be of great disservice to relations between our two nations. And, may I say too, the same is true of Mexico and our source of shrimp—where I believe even without a change in the territorial limit we have been a market for 95 percent of Mexico's shrimp production. Adoption of the Canadian 12-mile proposal could do great harm to all three nations and I am frank to say such a compromise invites economic reprisals as I shall outline.

Of course, it sounds inviting to our neighbors that they might obtain exclusive fishing rights by such an international convention, but I am certain our Senate would never ratify any such treaty and then the trouble would begin, if not before.

Meanwhile, our State Department has informed the United States fishing industry it agrees fully with its claim of historic rights, but says in consideration of security it has had to instruct our representatives in Geneva to support the Canadian proposal. So our Government is officially aiding and abetting our neighbor on the north in a shameful and unlawful scheme. In thus bartering away these fishing rights, and buying status quo for other purposes, as a nation, we not only dishonor the obligation of the administration's political platform but also set an alltime low in our foreign relations. The glorious episodes of the past are forgotten as, for example, when a young nation refused to pay tribute to the Barbary pirates. Now, figuratively speaking, we are offering 20 pieces of silver in the form of fishing rights and the Judas is our own State Department. Fishery problems should be resolved between themselves by the nations involved. If the Geneva agreement goes against us, sooner or later that is the only way it can be finally solved.

Until that decision is made and the news reaches us, let those of us in Congress, who have not forgotten the moral obligation to our fishermen and fishing industry serve notice that we will stand firmly by our pledge or for what is right. May I say, Mr. Speaker, that I have been studying legislation which as a separate bill or an amendment to the Reciprocal Trade Act would establish an absolute embargo on the fish and seafood of any nation which acquires through the conference on the law of the sea exclusive fishing rights in zones which heretofore have been open to our fishermen on an equal basis.

Adoption of such a law would be in conformity with long established local domestic laws against receiving stolen property, such as those zones would yield. Legislation of that kind unfortunately is the only answer I can conceive of at this moment to deter the international thievery which is in prospect for us from the Geneva Conference.

In conclusion, let me add that I greatly regret the necessity of speaking out against my own administration. It is the first time I have felt compelled to do so in more than 5 years.

SENATE

MONDAY, MARCH 31, 1958

Dr. Norman Parr, minister, Chagrin Falls Methodist Church, Chagrin Falls, Ohio, offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Senate and House of Representatives in Congress assembled, that Thou wouldst be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the good of Thy church, the safety, honor, and welfare of Thy people; that all things may be so ordered and settled by their endeavors that truth and justice, religion and piety may be established among us for all generations. These and all other necessaries, for them, for us, and for Thy whole church, we humbly beg in the name and mediation of Jesus Christ, our most blessed Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, March 27, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on March 28, 1958, the President had approved and signed the following acts:

S. 147. An act for the relief of Guido William Grambergs;

S. 161. An act for the relief of Elias Youssef Mikhael (Ellis Joseph Michael);

S. 235. An act to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service;

S. 285. An act for the relief of Paul Gustin;

S. 1249. An act for the relief of Martha A. Calvert;

S. 1287. An act for the relief of Heinz August Schwarz;

S. 1331. An act for the relief of John P. Souvaldzis;

S. 1359. An act for the relief of Franz Hehn;

S. 1403. An act for the relief of Michael James Bolger;

S. 1519. An act for the relief of Isaac Lidji, Henry Isaac Lidji, and Sylvio Isaac Gattegno;

S. 1543. An act for the relief of Dorene I. Fast;

S. 1600. An act for the relief of the C-L Electric Co.;

S. 1984. An act to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Smithsonian Institution to house certain art collections of the Smithsonian Institution; and

S. 2042. An act to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war housing project Alaska-50083, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the following concurrent resolutions:

S. Con. Res. 64. Concurrent resolution accepting the statue of Maria Sanford, presented by the State of Minnesota, to be placed in Statuary Hall; and

S. Con. Res. 65. Concurrent resolution to place temporarily in the rotunda of the Capitol a statue of Maria Sanford, and to hold ceremonies on such occasion.

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. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9821) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FALLON, Mr. BLATNIK, Mr. JONES of Alabama, Mr. MCGREGOR, and Mr. GEORGE were appointed managers on the part of the House at the conference.

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

H. R. 11574. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes; and

H. R. 11645. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1959, and for other purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

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

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of calendar, under the rule, be dispensed with.

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

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I should like to announce that, in addition to the program for today, as published in the Record for last Thursday, the Senate will also consider Calendar 1429, Senate bill 3087, to provide for

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

the establishment of Fort Clatsop National Memorial in the State of Oregon.

Mr. President, when the conference report on the rivers and harbors bill comes to the Senate today, it is the intention of the acting majority leader to ask that the yeas and nays be ordered on the question of agreeing to the report.

It is also the intention of the acting majority leader to have the Senate proceed, tomorrow, to the consideration of the Fulbright communities facilities bill. With the cooperation of the distinguished minority leader, I hope we shall be able to agree upon a reasonable time for the Senate to convene tomorrow morning, and that it will be possible for the Senate to meet late tomorrow afternoon and evening, in order to give consideration to that bill before the Easter recess is taken.

Mr. KNOWLAND. Mr. President, I have no objection to having the session tomorrow begin at noon. I would have to object to having the session tomorrow begin at an earlier hour, because the Republican leadership is to meet at the White House tomorrow morning.

ORDER FOR RECESS UNTIL TOMORROW AT NOON

Mr. MANSFIELD. Mr. President, on the basis of the statement just made by the distinguished minority leader, I ask unanimous consent that when the Senate concludes its business for today, it stand in recess until tomorrow at noon.

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

Mr. MANSFIELD. Mr. President, I should like to notify the Senate that the session tomorrow will continue until 10 p. m., 11 p. m., or perhaps later, in an effort to obtain final action on the communities facilities bill, to be reported by the Banking and Currency Committee.

The VICE PRESIDENT. Morning business is in order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON CONSERVATION RESERVE PROGRAM OF THE SOIL BANK

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report on the conservation reserve program of the Soil Bank, for 1957 (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON RECONSTRUCTION FINANCE CORPORATION LIQUIDATION FUND

A letter from the Administrator, Small Business Administration, Washington, D. C., transmitting, pursuant to law, a report on the Reconstruction Finance Corporation liquidation funds, as of September 30, 1957 (with an accompanying report); to the Committee on Banking and Currency.

IMPROVEMENT AND MAINTENANCE OF FEDERAL AIRWAY SYSTEM

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide revenue for the administration, operation, improvement and maintenance of the Federal airway system (with accompanying papers); to the Committee on Finance.

REPORT ON UNITED STATES CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

A letter from the Secretary of State, transmitting, pursuant to law, a report on the extent and disposition of United States contributions to international organizations (with an accompanying report); to the Committee on Foreign Relations.

