideration—one which the tariff lobby so conveniently forgets to discuss—is the importance of trade to American industry, American workers, and the American consumer. To listen to the tariff lobby, trade is a one-way street—there are low-cost imports flooding the American market, nothing more. But the United States not only imports, we export as well. In fact, our exports far exceed our imports. Last year's exports as reported total more than $20 billion, while imports were slightly more than $13 billion.

SEVEN BILLION DOLLARS PLUS

Of all the statistics being thrown around in this great debate on reciprocal trade, one stands out with a significance that dwarfs all others. But do the protectionists even try to explain what would happen to the 4½ million jobs dependent today upon American exports if they had their way with high tariff walls?

Far more workers would be affected by the cutback in exports than would possibly be affected by gradually increased imports. If this were understood, workers in industries whose products are sold abroad would be writing us in Congress urging that the tariff be lowered.

The American labor movement has again demonstrated its statesmanship and its understanding in backing the reciprocal trade program. This morning you heard a splendid address by my friend, President Dave McDonald, of the United Steelworkers. He put the whole problem in proper perspective when he declared that labor supports the program first and foremost because it is good for America and for the entire Free World. But then he pointed out so clearly that it is a simple matter of enlightened self-interest for millions of American workers.

Dave McDonald, like the great majority of labor leaders in this country, has thus demonstrated that idealism and practicality can go hand in hand. And he demonstrated this in a very concrete way when he discussed the trade adjustment program.

America owes a debt to President McDonald for the pioneering role he played, as a member of the Randall Commission, in developing the concept of trade adjustment. I have been proud to be associated with the program from the very beginning. In 1955 I offered a trade adjustment amendment to the Reciprocal Trade Act during Senate consideration of its renewal. My amendment lost then, but I'm hoping for success when I offer it again this year.

At the risk of seeming to inject a partisan note in this nonpartisan meeting, I cannot for the life of me understand the administration's failure to endorse the trade adjustment program—although there seems to be some disagreement among Government spokesmen. I'm pleased to note that Secretary of State Dulles, in his appearance before the Ways and Means Committee, endorsed the program in principle. But the two administration spokesmen who should be best acquainted with the needs of American industry and American workers—the Secretary of Commerce and the Secretary of Labor—have reflected official administration resistance.

Only yesterday, however, the President was asked by John Herling of Editors' Syndicate whether he would support a trade adjustment amendment. The President indicated that he was not familiar with the proposal. This at least gives me some hope that when he does take a look at this important proposal he will give it his blessing—even though some of his Cabinet members have presumed to speak adversely for the administration on this subject.

Despite some disagreements with Secretary Dulles in the past, and despite my great fondness for Secretary Mitchell, I say in all candor that in this case I hope the President takes the advice of Mr. Dulles rather than that of Mr. Mitchell.

With all sincerity and good will I call upon the President of the United States to take a good look at the trade adjustment proposals. He should support it for two reasons. First, it is a proper and reasonable proposal for meeting the special problems of industries and communities and workers who are in fact affected by our trade policies. Since it is in the national interest that we aim to lower tariffs, it should be a matter of national responsibility to provide relief to those affected. The cost will be minimal—and the benefit to the program will be substantial. Secondly, the very fate of the Reciprocal Trade Act renewal may well depend upon clear evidence by the administration and the Congress that we do not intend to let a few communities, industries, or groups of workers pay the cost of a national trade program.

I am convinced that there are enough marginal votes in the Congress which could be affected by a trade adjustment amendment to make the difference between victory and defeat on the basic act itself.

The trade adjustment plan is not a labor measure—even though a labor spokesman did so much to develop it. It would provide assistance to business, in the form of technical assistance, special tax concessions and loans. Communities as such would be helped directly with loans, technical assistance and market research. Workers would be assisted with extended unemploy-

ment insurance, retraining, and transportation.

RECESSION

I want to warn against a particularly phony argument which is now being pushed in opposition to the reciprocal trade program. The current recession has of course made everybody concerned about unemployment levels. There is superficial logic and plausibility to the cry that this is certainly no time to increase imports and thus take away still more American jobs. But this is dangerous nonsense. This is the worst possible time to reduce international trade. If we do, we threaten the 4½ million jobs we have talked about.

It is well to recall that in 1934 when the late and great Cordell Hull first promoted the reciprocal trade program, the Congress adopted it as an antidepression measure—a measure aimed at encouraging United States exports of agricultural and other products.

There is evidence that during the recessions of 1949 and 1954 the liberalization of trade bore fruit. Our exports held up well—better than our economic activity as a whole. In the current recession, the story is the same. The current recession is a powerful argument for greater liberalization—not restriction—of our trade program.

As the Reciprocal Trade Agreements Act makes its precarious way through Congress during the coming weeks, we should all be alert to the efforts being made to weaken and even destroy it. Everyone should be aware of our true national interest. The easy argument against foreign imports has prevailed too long. If it results in further weakening of our trade policy, we may all suffer gravely in the future. The Communists will make further inroads into the Free World as their trade offensive succeeds beyond their greatest hopes. Our alliances will break up on the shoals of trade antagonisms. Our own economy will decline and American workers will be out of work as other nations can no longer buy our products.

None of these things needs to happen, for the alternative is not injury to American industry and labor. Trade adjustment provides the means whereby the Reciprocal Trade Agreements Act can be strengthened, not weakened. Only a strong trade policy will keep together a strong Free World and promote a continually rising standard of living for us all.

FAIR TRADE IN PERIL

Mr. HUMPHREY. Mr. President, several days ago I spoke to the Members of the Senate about my great concern over the deterioration of fair trade enforcement and observance. At that time, General Electric, one of the major enforcers of fair trade, had announced that it was abandoning a long-established policy of fair trade merchandising. Contrary to the pronouncements of an opposition spokesman that "this was recognition that fair trade was actually unfair to consumer and manufacturer alike," the firm stated in a letter to its dealers and distributors that this development did not mean that the company had abandoned its belief in the principle of fair trade.

This, to me, is most significant. For, General Electric continues to maintain that it is convinced of the merit of fair trade. In a letter to its dealers, General Electric stated:

> Our conclusion has been dictated by circumstances beyond our control which have blocked our continuation of an effective enforcement program.