REPORT PRIOR TO RESTORATION OF BALANCES, TREASURY DEPARTMENT

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report of the Bureau of Accounts, covering restoration of balances withdrawn from appropriation and fund accounts under the control of the Treasury Department, dated March 18, 1958 (with an accompanying report); to the Committee on Government Operations.

SELECTION OF SUPERINTENDENTS OF NATIONAL CEMETERIES

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to repeal the act of March 24, 1948, which establishes special requirements governing the selection of superintendents of national cemeteries (with an accompanying paper); to the Committee on Interior and Insular Affairs.

ADJUSTMENT OF CERTAIN CHARGES EXISTING AS DEBTS AGAINST INDIVIDUAL INDIANS OR TRIBES OF INDIANS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, an order to adjust and eliminate reimbursable charges of the Government existing as debts against individual Indians or tribes of Indians, together with recommendations of the Commissioner of Indian Affairs concerning these debts (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF GIRL SCOUTS OF AMERICA

A letter from the president and national executive director, Girl Scouts of the United States of America, New York, N. Y., transmitting, pursuant to law, a report of that organization, for the fiscal year ended September 30, 1957 (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A resolution of the Senate of the Commonwealth of Kentucky; to the Committee on Interstate and Foreign Commerce:

"Senate Resolution 73

"A concurrent resolution memorializing the Congress of the United States to refrain from placing toll or restriction upon the use of waterways

"Whereas the suggestion has been made whereby the water transportation industry of the United States of America will be restricted and forbidden by Federal tolls and controls; and

"Whereas in the judgment of the Commonwealth of Kentucky any restriction or waterway toll would be detrimental to the economic development and progress of the United States: Now, therefore, be it

"*Resolved by the Senate of the Commonwealth of Kentucky (the House of Representatives concurring therein)*,

"SECTION 1. That the Congress of the United States refrain from any restriction or toll on the free use of the waterways of the United States and leave same free for unimpeded development and use.

"SEC. 2. That a copy of this resolution be mailed by the clerk of the senate to all Kentucky's representatives in the Congress of the United States."

A concurrent resolution of the Legislature of the State of South Carolina, favoring the enactment of legislation to cancel all income taxes for a period of from 3 to 4 months of the next tax year; to the Committee on Finance.

(See the above concurrent resolution printed in full when presented by Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND), which appears under a separate heading.)

A concurrent resolution of the Legislature of the State of South Carolina, favoring the setting aside of the week of March 31 to April 5 as that time when all citizens will be urged to purchase their needs in order to restore the confidence of the American public in their economic stability; to the Committee on the Judiciary.

(See the above concurrent resolution printed in full when presented by Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND), which appears under a separate heading.)

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Interior and Insular Affairs:

"Resolutions memorializing the Congress of the United States to enact legislation to expand the use of artificial irrigation

"Whereas in the words of His Excellency, the Governor, in his annual message: 'The recent experience of our farmers has highlighted the importance of encouraging the broad use of artificial irrigation. Assistance to Massachusetts farmers for irrigation purposes is made available by the Federal Government in limited amounts'; and

"Whereas such a program should be expanded to include more assistance to more farmers: Therefore be it

"*Resolved*, That the General Court of the Commonwealth of Massachusetts hereby memorializes the Congress of the United States to expand this program, particularly to marginal farmers; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the Presiding Officer of each branch of Congress and to the Members thereof from this Commonwealth."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution 4, relative to the location of a sea-water conversion plant in Southern California

"Whereas Senator CLINTON P. ANDERSON, of New Mexico, has recently made a request in Congress for an appropriation of $10 million for the construction of a full-scale demonstration plant for the production from sea water of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses through the utilization of the ionic-membrane process or one of the three most promising saline-water conversion processes currently under study in the Department of the Interior; and

"Whereas the county of Los Angeles has transmitted to Senator ANDERSON a request that southern California be chosen as the site of the proposed demonstration plant; and

"Whereas southern California is probably the most logical place in the country for the location of such a plant in view of its coastal location and its urgent need for water to supplement its supply from other sources: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take the necessary steps to make southern California

the site of the proposed $10 million sea-water conversion test plant; and be it further

"*Resolved,* That the secretary of the senate be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; ordered to lie on the table:

"Senate Joint Resolution 10, relative to Federal accounting practices

"Whereas under the present Federal accounting system, agencies receiving lump sum appropriations for projects running over a period of years are not required to report on the cost of the programs or their progress from year to year; and

"Whereas this antiquated procedure results in an enormous waste of money to the taxpayers annually; and

"Whereas the Hoover Commission, which estimates such carryover funds at $70 billion, almost a year's total budget, has recommended that Federal budgeting be placed on an annual accrued expenditures basis to stop this wasteful practice; and

"Whereas the proposal, as embodied in H. R. 8002, would provide for Congress to retain control over such expenditures by appropriating them on a yearly basis and checking them by yearly review; and

"Whereas in the last session of Congress this bill was passed by the Senate unanimously, and was one of the chief recommendations in President Eisenhower's recent budget message: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly),* That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact into law H. R. 8002 placing Federal budgeting on an annual accrued expenditures basis; and be it further

"*Resolved,* That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution adopted by the Board of Supervisors of Van Buren County, Mich., favoring the enactment of legislation to provide funds for the acceleration of highway construction; to the Committee on Appropriations.

A resolution adopted by the Public Service Commission of Delaware, relating to the activities of the General Services Administration; to the Committee on Appropriations.

A resolution adopted by the Orange County Associated Chambers of Commerce, Huntington Beach, Calif., favoring the enactment of House bill 3260, relating to increased benefits for dependents of retired career servicemen; to the Committee on Armed Services.

A resolution adopted by the Harbor District Chambers of Commerce, Los Angeles County, Calif., favoring the repeal of telephone and transportation excise taxes; to the Committee on Finance.

A letter from the Assistant Secretary of State, transmitting, for the information of the Senate, a translation of a note received by the American Embassy, at Cairo, from the Ministry of Foreign Affairs of Egypt, concerning a resolution adopted by the Egyptian National Assembly relating to the recent French bombing of a Tunisian village (with an accompanying paper); to the Committee on Foreign Relations.

A letter, in the nature of a petition, from Frank Ace, president, Lindsey Building Corp., Yonkers, N. Y., relating to the cost of operating trucks, and high taxes; to the Committee on Labor and Public Welfare.

A resolution adopted by the Woman's Club, of Hollywood, Calif., relating to the mailing of obscene literature; to the Committee on Post Office and Civil Service.

A resolution adopted by the board of directors of the Orange County (Calif.) Chamber of Commerce, favoring the recognition of Orange County as a metropolitan area by the Federal Government; to the Committee on Post Office and Civil Service.

A resolution adopted by the Alaska Statehood Committee, at Juneau, Alaska, favoring the enactment of legislation to provide statehood for Alaska; ordered to lie on the table.

The memorial of George Washington Williams, of Baltimore, Md., remonstrating against the adoption of the billboard provision of the Federal highway construction bill; ordered to lie on the table.

NATIONAL MILK SANITATION ACT—MOTION

Mr. HUMPHREY. Mr. President, the Dodge County Farm Bureau Dairy Committee of Dodge Center, Minn., recently adopted a motion urging support and passage of a National Milk Sanitation Act.

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

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

DODGE COUNTY FARM BUREAU,
Dodge Center, Minn., March 25, 1958.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR MR. HUMPHREY: Our farm bureau dairy committee met Wednesday, March 19. We passed a motion that we urge support and passage of a National Milk Sanitation Act which will set up Federal grades for milk that will allow milk, meeting Federal standards, to move interstate.

DODGE COUNTY DAIRY COMMITTEE.

RESOLUTION OF LANESBORO, MINN., FARMERS UNION LOCAL AND ACOMA LYNN FARMERS LOCAL UNION

Mr. HUMPHREY. Mr. President, I have recently received a resolution from the Lanesboro Farmers Union local urging Congress to restore farm prices to a full parity level. An identical resolution was sent to me by the Acoma Lynn Farmers Union local, as well as the Red Wing Farmers Union local.

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

Whereas agriculture is a major industry in this community and in Minnesota; and

Whereas the lowering of farm supports on dairy products, wheat, corn, and the feed grains would create increased hardship in our area; and

Whereas price protection is needed on livestock and poultry because these products make up a large percentage of the cash farm income of this community; and

Whereas the community is losing millions of dollars in income and purchasing power each year, because farmers are not receiving prices which give them a return equal to the cost of production and living; and

Whereas the farm credit situation is serious and capital is lacking both to finance 1958 operations and to make the needed repairs and replacements on the farm; and

Whereas the lack of farm buying power is holding back a large volume of purchases, repairs, and investment in new buildings and machinery, which contribute in turn to a drop in business activity and employment in the city: Now, therefore, be it

Resolved, That we, the Lanesboro Farmers Union members, urge the Congress to take into consideration that the best and most direct method of forestalling the growing business recession and aiding small business in our community, would be to take immediate steps to restore farm prices to a full parity level; and be it further

Resolved, That the Congress be urged to oppose the recommendations for still lower farm-price support levels, and instead to approve measures which will restore farm prices to a higher level at which the sale of farm products will give farmers a fair purchasing power; and be it finally

Resolved, That copies of this resolution be sent to our Members of the House and Senate in the Congress and to other interested officials.

AID FOR PUBLIC-WORKS PROGRAM—RESOLUTION

Mr. HUMPHREY. Mr. President, the United Steelworkers Local Union, No. 4191, recently adopted a resolution urging Congress to appropriate funds and aid for public-works programs to relieve the serious unemployment situation in northern Minnesota.

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:

Whereas a serious unemployment situation exists in iron-ore mines of northern Minnesota, with hundreds of iron-ore miners unemployed and many more to be laid off as time goes on; and

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

Resolved, That the United Steelworkers of America, Local Union, No. 4191, requests the Congress of the United States of America to appropriate Federal funds and aid for a public-works program in the above-named area affected by this serious unstable unemployment situation and relieve the undue hardships of these unemployed miners and their families; and to effectuate the securing of the same, copies of this resolution are being sent to the Honorable Congressman JOHN BLATNIK, Eighth District, Honorable Senator HUBERT HUMPHREY, and Honorable Senator EDWARD THYE, of Minnesota.

RESOLUTION OF VILLAGE COUNCIL OF BUHL, MINN.

Mr. HUMPHREY. Mr. President, the Village Council of Buhl, Minn., has recently adopted a resolution urging the appropriation of Federal funds and aid for a public-works program in Mesabi Iron Range area to help combat the serious unemployment situation there.

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:

Whereas a serious unemployment and unstable economic situation exists in our immediate area and the Mesabi 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 it

Resolved, That the Village Council of the Village of Buhl, Minn., request 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 to be sent to Hon. JOHN A. BLATNIK, Congressman from our district, Hon. HUBERT HUMPHREY, and Hon. EDWARD THYE, United States Senators from Minnesota.

RESOLUTION OF BOARD OF COMMISSIONERS, HENNEPIN COUNTY, MINN.

Mr. HUMPHREY. Mr. President, the Board of County Commissioners, Hennepin County, Minn., recently adopted a resolution urging passage of S. 2362 and H. R. 6849 to exempt conveyances of real property by or to a State or local political subdivision from the documentary stamp tax by the Congress of the United States.

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

Whereas the commissioner of highways of the State of Minnesota has advised this board of House Resolution 6849 and Senate Resolution 2362 now pending in the Congress of tne United States to exempt States and political subdivisions thereof from the requirement of affixing Federal documentary stamp tax on deeds of conveyance to them; and

Whereas the Department of Highways of the State of Minnesota through its commissioner has directed letters to all Members of the House and Senate in Congress urging their support of said House and Senate resolutions; and

Whereas this board believes it to be for the best interest of the State of Minnesota and the county of Hennepin that House Resolution 6849 and Senate Resolution 2362 be passed: Now, therefore, be it

Resolved, That this board urge the adoption of House Resolution 6849 and Senate Resolution 2362 and urge the House and Senate delegation from this State to work for passage of such legislation; be it further

Resolved, That the clerk of this board be directed to send a copy of this resolution to each of the Members of the House and the Senate in the Congress of the United States and to the commissioner of highways of the State of Minnesota.

RESOLUTION OF BOARD OF EDUCATION OF INDEPENDENT SCHOOL DISTRICT 49, ELKTON, MINN.

Mr. HUMPHREY. Mr. President, the Board of Education of Independent School District 494, Mower County, Elkton, Minn., adopted a resolution suggesting three additions to the present proposed plans for the Federal Interstate Route No. 391 through Mower County.

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

Be it resolved, That the Department of Highways of the State of Minnesota in the planning and construction of Federal Interstate Route No. 391 through Mower County, Minn., do the following in addition to the present proposed plans:

1. Put a bridge across said Route 391 at the point where this proposed route would cross present U. S. No. 16 approximately 9 miles east of Austin, for the reason that the Elkton School District uses this route to transport students to and from school and without this bridge school vehicles will have to retrace and backtrack on their routes a great deal.

2. Leave present U. S. No. 16 open from the point 2½ miles north of Elkton to the intersection with C. S. A. R. No. 13, for the reason that many of the residents of our district are reached most readily by traveling along this route and closing it will mean much inconvenience in movement of our school buses as well as for the patrons of our district.