The circumstances to which General Electric referred are, of course, the mounting State court decisions which have either struck down or vitiated the effectiveness of State fair trade statutes. Following closely on the heels of this announcement came the decision of several other prominent fair trade manufacturers that they, too, were abandoning fair trade for much the same reasons.

Mr. President, last week, Revere Copper & Brass, Inc., announced that it, too, was being reluctantly compelled to abandon fair trade. Revere's announcement was made in a letter to its distributors and retailers in which the firm stated that it regretted to notify them of this action. The company further said to its dealers:

> You are aware of the steps our company has taken over many years and at great expense to maintain fair trade prices, as it was our belief then, and is our belief now, that this was and is the proper way to do business. Recently, strong adherents of fair trade have obviously found it necessary to change their position. Our own position in trying to maintain fair trade under such adverse conditions has become untenable.

Earlier last week Mr. Robert P. Gwinn, president of the Sunbeam Corp., and vice president of the Illinois Chamber of Commerce, told an audience at a chamber dinner in Rockford, Ill., that fair trade is often wrongly attacked as "price fixing" and, indeed, fair trade has been greatly abused by its opponents as well as by many well meaning, but misinformed, people. Mr. Gwinn very succinctly gave my views on fair trade when he said:

> We feel frankly that the merchant who performs the service of marketing the product is entitled to a reasonable return, as is the case with fair-trade practices.

Following the announcement by General Electric earlier this month, predatory pricing practices lifted their ugly heads overnight in our metropolitan areas and led to a vicious price war almost unlike anything on the American scene since the period following the celebrated Schwegmann decision in 1951 and prior to the passage of the McGuire Act in 1952.

The ramifications of these developments are, indeed, widespread. For price wars permeate every strata of merchandising and spread quickly into every community in the land. As these nefarious methods spread some firms will engage in loss-leader operations in order to draw the consuming public into their stores and then saddle the less discriminating shoppers with items of sufficient markup to offset their losses or with substandard merchandise. This is the cutthroat competition which faces the small-business man—the specialty-store owner. Thus, the fairminded independent who through the years has been upholding the American tradition of fair play in the market place by selling good products at reasonable prices with reasonable returns to himself, now finds himself the victim of not only predatory pricing practices, loss-leader operations, but deceptive advertising and a number of other duplicities. The small-business man is not in a position to withstand such machinations. By the same token, neither is the small manufacturer and it is this segment of the business community—the independent wholesaler and retailer and the small manufacturer—about whom I am concerned.

In the March 20 edition of Home Furnishings Daily it was reported that in New York City "the small stores have almost completely stopped ordering the formerly fair-trade items because of the low prices prevailing in the big stores." One distributor was quoted as saying, "We sell only to the small stores. We are not doing any business on General Electric, Sunbeam, or Toastmaster." Another reported that the "average small dealer is in a state of shock." Following the price wars, subsequent to General Electric's announcement, the big stores and chains are said to virtually have stopped advertising the formerly fair-traded items. This situation obviously helps no one. Even some of the discount houses are finding this to be true. For example, in Philadelphia alone, recently four discount chains have gone into bankruptcy and another is presently undergoing reorganization proceeding.

As undoubtedly Senators have observed, some of the manufacturers who have abandoned fair trade are large enough to meet, for the time being, indiscriminate price cutting. For large manufacturers can protect their nationally advertised trademarked merchandise because they have the facility for acquiring capital necessary to establish a controlled system of distribution through such operations as integrated outlets and consignment practices. Obviously, such programs are beyond the majority of small manufacturers. Consignment and integration are both expensive and impractical for such small firms. But with the continuation of cutthroat merchandising practices, more manufacturers will be forced into undertaking such programs in order to protect their merchandise. For it has been borne out by previous experience, loss-leader sales have resulted in loss of public confidence in and loss of respect for the value of merchandise which is subjected to this treatment.

The logical ultimate conclusion of such developments is the elimination of the small specialty shops and the establishment of rigid distribution systems providing even tighter economic concentration at a time when it is least desirable.

Mr. President, we must not let this happen. The Congress must take affirmative action—and we must begin to move now. Under normal circumstances we could not afford to delay and especially today—during a period of recession, we dare not expose the small-business community to further decimation.

We have addressed ourselves to this problem before and come up with what we thought would be effective legislation only to find that it, at best, was only a stopgap measure.

We are not alone in working for a solution to one of the most basic and devastating problems confronting our Nation today. For legislators in 45 States have gone on record as favoring fair trade. Our dilemma is in finding a workable solution—equitable in its treatment to manufacturer, wholesaler, retailer, and consumer.

It is with this in mind that the Senate Small Business Committee is studying the overall fair-trade problem. The Committee's Subcommittee on Retailing, Distribution, and Fair Trade Practices, of which I am chairman, has planned hearings at which I expect to point up some of the underlying problems and which will assist us in ascertaining fully, discount house operations and their impact on our national economic stability and specifically on small business. An integral part of such hearings will be the status of fair trade.

A bill calling for a Federal fair trade law has been introduced in the House of Representatives. I have studied this bill closely, and I have met with a number of specialists in the field of fair trade to discuss the contents of this bill and its full ramifications, as well as other possible measures.

The deterioration of fair trade enforcement and its concomitant, the diminution of small business, is of the utmost concern to me. It is my feeling that it must be rectified and relief must be quick in coming if we are not to have our distribution systems destroyed and our merchandising practices sink to an alltime low.

At the moment I am not certain of the best approach. It may very well be that effective implementation by the Federal Trade Commission and the Justice Department of existing laws might prove of inestimable help. It may be that new legislation is required in the form of a Federal fair-trade law or a Federal anti-loss-leader law. Or, possibly a combination of the two may be required. But whatever the answer is, it must be found and acted upon and soon.

Mr. President, I should like to invite the attention of Senators to two stories carried in the March 26 edition of Home Furnishings Daily concerning the plight of two firms, in opposite parts of the country, as a result of price wars which are rife throughout our Nation today. These stories are typical of many which are appearing in the press daily.

In New York, Sunset Stores announced that the firm will no longer carry housewares and electric appliances in its five Long Island branches. The reason given for this decision was competition from department stores and discount houses which have been using such items as loss leaders.

A coowner of the firm has stated that the recent price wars, following the decision by General Electric and other electric appliance manufacturers to drop fair trade, caused his stores on Long Island to sell General Electric irons at cost. He noted that department stores which carry a greater variety of goods are in a better position than a major appliance chain to use electrical appliances as loss leaders.

This situation does not differ appreciably from that which specialty shops—independent businessmen—are encountering throughout the country. For jungle type competition is either forcing them out of business or causing them to drop lines on which they can no longer expect a fair profit.

Across the land, in California, one of Los Angeles' major electrical appliance distributors, Horn & Cox, Inc., announced it is closing its doors after 40 years of operation. The firm's president observed that—

> Business conditions in general, and more particularly the unfavorable climate surrounding the traffic appliance and housewares distributing business, has prompted us to make this decision.

Reportedly the firm was concerned about declining profits, further aggravated by recent decisions of electrical appliance manufacturers to abandon fair trade.

Thus it was that another small business—one employing 57 persons—has been forced to abandon the fight for survival in a market place filled with predatory pricing practices.

Mr. President, these situations are not unique; they are representative of the problems confronting the American small-business community during a near-crisis period of recession.

The Senate Small Business Committee is addressing its attention to such problems constantly. We are hopeful that a study of discount house operations being conducted by the Subcommittee on Retailing, Distribution, and Fair Trade Practices will provide us with meaningful information upon which to predicate action to hold back the tide of business collapses.

Mr. President, I ask unanimous consent that these two articles be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Home Furnishings Daily of March 26, 1958]

HORN & COX, INC., ENDING OPERATIONS AFTER 40 YEARS

(By Lester Gilbert)

LOS ANGELES, March 25.—It is the end of the trail for another independent southern California major appliance-electric housewares distributor here.

Horn & Cox, Inc., according to Ray Cox, president, is completing plans to cease a 40-year-old operation.

The distributor, under its original name of Herbert H. Horn, Inc., had hit a peak volume of $20 million a year with about half of that amount in the Admiral TV and white goods lines, during 1950–1951.

When Herbert Horn retired as president, the business was reincorporated in 1952 as Horn & Cox, with Mr. Horn as chairman and Mr. Cox as chief executive.

The firm then parted company with Admiral and concentrated on a specialized housewares operation supported by full-color catalogs.

In a letter to be sent to suppliers, the president observed:

BLAMES CONDITIONS

"It is with regret that we advise you that the owners of Horn & Cox, Inc., have decided to terminate their business.

"Business conditions in general, and more particularly the unfavorable climate surrounding the traffic appliance and housewares distributing business, has prompted us to make this decision."

Mr. Cox declined to elaborate on the "unfavorable climate," but sources close to the firm indicated management was concerned about declining profits, further aggravated by the recent decision of some manufacturers to abandon fair trade.

A spokesman for Horn & Cox explained, "The situation reminds me somewhat of a gambling session at Las Vegas. Some gamblers know when it is time to leave the table; others will stick it out, despite the negative turn of the cards. This is definitely not a bankruptcy proceeding."

Among lines carried by Horn & Cox are Servel, Eureka, Sunbeam, Toastmaster, Ekco, Bissell, Cory, Borg, and Delmonico high fidelity. Servel had been marked to move to RCA Victor Distributing Co. about April 1.

Inventory of Horn & Cox was favorable, according to Mr. Cox, and he explained it would be absorbed by manufacturers, with complete dissolution of the firm expected within 60 days.

At the time of the termination decision, the company employed 57, and Mr. Cox was confident these employees would be absorbed into existing operations here.

As for his own plans, Mr. Cox said he would first strive for orderly liquidation of the company, and then go on an extended vacation prior to considering his plans. Clarence Fink, vice president and general manager, said his immediate plans are indefinite.

[From Home Furnishings Daily of March 26, 1958]

SUNSET DROPS HOUSEWARES IN FIVE STORES

NEW YORK.—Sunset Stores has dropped all housewares and electric housewares in five Long Island branches, according to Joseph Rudnick, coowner.

Competition from department stores and discount houses on Long Island, which have been using such items as loss leaders, was given as the reason.

The major appliance-TV chain has dropped the products in its stores in Levittown, Massapequa, Commack, Hempstead, and Bay Shore. (In the Massapequa store, the stock of these products has been purchased by an employee who will continue to sell the items while operating a concession in the store.)

Sunset will continue to sell such products in its stores in Manhattan, Westchester, the Bronx, and Rego Park.

Mr. Rudnick said that during the recent price war, after General Electric and other electrics makers dropped fair trade, his stores on Long Island sold GE irons at cost.

He noted that department stores, which have a wide variety of soft goods to sell, are in a better position than a major appliance chain to use electric housewares as loss leaders.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954

The Senate resumed the consideration of the bill (H. R. 8268) to amend section 512 of the Internal Revenue Code of 1954.

Mr. BYRD. Mr. President, H. R. 8268, as amended by your committee, revises the definition of the term "unrelated business taxable income" contained in the 1954 code. The general effect of this revision is to accord the same tax treatment for income distributed with respect

to limited-partnership interests held by certain testamentary charitable trusts that is presently accorded income derived from dividends received by such trusts. The bill, as amended, excludes from the definition of unrelated business taxable income the income derived from a limited-partnership interest only to the extent that the income attributable to such interest is actually distributed. This provision is to be effective with respect to taxable years of trust beginning after December 31, 1955.

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

The bill was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia [Mr. BYRD].

The motion to lay on the table was agreed to.

SHORT PAID AND UNDELIVERABLE MAIL

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar 1423, H. R. 7910. I do not expect any discussion or action on the bill, but I should like to have it made the unfinished business.

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

The LEGISLATIVE CLERK. A bill (H. R. 7910) to revise the laws relating to the handling of short paid and undeliverable mail, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

John F. Dyer, of Hawaii, to be seventh judge of the first circuit, circuit courts, Territory of Hawaii, vice Calvin C. McGregor; and

George Harrold Carswell, of Florida, to be United States district judge for the northern district of Florida, vice Dozier A. DeVane.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). If there be no further reports of committees, the nomination on the Executive Calendar will be stated.