CONSTRUCTION OF POST OFFICE AT CLARA CITY, MINN.—LETTER

Mr. HUMPHREY. Mr. President, the directors of American Legion Post 485 of Clara City, Minn., have recently written to me and informed me of their support for the construction of a new post office in Clara City.

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

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

THE AMERICAN LEGION,
CLARA CITY POST 485,
Clara City, Minn., March 25, 1958.

DEAR SIR: We hereby request your attention to a subject which recently was brought before the directors of American Legion Post 485 of Clara City, Minn.

This subject concerns the building of a new post office in Clara City. It was stated that Clara City is in need of a new post office building to handle the increased volume of mail which is being taken care of here. It was also stated that Federal funds would be available to finance the construction of a new post office in Clara City. Local village officials are prepared to give their support to the building of a new post office here.

Understanding that these Federal funds are available we would like to know the process or steps which would have to be taken in order to acquire these funds.

It therefore was decided to send a communication to you to state that the local American Legion post is in favor of a new post office building for Clara City and to request your assistance in furthering this project to a successful conclusion.

Yours truly,

S. H. COLEMAN,
Commander.
HERMAN WARRINGS,
Adjutant.

RESOLUTIONS OF CO-OP SERVICE, INC., NEW YORK MILLS, MINN.

Mr. HUMPHREY. Mr. President, at their annual meeting on March 24, 1958, the Co-Op Services, Inc., of New York Mills, Minn., adopted three resolutions concerning increased postal rates, the depressed economic conditions, and continued favorable financing for REA.

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

There being no objection, the resolutions were ordered to lie on the table, and to be printed in the RECORD, as follows:

NEW YORK MILLS, MINN., *March 24, 1958.*
HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

Hon. Mr. HUMPHREY: At the annual meeting of Co-Op Services, Inc., held March 24, 1958, representing approximately 1,500 people, the following resolution was passed:

"Whereas there has been a proposal to raise first-class mail to 5 cents and probably the deficit in the Post Office Department has been due to low rates on second- and third-class, or so-called junk mail: Therefore be it:

"*Resolved*, That this meeting go on record to favor first-class mail as it is and raise the rates on second- and third-class to offset the deficit."

VERNER A. ANDERSON,
Secretary, Co-Op Services, Inc.

NEW YORK MILLS, MINN., *March 24, 1958.*
Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

Hon. Mr. HUMPHREY: The following resolution was passed at the annual meeting of Co-Op Services, Inc., which was held March 24, 1958, representing approximately 1,500 persons.

"Whereas people everywhere are depressed under present economic conditions; and

"Whereas taxes are sky high due mostly to unnecessary defense spending from which the common people get little benefit; and

"Whereas our shaky economy is being propped up with borrowed money in the form of mortgages, installment buying, and loans with high interest: Therefore be it

"*Resolved*, That drastic measures must be taken: measures such as the Brannan plan with 100 percent parity to the family-type farmer; stamp plans for unemployed to utilize surplus farm commodities; and other programs to increase employment and consuming power of people, and reduction of so-called foolish defense spending on duplicate satellite and missile programs.

VERNER A. ANDERSON,
Secretary, Co-Op Services, Inc.

NEW YORK MILLS, MINN., *March 24, 1958.*
HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

Hon. Mr. HUMPHREY: Whereas this administration is attempting to replace Federal loans to REA by having REA look to private capital for finance, who may be unsympathetic toward cooperatives: Be it

Resolved, That the membership of Co-Op Services, Inc., representing approximately 1,500 persons, at this 47th annual meeting, go on record as favoring the financial policies which have been practical during the past 20 years of REA.

VERNER A. ANDERSON,
Secretary, Co-Op Services, Inc.

TELEGRAM FROM MICHIGAN STATE ADMINISTRATIVE BOARD

Mr. McNAMARA. Mr. President, on March 27, all the members of the Michigan State Administrative Board, headed by Gov. G. Mennen Williams, sent a telegram to the President urging him to approve Senate Joint Resolution 162, stabilizing farm-price supports.

I am hopeful that the President will recognize the great need of the farmers and of the entire economy and sign this measure.

I ask unanimous consent that the text of this telegram—which reflects the official position of the State Administrative Board of Michigan, be printed in the body of the RECORD.

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

LANSING, MICH., *March 27, 1958.*

Hon. DWIGHT D. EISENHOWER,
President of the United States,
The White House, Washington, D. C.:

The members of the Michigan State Administrative Board urge your approval of Senate Joint Resolution 162, which stabilizes farm price supports at present levels.

The Michigan farmer can little longer make his traditional contribution to our economy and society, if the last 5 years of price-cost squeeze permitted under Secretary Benson's policies, topped off by his recent action against our dariy farmers, is permitted to continue. While we look forward to programs of even greater equity to our family farmers and consumers, we feel that Senate Joint Resolution 162 is essential to keep our agricultural community, our third largest industry, from suffering still further reverses. We therefore respectfully request your approval of this bill.

Michigan State Administrative Board, Gov. G. Mennen Williams, Chairman; Lt. Gov. Philip A. Hart; Secretary of State James M. Hare; Attorney General Paul L. Adams; State Treasurer Sandford A. Brown; Auditor General Frank S. Szymanski; Superintendent of Public Instruction Lynn M. Bartlett; Highway Commissioner John C. Mackie.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Banking and Currency, with amendments:

S. 3497. A bill to expand the public facility loan program of the Community Facilities Administration of the Housing and Home Finance Agency, and for other purposes (Rept. No. 1431).

REPORT ENTITLED "PATENTS, TRADEMARKS, AND COPYRIGHTS" — INDIVIDUAL VIEWS (S. REPT. NO. 1430)

Mr. O'MAHONEY. Mr. President, from the Committee on the Judiciary, pursuant to Senate Resolution 55, as extended, I submit a report entitled "Patents, Trademarks, and Copyrights," 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 VICE PRESIDENT. The report will be received and printed as requested by the Senator from Wyoming.

BILLS INTRODUCED

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

By Mr. MURRAY:

S. 3573. A bill to amend the public assistance provisions of the Social Security Act to include Guam as a State to which Federal assistance may be extended thereunder; to the Committee on Finance.

By Mr. SMITH of New Jersey:

S. 3574. A bill for the relief of Stamatis Zeris; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3575. A bill for the relief of Mrs. Ern-Gret Birkholz Seim; to the Committee on the Judiciary.

S. 3576. A bill to amend the Federal Water Pollution Control Act to increase one of the limitations on grants for construction from $250,000 to $500,000, and for other purposes; to the Committee on Public Works.

By Mr. HILL (for himself and Mr. SCOTT):

S. 3577. A bill to authorize the Secretary of Agriculture to provide varied commodities to schools and institutions and for needy persons and families out of funds appropriated for diversion of surplus agricultural commodities; to the Committee on Agriculture ond Forestry.

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

By Mr. MANSFIELD:

S. 3578. A bill to prohibit the withholding or impoundment of appropriations; to the Committee on Government Operations.

By Mr. THYE:

S. 3579. A bill for the relief of Milka Jurisich; to the Committee on the Judiciary.

S. 3580. A bill to provide for a preliminary examination and survey of West Two Rivers between Tower, Minn., and Lake Vermilion, for purpose of determining the advisability and cost of improving such river between such junctions for navigation; to the Committee on Public Works.

By Mr. ANDERSON:

S. 3581. A bill to authorize the further extension of certain noncompetitive oil or gas leases issued under the Mineral Leasing Act of February 25, 1920, as amended; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY (for himself, Mr. MURRAY, Mr. NEUBERGER, Mr. PROXMIRE, and Mr. JACKSON):

S. 3582. A bill to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas; to the Committee on Labor and Public Welfare.

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

CONCURRENT RESOLUTIONS

Mr. ANDERSON submitted a concurrent resolution (S. Con. Res. 75) relative to the reenrollment of S. 2120, to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division, which was considered and agreed to.

(See the above concurrent resolution when submitted by Mr. ANDERSON which appears under a separate heading.)

Mr. HUMPHREY (for himself, Mr. MURRAY, Mr. NEUBERGER, and Mr. PROXMIRE) submitted a concurrent resolution (S. Con. Res. 76) requesting the President to initiate comprehensive long-range plans for the acceleration of the natural-resources programs of existing Government agencies, which was referred to the Committee on Interior and Insular Affairs.

(See the above concurrent resolution printed in full when submitted by Mr. HUMPHREY, which appears under a separate heading.)

EXTENSION OF GREETINGS TO FEDERAL LEGISLATURE OF THE WEST INDIES

Mr. AIKEN submitted the following concurrent resolution (S. Con. Res. 77), which was referred to the Committee on Foreign Relations:

Whereas it is the policy of the Government of the United States to favor the orderly evolution of peoples and nations to self-determination throughout the world; and

Whereas the people of the United States support the concept that other peoples should have an opportunity freely to choose their own destiny under circumstances which will enable them to assume and maintain an equal station among the nations of the world; and

Whereas the West Indies is comprised of those islands of Jamaica, Barbados, Trinidad and Tobago, Grenada, Dominica, St. Vincent, St. Lucia, Antigua, Barbuda, St. Christopher, Nevis and Anquilla, and Montserrat, having an area of more than 8,000 square miles and a population of over 3 million; and

Whereas the United Kingdom by order in Council, July 31, 1957, provided for the establishment of the West Indies (Federation); and

Whereas the Federal Legislature of the West Indies will be officially convened for the first time at Port of Spain, Trinidad, the West Indies, on April 22, 1958: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States extends its most cordial greetings to the Federal Legislature of the West Indies on this historic occasion, and expresses the earnest hope that the Federal Legislature and the people of the West Indies will enjoy continuing success in their new status, and reaffirms the friendship of the United States for the people of the West Indies.

AMENDMENT OF RULE RELATING TO STANDING COMMITTEES

Mr. MARTIN of Iowa submitted the following resolution (S. Res. 284), which was referred to the Committee on Rules and Administration:

Resolved, That rule XXV of the Standing Rules of the Senate (relating to standing committees) is amended by—

(1) striking out subparagraphs 10 through 13 in paragraph (h) of section (1);

(2) striking out subparagraphs 16 through 19 in paragraph (l) of section (1); and

(3) inserting in section (1) after paragraph (o) the following new paragraph:

"(p) Committee on Veterans' Affairs, to consist of nine Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Veterans' measures, generally.

"2. Pensions of all wars of the United States, general and special.

"3. Life insurance issued by the Government on account of service in the Armed Forces.

"4. Compenstion of veterans.

"5. Vocational rehabilitation and education of veterans.

"6. Veterans' hospitals, medical care, and treatment of veterans.

"7. Soldiers' and sailors' civil relief.

"8. Readjustment of servicemen to civil life."

SEC. 2. Effective for the remainder of the 85th Congress, section (4) of the Standing Rules of the Senate is amended to read as follows:

"(4) (a) Each Senator shall serve on 2 standing committees and no more; except that not to exceed 21 Senators of the majority party, and not to exceed 9 Senators of the minority party, who are members of the Committee on the District of Columbia, the Committee on Government Operations, the Committee on Post Office and Civil Service, or the Committee on Veterans' Affairs may serve on three standing committees and no more.

"(b) In the event that during the 85th Congress members of one party in the Senate are replaced by members of the other party, the 30 third-committee assignments shall in such event be distributed in accordance with the following table:

"Senate seats

Majority	Minority
48	48
49	47
50	46
51	45

3d-committee assignments

Majority	Minority
23	7
21	9
19	11
17	13".

SEC. 3. Effective at the beginning of the 86th Congress, section (4) of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(4) Each Senator shall serve on 2 standing committees and no more, except that not to exceed 19 Senators of the majority party, and no to exceed 7 Senators of the minority party, who are members of the Committee on the District of Columbia, the Committee on Government Operations, the Committee on Post Office and Civil Service, or the Committee on Veterans' Affairs may serve on 3 standing committees and no more."

SEC. 4. The Committee on Veterans' Affairs is authorized and directed as promptly as feasible after its appointment and organization to confer with the Committee on Finance and the Committee on Labor and Public Welfare for the purpose of determining what disposition should be made of proposed legislation, messages, petitions, memorials, and other matters theretofore referred to the Committee on Finance and the Committee on Labor and Public Welfare during the 85th Congress which are within the jurisdiction of the Committee on Veterans' Affairs.

AMENDMENT OF FEDERAL WATER POLLUTION CONTROL ACT

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal Water Pollution Control Act to increase one of the limitations on grants for construction from $250,000 to $500,000.

This is a companion of H. R. 11714, which was introduced last Thursday, March 27, by Representative BLATNIK, of Minnesota. I hope the introduction of this bill in the Senate today will expedite action.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3576) to amend the Federal Water Pollution Control Act to increase one of the limitations on grants for construction from $250,000 to $500,000, and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Public Works.

AID TO FARMERS AND NEEDY PERSONS

Mr. HILL. Mr. President, on behalf of myself, and the Senator from North Carolina [Mr. SCOTT], I introduce, for appropriate reference, a bill to aid both the farmers and the rapidly increasing number of needy persons.

The bill proposes to amend section 32 of the Customs or Tariff Act of 1935 which made a permanent allocation of 30 percent of customs receipts to the Department of Agriculture for removal of surplus agricultural commodities.