COMPTROLLER OF THE CURRENCY

The Chief Clerk read the nomination of Ray M. Gidney to be Comptroller of the Currency.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. I know that Mr. Gidney will be proud to know that the distinguished Senator from Ohio [Mr. LAUSCHE] presided over the Senate when his nomination was confirmed.

Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

UNEMPLOYMENT COMPENSATION

Mr. KENNEDY. Mr. President, today it was announced that in the 149 major industrial labor markets there are 70 areas of substantial labor surplus; that in January 1958 there were 45, and that in March 1957 there were 19. With respect to secondary labor markets there are 121 areas of substantial labor surplus today; as of January 1958 there were 72; and as of March 1957 there were 59.

Congress can no longer postpone action on unemployment compensation. Every week we delay, nearly 40,000 workers still without jobs are exhausting their rights to draw benefits. Hundreds of thousands of others are drawing benefits too small to enable them to pay their most basic bills. Other hundreds of thousands are drawing no benefits at all—only private charity or public relief. Unemployment continues to rise. Whatever actions have been taken thus far to bolster the economy or to create new jobs, nothing has been done for the unemployed worker and his family budget.

The alternatives are now clear; all the proposals are in:

First. We can do nothing—hope the States will act on their own—hope the recession eases—or hope to help the unemployed through various public-works schemes. If we adopt this attitude, we are ignoring a major problem and abandoning our direct responsibility.

Second. We can adopt one of several proposals for supplementing unemployment benefits through Federal grants. Such action, in my opinion, would fall far short of the real need to be met, while eliminating all hope for real, long-range improvement in the system.

Third. We can adopt the administration's proposal to extend eligibility periods by 50 percent, the cost to be repaid by the individual States or their employers. Such a proposal would do very little good and might do very great harm. Its adoption would mean the abandonment of any substantial assistance to the jobless in favor of a mere facade of action.

Fourth. Finally, we can and should adopt S. 3244—or possibly some modification thereof—the bill I introduced early last month with 17 other Senators. In this way we can bring prompt relief to our unemployed workers and at the same time make basic, long-needed, long-range improvement in our jobless-insurance system.

Let us examine the background under which these proposals have been made. The unemployment-insurance program enacted by Congress 20 years ago was intended to provide benefits to workers that were large enough and long enough to enable them to pay their rent, their grocery bills, and their doctor bills until new work could be found. It was intended to put back into the community at least 50 percent of the loss in wage payments.

But the tragic fact is that our unemployment insurance program today is too weak and outmoded to do the job. It replaces less than 20 percent of these lost wages. In some hard-hit areas, where benefit rights have been exhausted, it is putting back into the community as little as 10 percent of lost wages. The average worker finds his unemployment check to be only one-third as large as the pay-check on which his family depended, as did the merchants in his neighborhood. He cannot pay his bills; the merchants cannot meet their expenses; more cutbacks, layoffs, and shutdowns follow.

Twenty years ago, the unemployment-insurance program meant something. Most States paid a maximum benefit higher than two-thirds of average weekly wages, all paid more than 50 percent. But that ratio has declined in every single State, as legislation neglected to keep benefit levels up with rising wage and price levels. In no State today is the maximum as high as even 58 percent of average weekly wages, much less the 67 percent necessary. Unemployed workers today must somehow get by on benefits averaging less than $33 a week. In some States, the most a worker can get is less than one-third of the average wage in his State. The founders of this program intended that unemployed workers actively seeking a new job would draw a benefit equal to at least 50 percent of their own regular earnings. This is what the program once provided, but no longer does, anywhere in the Nation; this is what the President has each year requested the States to do; this is what they have been unwilling to do, just as they were unwilling to act on their own in 1935, for reasons of industrial competition; and this is what Congress must now provide.

I ask unanimous consent that a table showing the significant features of various State laws be included at this point

in the RECORD. The table shows the decline in maximum payments made in 1939 and 1957 as a proportion of weekly wages, duration of benefits by State, and the number of employees in each State who exhausted benefits during February.

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

TABLE I.—*Unemployment insurance under State laws, Jan. 1, 1958*

States and Territories	Average weekly benefit paid for total unemployment, January-June 1957	Maximum weekly benefit [1]	Average weekly wages in covered employment, 1956	Maximum weekly benefit as a percentage of average weekly wages		Duration of benefits	Total number of claimants February 1958 who exhausted benefits
				1957	1939		
United States	$28		$81				145,474
Alabama	20	$28	65	43	87	11.7-20	3,598
Alaska	37	$45 to $70 [2]	138	33	41	15-26	226
Arizona	26	$30	81	37	61	10-26	453
Arkansas	20	$26	55	47	95	10-18	1,496
California	29	$40	90	45	50	15-26	8,231
Colorado	28	$35 [3]	80	44	62	[3] 10-26	715
Connecticut	30	$40 to $60	86	47	56	8.6-26	3,259
Delaware	31	$35	90	39	58	11-26	531
Washington, D. C.	26	$30	77	39	59	11.5-26	665
Florida	21	$30	67	45	81	5-16	2,247
Georgia	22	$30	63	48	87	[4] 20	3,448
Hawaii	25	$35	62	57	85	20	181
Idaho	28	$40	73	55	82	10-26	1,041
Illinois	29	$30 to $45	90	33	56	10-26	7,177
Indiana	26	$33	85	39	58	5.6-20	6,391
Iowa	26	$30	74	41	67	6.7-24	1,442
Kansas	27	$34	76	45	66	8.4-20	1,236
Kentucky	24	$32	71	45	69	26	2,174
Louisiana	22	$25	72	35	90	10-20	1,134
Maine	20	$33	66	50	74	26	1,522
Maryland	27	$35 to $43	74	47	65	26	1,864
Massachusetts	30	$35 and up [5]	75	47	57	7.1-26	5,397
Michigan	34	$30 to $55	97	31	53	9.5-26	11,796
Minnesota	25	$38	79	48	62	18-26	1,627
Mississippi	20	$30	55	54	97	20	1,446
Missouri	22	$33	78	42	61	12.5-26	2,347
Montana	25	$32	75	43	60	22	784
Nebraska	25	$32	70	45	66	9.0-20	687
Nevada	32	$37.50 to $57.50	86	44	57	10-26	417
New Hampshire	23	$32	67	48	70	26	377
New Jersey	32	$35	87	40	55	13-26	8,577
New Mexico	25	$30	74	41	73	12-24	347
New York	30	$36	89	41	51	26	8,851
North Carolina	18	$32	60	54	89	26	2,903
North Dakota	27	$26 to $35	68	38	69	20	115
Ohio	32	$33 to $39	89	37	54	9.2-26	5,336
Oklahoma	25	$28	76	37	61	6.7-26	1,595
Oregon	31	$40	84	48	53	12.9-26	3,246
Pennsylvania	28	$35	78	45	60	30	10,975
Rhode Island	27	$30	70	43	70	7.9-26	2,222
South Carolina	21	$26	58	45	99	10-22	1,822
South Dakota	23	$28	67	42	69	5.7-20	268
Tennessee	21	$30	66	45	78	22	4,122
Texas	23	$28	75	37	65	8.0-24	5,224
Utah	29	50 percent [6]	74	50	70	15-26	324
Vermont	23	$28	68	41	66	26	214
Virginia	21	$28	66	42	74	8-18	3,075
Washington	30	$35	84	42	57	12-26	4,290
West Virginia	22	$30	82	37	59	24	1,386
Wisconsin	30	$38	83	46	55	10-26½	6,442
Wyoming	29	55 percent [6] to 55 percent plus $6	74	55	78	12-26	198