Since 1935, the section has been amended to permit distribution of surplus commodities to the school lunch program, to welfare institutions and to needy persons and families. Distribution to needy persons is made on the request of State governors through agencies designated by them. Another amendment has provided that any sums in the fund on June 30 of any year in excess of $300 million shall revert to the Treasury.

The amendment which the Senator from North Carolina and I are offering provides for two things:

First. It suspends the provision for funds to revert to the Treasury.

Second. It authorizes the Secretary to use funds in excess of any amounts now needed to remove surplus agricultural commodities for the purpose of buying other commodities which are in adequate supply to round out the diets of needy persons.

Two major reasons impel the Senator from North Carolina and me to introduce this proposed legislation.

First. The present Secretary of Agriculture is not taking advantage of his authority under section 32 with any degree of liberality on behalf of farmers, whose prices are depressed due to surpluses, or needy citizens who are without enough food for themselves and their families.

Second. It is already clear that, even if we extend the period of providing unemployment compensation, hundreds of thousands of unemployed will have their benefits exhausted before the economy can reabsorb them, and the food normally made available by the Department of Agriculture for the needy is inadequate in quantity and variety.

Mr. President, I would like to elaborate on these points briefly.

During agricultural appropriations hearings we have learned that the Department of Agriculture has had $514 million available under section 32 during the current fiscal year. Although we have large surplus stocks, although the numbers of needy have increased alarmingly, and although farm prices have remained around 81 to 82 percent of parity, the Secretary of Agriculture has spent or expects to obligate only $143 million for direct purchases, export payments and diversion payments to reduce available supplies of commodities.

The Department's budget estimates show that, despite the farm depression and despite the fact that more than 5 million workers are unemployed, the Secretary expects to have an unexpended balance of more than $364 million of section 32 funds on June 30 of this year.

I ask unanimous consent that the Department's statement of section 32 funds available and spent in fiscal year 1957, its estimates for the current fiscal year, and its budget of these funds for fiscal 1959, be printed at this point in the RECORD.

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

Project statement

Project	1957	1958 (estimated)	Increase or decrease	1959 (estimated)
1. Commodity program payments:				
(a) Direct purchases	$122,797,380	$143,483,000		$143,483,000
(b) Export payments	8,570,290			
(c) Diversion payments	6,196,409			
2. Surplus removal operating expenses	2,196,548	2,763,000		2,763,000
3. Marketing agreements and orders	1,436,280	1,660,000		1,660,000
4. Foreign market promotion	1,598,375	1,871,000		1,871,000
5. Import controls	183,364	223,000		223,000
Total obligations	142,978,646	150,000,000		150,000,000
Unobligated balance no longer available		64,175,859	+$13,674,141	77,850,000
Unobligated balance carried forward	297,948,852	300,000,000		300,000,000
Total available	440,927,498	514,175,859	+13,674,141	527,850,000
Recovery of prior year obligations	−609,557			
Unobligated balance brought forward	−244,701,053	−297,948,852	−2,051,148	−300,000,000
Subtotal	195,616,888	216,227,007	+11,622,993	227,850,000
Transferred to Department of the Interior pursuant to Public Law 1024, 84th Cong	+4,359,115	+4,651,151	−1,151	+4,650,000
Total appropriation or estimate	199,976,003	220,878,158	+11,621,842	232,500,000

Mr. HILL. Mr. President, this table shows that the Department will permit $64 million of these funds, the surplus over $300 million, to revert to the Treasury next June 30. In other words, the Department expects to continue to ignore the farmers' needs for higher prices and the needs of our less fortunate citizens for a better diet.

The administration has asked that the States undertake to extend unemployment compensation payments for 13 weeks with funds advanced by the Federal Government. Members of Congress

have proposed a 16-week extension financed by the Federal Government itself. I do not intend to argue the merits of these two proposals at this time. Unemployment insurance benefits are expiring now at a rate close to 150,000 a month. Whether the benefits are extended for 3 months in part of the States under the administration proposal, or 4 months throughout the Nation, under the alternative proposal, it appears inevitable that next August and September, after the extended benefits have expired, we still will have many hundreds of thousands of families without any income whatsoever.

The United States cannot afford to have surplus foodstuffs accumulating on farms or in storehouses, and causing great farm suffering, while millions of our citizens are poorly and inadequately fed.

It is difficult to understand why the Government would freeze available funds in the face of such a serious situation, instead of using those funds to transfer the food to needy people. The measure Senator SCOTT and I introduce is intended to instruct Secretary Benson to use section 32 funds for the purposes intended, to help the farmers and to feed the needy; to keep available approximately $64 million which would otherwise revert to the Treasury next July 1; and to demonstrate that the attitude of the Secretary of Agriculture toward our aged, our handicapped, and the innocent victims of the current recession is not the attitude of our Government.

Mr. President, the Senator from North Carolina and I cordially invite the cosponsorship of other Senators of this measure to help our farmers and our needy citizens. I ask unanimous consent that the bill be printed in the RECORD, and that it lie on the table through Wednesday, April 2, in order that other Senators may add their names as cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and lie on the table, as requested by the Senator from Alabama.

The bill (S. 3577) to authorize the Secretary of Agriculture to provide varied commodities to schools and institutions and for needy persons and families out of funds appropriated for diversion of surplus agricultural commodities, introduced by Mr. HILL (for himself and Mr. SCOTT), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized upon the request of the Governor of any State to expend funds appropriated under section 32 of the act approved August 24, 1935 (7 U. S. C. 612c), as are not required for the performance of other purposes set forth in such section, to purchase and, as necessary, process agricultural commodities which are in adequate supply to provide a varied and balanced diet, for distribution by State agencies to schools and institutions, and directly to persons and families determined by appropriate State or local public welfare agencies to be in need.

SEC. 2. Any sum in excess of $300 million remaining on June 30, 1958, out of funds appropriated under section 32 of the act approved August 24, 1935 (7 U. S. C. 612c) shall, notwithstanding any other provision of law, remain available until expended for purchase and distribution of commodities in accordance with section 1 of this act, without regard to any division between storable and perishable commodities, but with regard to dietary needs of recipients.

PROHIBITION OF WITHHOLDING OR IMPOUNDMENT OF APPROPRIATIONS

Mr. MANSFIELD. Mr. President, on March 13 the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], called the attention of the Senate to the fact that the Bureau of the Budget had frozen some $22 million of the $32 million appropriated by Congress for the National Guard. At that time he indicated the National Guard installations in Texas which would have benefited, and because of his remarks on that occasion I looked into conditions in my own State and found that the same situation existed there. It is my belief that the same situation exists in practically all the States of the Union, if not all.

Mr. President, it is now a recognized fact that this country is in an economic slump and we are faced with a recession. Things are getting worse and something has to be done now to inject some new life into our economy. The Congress is at the present time prodding the administration into an "action now" program, and there are a number of programs now being considered in the House and Senate which will create new activity and employment—housing, public works, the highway program, to mention only a few.

It will take time to get some of the these anti-recession programs into operation. What we need is an immediate stimulant. As we all know, many times Congress authorizes and appropriates money for programs, but the Bureau of the Budget freezes part or all of the funds. The Bureau is in a position of regulating the flow of Federal funds. Now is the time when these frozen funds should be released and channeled into our economy.

The construction of National Guard armories and facilities is an area where we could increase activity, without Congressional action, because there are sufficent funds available.

Thirty-two million, three hundred thousand dollars in funds are available, authorized and appropriated for the building of National Guard armories, but the Bureau of the Budget has released only $10 million to participate in this Federal-State program in the current fiscal year. The remaining $22,300,000 has been frozen. If the entire amount of available funds were released it would provide a great stimulant in many small cities and communities throughout the Nation where National Guard units are active. Unfortunately the administration has eliminated this program from their budget requests for fiscal year 1959, and expects to use the available funds in future years. This money should be put into use now, not later.

As my colleagues in the Senate know, the construction of National Guard armories is based on Federal-State matching basis, 75 percent Federal moneys and at least 25 percent must be contributed by the State. The State must also provide the site.

The funds released for construction of National Guard armories are distributed among the States on the basis of overall need, and the project priority within each State is determined by the State adjutant general.

Under the current $10 million program, there is a $131,500 construction program under way in Montana. One-unit armories are being constructed in Hamilton and Whitefish, and a shop-hangar is being constructed at the municipal airport in Helena.

In July of last year the State of Montana indicated that they were prepared to go ahead with nine other projects if sufficient Federal matching funds had been made available. This suggested program for fiscal year 1958 would have required $481,500 in Federal funds. The estimates called for armories in Plentywood, Dillon, Chinook, and Harlowton and vehicle storage garages in Lewistown, Glasgow, Polson, Culbertson, and Thompson Falls.

I am sure that there are many other States that are willing to go ahead with their National Guard construction program but sufficient Federal matching funds have not been made available.

These small construction projects would be welcomed in these communities. They need every bit of activity they can get and as long as these funds are available I see absolutely no reason why they should be held up when they could be channeled in our economy with such ease and would do so much to give a shot in the arm to the economy.

It is, in my opinion, indefensible not to use money which is available in a time of such great need. We, in the Senate, should do all we can to persuade the Bureau of the Budget to release these funds.

I should like to point out to my colleagues that the freeze of funds for the National Guard by the administration—and I say "the administration" because the Budget Bureau is a part of it—is only the continuation of a pattern which has tended to weaken the constitutional power of the Congress "to raise and support armies" and "to make rules for the Government and regulations of the land and naval forces"—see article I, section 8.

I should like to recall to the Senate that under President Truman, the Congress voted funds for a 70-group Air Force, but the administration at that time impounded all funds so appropriated above the 48-group Air Force which the administration considered sufficient; that under President Eisenhower, the Congress 3 years ago voted an additional $40 million above the budget request to maintain the Marine Corps at its statutory legislative level of 3 combat-sized divisions and 3 air wings; and that these actions under both Democratic and Republican administrations, coupled with the present

freeze on National Guard funds present us with a constitutional problem which we will have to meet some day if we do not want to see our power steadily eroded and our constitutional position as a coequal branch of the Government reduced still further. The pattern is clear; the need for action is evident; and the responsibility to correct this situation lies with the Congress of the United States.

Mr. President, I am today introducing a companion bill to the measure introduced by Representative HÉBERT, of Louisiana, the father of this bill in the House, to prohibit the withholding or impounding of appropriations, and I send it to the desk for proper referral.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3578) to prohibit the withholding or impoundment of appropriations, introduced by Mr. MANSFIELD, was received, read twice by its title, and referred to the Committee on Government Operations.

PREVENTION OF ALLOCATION OF PROCUREMENT CONTRACTS TO CERTAIN DESIGNATED GEOGRAPHICAL AREAS—AMENDMENT

Mr. SALTONSTALL. Mr. President, I submit an amendment, intended to be proposed by me to the bill (S. 5) to amend the Federal Property and Administrative Services Act of 1949, as amended, to prevent the allocation of procurement contracts to certain designated geographical areas, and for other purposes, which is now on the Senate Calendar. I request that this amendment be printed and lie on the table to be considered as an amendment in the nature of a substitute for S. 5. I would like also at this time to briefly explain the provisions of the bill.

In the past few months there has been some increase in our Nation's unemployment figures. Several communities across the country, including a number in my own State, have been affected and have been declared labor surplus areas. This has accentuated the desirability of allocating defense procurement contracts to labor surplus areas. The President has announced that every effort will be made to do this under existing laws and regulations.

The amendment I am offering would give the support of Congress to the President's program. It provides that to the maximum extent possible, without additional expense to the Government, procurement contracts for goods and services by the Defense Department shall be awarded to either small business concerns or concerns engaged in businesses located in labor surplus areas. This is designed to increase the small business and labor set-aside programs of the Defense Department, which are now within the discretionary responsibility of the Defense Department. My amendment merely requires for the period of 1 year that every contract executed by the Defense Department be examined to determine whether in fact a portion of it can be set aside for these purposes. Naturally, there will be many exceptions, such as the procurement of goods urgently needed for many of our advanced programs and research and development procurement. But the net effect of the amendment should be to help increase the share of defense purchases secured by small businesses and firms in labor-surplus areas.

The procedure followed in the set-aside program is a very simple one. Where a procurement program can be divided economically into two or more quantities, it is offered for bid in two sections: the basic quantity is awarded to the lowest bidder; the set-aside quantity is offered to the lowest bidder who is a small business, or who is in a labor surplus area, as the case may be. The lowest set-aside bidder may then take the reserved portion if he is willing to accept the price established on the unreserved quantity.

This amendment should not impose any additional administrative burden on the Department of Defense. A determination and review is required at the present time on every contract issued by the military services and the question of whether a portion of a contract can be placed in a labor surplus area or with a small-business firm is simply one additional factor to be considered; in many cases this factor is considered at the present time. This proposed legislation can also be administered without significant additional cost to the Government inasmuch as small business or labor surplus firms participating in set-aside procurements accept the contract at the lowest competitive price available to the Government. Nor should this proposed legislation in any way delay critical military programs. The bill leaves to the Secretary of Defense the responsibility for promulgating rules and regulations to carry these requirements into effect and he may, of course, exempt urgent military programs or those of a category not susceptible to set-aside procurement.

We have heard much criticism in recent months of the state of the Nation's economic health. I think it is important that those of us in the Federal Government concerned with the state of our Nation's economic health face up to these problems calmly and with confidence in our own Nation's abilities. Unemployment percentages are comparable at the present time to the winter of 1949–1950; we should bear in mind that despite temporary setbacks in our economy, we still have the healthiest and most prosperous nation in the world today.