[1] Where 2 figures are shown, the smaller does not include dependents' allowances.
[2] $25 for interstate claimants.
[3] $44 maximum and 26 weeks uniform duration for claimants meeting requirements to show 5 years of steady employment.
[4] 22 weeks for workers who meet certain requirements to show steady earnings.
[5] $3 per dependent up to individual's weekly wage.
[6] Dollar maximum set each year as a percentage of the State's average weekly wage of the year before.

Mr. KENNEDY. Mr. President, the table shows that in California in February more than 8,000 workers exhausted benefits, in Michigan almost 12,000, in Pennsylvania almost 11,000. In Texas and my own State of Massachusetts more than 5,000 persons were caught between the end of their unemployment insurance and the beginning of a new job. If unemployment continues, this exhaustion situation will worsen. I know in Massachusetts each week in March has shown a sizable increase in the number of persons who no longer can depend on unemployment compensation to tide them over until they find a job.

The question on which most of us now agree, then, is not whether the Congress should act, but how? Which proposal should we adopt?

EXTENDING DURATION

One approach, contained in the administration and other proposals, calls only for extending the duration of a worker's eligibility period. If he is not eligible in the first place—not covered or arbitrarily disqualified—this proposal does nothing for him. If his chief complaint is that his benefit is so low as to deny his family a decent standard of living while he looks for work, this proposal does nothing to meet that complaint. If he is eligible only for the minimum benefit period in his State—in some States less than 6 weeks—then the administration's proposal to extend this by 50 percent or 3 weeks will not be of much help. Even extending the period through the end of this calendar year is less helpful than assuring every unemployed worker a uniform 39-week period in which to find another job before his benefit rights run out.

REPAYMENT

The administration proposal is further handicapped by the insistence that the Federal funds thus expended be repaid, under the harshest of conditions. Employers in all States with constitutional or statutory prohibitions against accepting and repaying loans will be required to pay higher Federal taxes after 4 years, which their competitors in other States will not pay—thus increasing unemployment. States which are legally able to make repayment may be required to increase taxes or reduce benefits to do so—certainly there is no assurance that they will be in better position to make full repayment within 4 years.

If there must be a loan fund, why not follow the principle of the George loan fund earlier in effect—conceived by the late Senator from Georgia—which required the States to make repayment only when they were able to do so? But other Federal programs of aid—for agriculture, defense-impacted areas, hospitals, and all the rest—require no repayment at all. While some unemployment compensation proposals pending before the Congress call simply for so-called insurance checks to be doled out of the Treasury like so many relief payments—and this may be necessary for the immediate emergency, as our bill also provides—this problem should be met for

the future by adopting a far sounder course—by recognizing that each State's unemployment risk should be spread nationwide through the principle of reinsurance contributions and grants, as provided in S. 3244.

TEMPORARY SUPPLEMENTATION

A common fault of all the so-called supplementation bills which rely upon Federal funds to improve payment levels is their bypassing of the over $8.5 billion now held in State unemployment reserves—relatively untouched because State standards are so low. As a group of distinguished scholars headed by Professors Brown, Harbison, and Lester of Princeton recently put it:

> The shortcomings of our State-Federal system of unemployment insurance do not arise out of a lack of Federal funds, but rather out of a long-standing lack of Federal standards designed to strengthen the capacity of the system to protect our citizens in a period of heavy unemployment.

That $8½ billion should be flowing into our economy today—if we could get benefit standards up and coverage extended.

But whatever system of financing they employ, the great fault of all the proposals for temporary Federal supplementation is that they are just that, and nothing more. Such a proposal encourages the State legislatures to do nothing, as long as they know that Congress will bail them out every time there is a downturn. It encourages the Congress to do nothing on a long-range program, as long as they can provide a stop-gap, patchwork measure when the need arises. It ignores the role our permanent unemployment insurance system was intended to play, and establishes instead a precedent for falling back on temporary remedies whenever the system is really needed. It ignores the fact that the standards of the system even in a relatively mild recession have proven inadequate—it ignores real deficiencies which are apparent to all—and leaves the system in the same weakened condition as it was before.

Our bill, S. 3244, also provides for the immediate payment of these benefits to all unemployed workers, with the Federal Government making up the difference. This is Federal supplementary action, to be sure. But it is action which depends upon, instead of discouraging, long-range, permanent action by the Congress and the State legislatures.

THE KENNEDY M'CARTHY BILL, S. 3244

In short, Mr. President, I believe it would be a tragic mistake to embark on a mere Federal supplementation program geared to the present emergency. I am as anxious as any Member of this body for quick action on unemployment-insurance legislation. But I believe any program aimed at our immediate problem should carry with it a substantial strengthening of the system itself. The bill which I have introduced with 17 of my colleagues in the Senate has both of these elements.

S. 3244 has three fundamental purposes. It proposes a uniform benefit standard equal to 50 percent of the worker's average weekly income, the very standard the President has urged upon the States since 1953; it proposes the adoption of a uniform 39 weeks during which benefits may be paid, the same maximum applicable for many States under the President's new proposal; and it broadens the coverage of the law to include some 1.8 million workers who are not now covered, as the President has urged since 1953. But it is not temporary, and it does not rely on exhortations to the States. These are permanent additions to the Federal standards now on the books. I ask unanimous consent to have inserted at this point in the RECORD a table showing the impact of the enactment of S. 3244.

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

TABLE II.—*Impact of Kennedy bill (S. 3244)*

State	Basic weekly benefit levels [1]				Potential duration of benefits			State	Basic weekly benefit levels [1]				Potential duration of benefits		
	Average [2] benefit now paid	Average weekly wage in State	Maximum benefit now	Proposed maximum benefit	Weeks of duration now	Average weeks drawn by those exhausting benefits now	Proposed weeks of duration		Average [2] benefit now paid	Average weekly wage in State	Maximum benefit now	Proposed maximum benefit	Weeks of duration now	Average weeks drawn by those exhausting benefits now	Proposed weeks of duration
Alabama	$22.53	$65	$28	$43	11.7-20	17	39	Montana	$27.98	$75	$32	$50	22	22	39
Alaska	37.24	138	45-70	92	15-26	25	39	Nebraska	26.21	70	32	47	9-20	(3)	39
Arizona	26.69	81	30	54	10-26	19	39	Nevada	39.58	86	37½-57½	57	10-26	20	39
Arkansas	20.61	55	26	37	10-18	16	39	New Hampshire	22.54	67	32	45	26	25	39
California	31.39	90	40	60	15-26	23	39	New Jersey	32.27	87	35	58	13-26	22	39
Colorado	31.73	80	35-44	53	10-26	19	39	New Mexico	26.02	74	30	49	12-24	18	39
Connecticut	33.02	86	40-60	57	8.6-26	20	39	New York	31.40	89	36	59	26	26	39
Delaware	29.66	90	35	60	11-26	18	39	North Carolina	19.89	60	32	40	26	25	39
District of Columbia	26.67	77	30	51	11.5-26	19	39	North Dakota	26.73	68	26-35	45	20	20	39
Florida	23.66	67	30	45	5-16	12	39	Ohio	32.12	89	33-39	59	9.2-26	24	39
Georgia	23.39	63	30	42	20	19	39	Oklahoma	25.19	76	28	50	6.7-26	17	39
Hawaii	27.19	62	35	41	20	20	39	Oregon	33.87	84	40	56	12.9-26	21	39
Idaho	32.85	73	40	49	10-26	16	39	Pennsylvania	29.46	78	35	52	30	30	39
Illinois	30.13	90	30-45	60	10-26	19	39	Rhode Island	28.07	70	30	46	7.9-26	16	39
Indiana	27.89	85	33	57	5.6-20	13	39	South Carolina	21.91	58	26	39	10-22	18	39
Iowa	25.84	74	30	49	6.7-24	13	39	South Dakota	23.96	67	28	45	5.7-20	15	39
Kansas	27.74	76	34	51	8.4-20	17	39	Tennessee	23.46	66	30	44	22	21	39
Kentucky	24.84	71	32	48	26	26	39	Texas	23.92	75	28	50	8-24	14	39
Louisiana	22.93	72	25	48	10-20	15	39	Utah	30.23	74	37	49	15-26	21	39
Maine	21.73	66	33	44	26	(3)	39	Vermont	24.58	68	28	45	26	25	39
Maryland	31.09	74	35-43	49	26	15	39	Virginia	23.39	66	28	44	8-18	12	39
Massachusetts	31.23	75	35+	50	7.1-26	20	39	Washington	29.79	84	35	56	12-26	23	39
Michigan	35.23	97	30-55	65	9.5-26	18	39	West Virginia	23.75	82	30	55	24	23	39
Minnesota	27.39	79	38	53	18-26	22	39	Wisconsin	31.54	83	38	56	10-26½	(3)	39
Mississippi	20.97	55	30	37	20	20	39	Wyoming	31.06	74	41-47	50	12-26	15	39
Missouri	24.63	78	33	52	12.5-26	18	39								

[1] 9 States provide higher benefits for those with dependents: Alaska, Connecticut, Illinois, Maryland, Massachusetts, Nevada, North Dakota, Ohio, and Wyoming. Nothing in the Kennedy-McCarthy bill would prevent these or other States from providing higher benefits for dependents.

[2] It is impossible to estimate exactly how much the average weekly benefits would rise under the Kennedy-McCarthy bill. This column is included to show how low actual benefits paid now are.

[3] Comparable data not available.

Mr. KENNEDY. Mr. President, in short, under our bill, every worker would draw a benefit equal to at least 50 percent of his own regular earnings, up to a maximum of two-thirds of the average wages paid in his State. Every worker would be able to draw benefits for a uniform period of 39 weeks, instead of being cut off at the end of 5, 10, 15, or in many cases 26 weeks as he is now. Every legitimately unemployed worker would be eligible to receive his unemployment insurance payment, regardless of the size of his shop and without harsh and discriminatory eligibility requirements.

It is this kind of approach, I am convinced, that we need today to assist our unemployed—those receiving inadequate benefits, those who have exhausted their benefit rights, those unable to draw any benefits at all—men and women who have exhausted their inflation-eaten savings, who must conceal their pride and turn for assistance to their relatives, or to private charity, or to the public assistance rolls.

This is a nationwide problem. It ought to be met by the Congress, as the founders of the bill—the President's Committee on Economic Security in its 1935 report—originally intended.

FINANCING NEW STANDARDS

How will the new benefits be financed? S. 3244 would not change the basic financing provisions of the existing system. It would not increase the Federal tax of 3 percent. Nor would it decrease the 2.7 percent credit which employers are allowed against this Federal tax. It would permit States to continue to reduce rates under existing systems of experience rating if they so desired. The only amendment on financing made by S. 3244 would relax the existing standards by giving States the option to reduce the State tax below 2.7 percent on a uniform basis applicable to all employers in the State, instead of doing it on an individual experience rating basis.

The actual taxes collected from employers in the different States varies considerably. During the year 1957 the average employer tax rate throughout the United States was 1.3 percent. The average was as low as .5 percent in some States and as high as 2.7 percent in others. In some States most employers are excused from paying any tax; in others all pay 2.7 percent.

I ask that a table showing the status of the State unemployment reserves and the average tax rate on employers during 1957 be placed at this point in the RECORD.

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

TABLE III

	Average employer tax rate, 1957 (percent of taxable payrolls)	Unemployment reserves Dec. 31, 1957
		Thousands
United States, total	1.3	$8,662,101
Alabama	1.1	88,368
Alaska	2.7	1,550
Arizona	1.3	58,718
Arkansas	1.1	44,727
California	1.4	998,922
Colorado	.5	76,903
Connecticut	1.2	248,478
Delaware	.8	15,088
Washington, D. C	.7	58,698
Florida	.7	93,621
Georgia	1.2	$151,888
Hawaii	1.0	23,077
Idaho	1.3	36,570
Illinois	1.0	500,574
Indiana	1.0	212,176
Iowa	.5	113,948
Kansas	1.0	86,088
Kentucky	2.0	121,045
Louisiana	1.4	152,871
Maine	1.6	45,537
Maryland	1.0	116,642
Massachusetts	1.6	317,790
Michigan	2.0	295,025
Minnesota	1.0	113,488
Mississippi	1.7	34,602
Missouri	1.0	226,562
Montana	1.3	43,816
Nebraska	.9	39,766
Nevada	2.0	19,720
New Hampshire	1.6	24,999
New Jersey	1.7	439,803
New Mexico	1.2	40,643
New York	1.7	1,355,730
North Carolina	1.4	182,207
North Dakota	1.4	10,223
Ohio	.7	618,636
Oklahoma	1.0	53,868
Oregon	1.4	41,894
Pennsylvania	1.5	346,771
Rhode Island	2.7	31,390
South Carolina	1.1	75,013
South Dakota	.9	14,179
Tennessee	1.7	91,572
Texas	.7	301,247
Utah	1.3	40,420
Vermont	1.3	16,928
Virginia	.5	92,894
Washington	2.3	204,348
West Virginia	1.0	67,625
Wisconsin	1.1	259,172
Wyoming	1.1	16,276

Mr. KENNEDY. Mr. President, it is impossible, of course, to estimate what the tax rate would be in any State if S. 3244 were enacted, for tax rates depend not only on the benefits but on the amount of unemployment in the State. However, it has been estimated that the average tax rate in the United States which is now 1.3 percent would rise to between 1.7 percent and 2 percent if the bill were enacted.

S. 3244, as previously mentioned, also contains a reinsurance provision to assist States whose reserves are drawn down because of heavy unemployment. If such a State imposes a maximum tax and still finds its reserves below a safe minimum, it is eligible for Federal grants to assist it in making benefit payments. This system of reinsurance precludes an onerous tax burden falling on employers in any State where unemployment is excessive. The cost to the Federal Government of the program for the period until all States have complied with these standards, by no later than July 1, 1959, has been estimated at about $1.5 billion.

To those concerned about the cost of these standards, I wish to offer the following reminders:

First, these standards reflect, as previously described, the recommendations of the administration, which I am confident would not impair the solvency of any State fund or impose a heavy tax burden on any employer.

The point I am attempting to make is that this proposal would make obligatory the standards which the President himself has been urging upon the States since 1953, but which no State has adopted in full since that time, partly because of the competitive features of taxation between one State and another, which makes a State very reluctant to increase, unilaterally, its State tax, unless every State does the same thing.

Second, these standards would raise benefits to the same proportionate level, or percentage of payroll, at which they were maintained during the 1930's, at which time the costs of the program were certainly manageable.

In other words, the proportion of benefits to wages is substantially below what it was 18 or 19 years ago, when the program was first put into effect.

Third, it is clear that under this bill no employer will pay more than the normal 3 percent to the Federal Government—the same is not true of the administration's proposal, under its harsh provisions for repayment.

Fourth, under S. 3244 a system of nationwide reinsurance would offer State reserves more protection from depletion than they currently enjoy.

Fifth, State reserves are currently so high, and average tax rates so low, it is clear that adoption of these standards would not be paid for wholly by increased taxes—and such increase would still fall far short of the standard 2.7 percent as a national average.

CONCLUSION

Our concern, therefore, should not be over the cost of such standards to our State systems, but over the cost of unemployment and inadequate unemployment benefits. These are costly, and dearly so, in terms of living standards, purchasing power, relief rolls, productivity, and community morale and security.

The Senate should be given the opportunity to vote on whether it favors improved benefits to our unemployed workers, or whether it is opposed to such benefits. The issue is clear, the standards are reasonable, the time is critical. Let us demonstrate to the unemployed and to the Nation that we have not forgotten these basic principles of our society.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Unemployment Confusion," published in the St. Louis Post-Dispatch of March 21, 1958.

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

UNEMPLOYMENT CONFUSION

As national unemployment grows, unemployment compensation must grow with it. This fact has involved the Eisenhower administration in planning a still-undefined improvement in the jobless insurance program.

The need for improvement in the midst of an economic slump is not arguable. The number of unemployed is 5,173,000 and seems to be rising in a season when it should be falling. Nearly 3 million workers are receiving unemployment benefits. But these benefits replace only a third of the wages the workers lost, whereas the 1935 unemployment compensation law intended benefits covering at least half of wages lost.

The worst of the situation is that many unemployed are drawing no benefits at all. Either they are not covered by the program, which exempts employers of fewer than 4 persons, or they have exhausted their benefits, which run usually to 26 weeks, or they were disqualified by inconsistent State laws.

Missouri currently pays a maximum benefit of $33 weekly for 26 weeks, up to a total of $858. Twenty-two States pay more.

Five years ago President Eisenhower urged the States to extend both the payments and their duration. Not one State has met the standards requested. The States would argue that they do not have the money. They receive an incentive grant from the Federal Government, which usually covers administrative costs. But the insurance reserve from which benefits are paid is based entirely on employers' payroll taxes. (These range up to 3 percent of the first $3,000 of a worker's earnings. Under the usual State formula, if the insurance reserve fund grows larger than necessary, the tax rate falls, and if the reserves become inadequate, the tax rises.)

Clearly most States will not legislate larger jobless insurance programs without more Federal aid. Recognizing that, Senator KENNEDY, of Massachusetts, and 16 other Democrats last month introduced a bill to establish the standards sought by the President.

The Kennedy bill would increase average benefits until they represent half the worker's lost wages, and would extend the benefit period to 36 weeks. The Government would make reinsurance grants to cover the cost.

This week President Eisenhower told eight governors that his advisers are working on a new program. The trouble is that the governors left a White House meeting in complete confusion as to what the program would be, and who would pay for it.

Governor Knight, of California, understood that when a State exhausted its insurance reserves, the Government would grant it more money from the Federal administrative fund. But an administration official said

later that the Government would offer loans, not grants. He said the States could repay the loans as their reserve funds were rebuilt in better times, or even increase the employers' tax.

If the slump is to be of short duration, the States probably could repay the Federal loans without a tax increase. A tax increase makes no sense in a recession, when taxes should, if anything, be reduced. If the slump should last longer than now anticipated, however, the Government would have to reconsider the whole idea of repayment by the States.

Right now Congress is marking time, waiting for an administration proposal, and holding the Kennedy bill in case the administration delays. But at this moment of confusion, one thing is surely plain: Rising unemployment and declining purchasing power cannot be permitted to continue without a better unemployment insurance program.

ADJOURNMENT TO MONDAY

Mr. KENNEDY. Mr. President, in accordance with the order previously entered, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 55 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, March 31, 1958, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate March 27, 1958:

DEPARTMENT OF THE TREASURY

Ray M. Gidney, of Ohio, to be Comptroller of the Currency.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 27, 1958

The House met at 12 o'clock noon.

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

Job 28: 28: *And unto man God said, Behold the fear of the Lord, that is wisdom; and to depart from evil is understanding.*

Almighty God, may all the thoughts of our minds and the meditations of our hearts always be guided by the counsels of Thy Holy Word.

We earnestly beseech Thee to bestow upon us the wisdom which fears the Lord and the understanding which departs from evil.

Grant that our lives may be radiant with a sense of Thy presence, grateful with an appreciation of Thy providence, and joyous with an assurance of Thy love.

Inspire us with an intense desire to hasten the dawning of that better day when there shall be a new birth of Thy gracious spirit in the soul of mankind, transforming evil into goodness, hatred into love, and selfishness into service.

In Christ's name we offer our prayer. Amen.

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

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1959

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday to file a privileged report on the Department of Agriculture, Farm Credit Administration appropriation bill, fiscal year 1959.

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

There was no objection.

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

SUBCOMMITTEE ON IRRIGATION AND RECLAMATION OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs may have permission to sit during general debate this afternoon.

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

There was no objection.

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, as we attempt to juggle the economy at home and to alleviate—even abolish—want at home and throughout the world, might we not do well to ponder a simple truth, pointed up very well by Kenneth W. Follitt in Christian Economics back in 1955?

There are certain truths which are true no matter how much the world may question, or deny them.

In the economic realm for instance, you cannot legislate the poor into freedom by legislating the wealthy out of it. You cannot multiply wealth by dividing it. Governments cannot give to people what they do not first take away from people. And that which one man receives without working for, another man must work for without receiving it. And nothing can kill the initiative of a people quicker than for half of them to get the idea that they need not work because the other half will feed them, and for the other half to get the idea that it does no good to work since someone else receives the rewards of their labors. Closing one's eyes to these facts will not change them one iota.

Federal aids at best are incidental. Our intention should be to build confidence, not tear it down by strictly politically inspired scare forecaster. Further, Federal aid can hurt not help by further Government spending, which will imbalance the budget, cause deficit financing, and further inflate the currency. Real tax cuts are needed, for cuts that are based on reduced Federal spending, not more, so that our Nation lives within its income. Finally, we can talk ourselves into economic trouble if we are irresponsible.

SENIOR BAND OF THE LYNN, MASS., PUBLIC HIGH SCHOOLS

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, I am proud of the championship senior band of the Lynn, Mass., public high schools, which comes from the district that I have the honor to represent. It has been designated by Gov. Foster Furcolo to be the Massachusetts band at the Cherry Blossom Festival.

In a letter to Band Director Matthew G. Mazur, Governor Furcolo sent his best wishes for the band's success. The group will play with other bands from all the States on Saturday at the Jefferson Memorial. After that, it will march in the festival parade.

We know that it will make an excellent impression because it is a colorful and well-drilled group of young musicians. They are sure to win honor and prestige for our Commonwealth.

The people of Lynn are almost as enthusiastic about the school band as the youngsters themselves.

This will be a wonderful event in the lives of the youngsters that will more than repay them for the long hours they have practiced to become the best high-school band in Massachusetts.

This will also be an educational experience for the deserving youngsters and they will be conducted on a tour of the Capital and its historic buildings and monuments that will inspire them with pride in the traditions and the accomplishments of our Nation.

It was my pleasure to greet them today here at the Capitol, and to see the starlight in their eyes as they enjoy this great adventure.

For they and other youngsters like them are the ones who will build the greater America of tomorrow.

Congratulations to all the members of the Lynn public high schools band for their skill and their spirit.

ADJOURNMENT FROM APRIL 3 TO APRIL 14, 1958

Mr. McCORMACK. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 303) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

That when the two Houses adjourn on Thursday, April 3, 1958, they stand adjourned until 12 o'clock meridian, Monday, April 14, 1958.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.