There are ways in which we can properly aid distressed communities and industries without undertaking any massive changes in the programs of services of the Federal Government. I strongly feel that Congress should consider steps such as these in the first instance. I believe that this amendment would be one important way in which the Federal Government could quickly and effectively aid distressed areas in our Nation. It would provide an extension by Congress of the program already announced by the President a few weeks ago to accelerate the allocation of defense contracts to distressed areas. The President needs this support in his effort to aid these communities by increasing their participation in our defense effort.

I am aware of the number of administrative steps the administration, particularly the Department of Defense, has already taken to insure that our distressed areas receive their fair and proper share of defense contracts, and I am very much encouraged by this action. I offer this amendment, however, which, in my opinion, is infinitely preferable to the provisions of S. 5 as it now stands, to be considered as a substitute for that proposal in the event that it is called up for active consideration.

Not only would this be an important step in maintaining our Nation's economic health, but it would help to keep productive facilities and trained manpower available for use in any national emergency.

The VICE PRESIDENT. The amendment will be received, printed, and will lie on the table, as requested by the Senator from Massachusetts.

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 Senator BENNETT entitled "Men and Money," and address delivered by him at 32d annual dinner of the Amen Corner, Pittsburgh, Pa.

By Mr. MARTIN of Iowa:

Results of his ninth annual questionnaire.

NOTICE OF HEARING ON NOMINATION OF WALTER HOWE, OF CONNECTICUT, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO CHILE

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today, the nomination of Walter Howe, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

Notice is given that the nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE OF CHANGED DATE FOR OPEN HEARING ON NOMINATION OF STAFF DIRECTOR FOR THE COMMISSION ON CIVIL RIGHTS

Mr. HENNINGS. Mr. President, the open hearing to be conducted by the Senate Judiciary Subcommittee on Constitutional Rights on the nomination of Gordon MacLean Tiffany, of New Hampshire, to be Staff Director for the Commission on Civil Rights, was originally scheduled for tomorrow morning. This hearing has been changed to Wednesday morning at 9:30 a. m., April 2, 1958, in room 104B, Senate Office Building,

Washington, D. C., at the request of one of the subcommittee members, the senior Senator from North Carolina [Mr. ERVIN].

ALASKAN STATEHOOD

Mr. CHURCH. Mr. President, today is the 31st day of March. The Easter recess, which is almost upon us, has traditionally marked the midpoint of the session.

In view of this fact, and the further fact that time is rapidly running out, and the additional fact that the Alaskan statehood bill has been reported favorably by the appropriate committees of both Houses, and has been awaiting action since the commencement of the session, I think it not inappropriate to remind my colleagues that the official flower of Alaska is the forget-me-not.

WILLIAM CHRISTOPHER HANDY

Mr. IVES. Mr. President, the man who wrote St. Louis Blues is dead. William Christopher Handy passed away last Friday, at the age of 84 years. He was the son of emancipated slaves, born in a log cabin in Alabama. He was often penniless, hungry, and cold.

But W. C. Handy rose to the heights. He brought a whole new dimension to American music. He set the pattern for hundreds of popular tunes. Through him, his race made a rich contribution to the culture of America.

The Negroes—

He once remarked wryly—

invented jazz, and the white folks made an industry out of it.

Another remark better epitomizes his philosophy. When he was in his eighties, and was talking one day with a group of schoolchildren, he patted his trumpet, and said:

Life is something like this trumpet. If you don't put anything in it, you don't get anything out.

W. C. Handy put a great deal into his life. The world is richer for it. He rose from poverty to worldwide fame solely on the strength of his talent and determination. He was a great human being. Mr. Handy was a friend of mine. I mourn his passing.

RETIREMENT OF LYNN CRANDALL, WATERMASTER OF THE SNAKE RIVER

Mr. CHURCH. Mr. President, the watermaster of the Snake River has announced his intention to retire from this vital post after 29 years of devoted service.

During three decades, Mr. Lynn Crandall has been a living symbol of integrity and objectivity, while controversy has swirled, like the turbulent waters of the Snake itself, over the proper development of those waters. In Idaho, water is lifeblood.

Lynn Crandall demonstrated the triumph of integrity and devotion to the finest ideals of public service. Although he was always outspoken in announcing his personal views, he never hesitated to tell any interested person the facts of any case, even when they ran counter to his personal preferences.

During my own maiden speech on this floor, I had occasion to refer to Lynn Crandall's testimony that there was sufficient water in the Snake River, even in the driest years, for the full use of the Hells Canyon Dam, even after allowances are made for all present and projected reclamation development operations upstream.

At this time I shall not refer to the merits of that argument; but I wish to repeat what I said then about Lynn Crandall:

Mr. President, a watermaster's job is to know the river. It is to know everything about the river, from the beginning of measurements of flow to date, as appraised in the light of all other available data on climate, rainfall, and snow accumulation in the uplands that feed the river. Mr. Lynn Crandall has been watermaster on the Snake River since 1930, and intimately connected with its problems since 1910. He knows the river as no other man does; he is universally loved and respected; and he is completely independent. My colleagues who have heard him testify in previous years, on this and other measures, have told me that no witness commanded greater confidence, based upon qualifications, experience, and demonstrated reliability.

Mr. President, Lynn Crandall's retirement plans and something of the story of his service to Idaho are discussed in a news story in the March 4 issue of the Idaho Falls Post-Register. I ask unanimous consent that that story be printed in the RECORD at the conclusion of these remarks. The story ends with the statement:

The Committee of Nine, water users advisory group who determine policy on the Snake River, Tuesday began thinking of a replacement for the veteran watermaster. The task, committeemen said, was an extraordinary big one.

Mr. President, the task of selecting a watermaster is always a big task. The task of replacing Lynn Crandall is monumental.

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

CRANDALL BEGINS LAST OF 29 WATER YEARS

Idaho's "Mr. Water" took a brief look up the Snake River's argument-eddied history Monday and prepared to measure out the stream's irrigation blood for the last time.

Lynn Crandall, district 36 watermaster and a water authority who has quietly made Idaho history, Tuesday began his 29th, and last, year as watermaster. Crandall confirmed Monday he will retire after reaching 70 later this year.

Urged to his feet by N. V. Sharp, chairman of the Snake River's Committee of Nine, at Monday's annual meeting of the water district here, Crandall replied:

CERTAIN EROSION

"I have enjoyed my association with the water users over the years. Of course, there is a certain amount of erosion and deterioration on a person handling water matters. There naturally have been many controversies and differences of opinion over water. I have probably been defendant in more lawsuits than anybody in Idaho. * * * The Snake River was here long before me and will be here long after I'm gone * * * I would now just like to be content to say to everyone—thanks for everything."

LOOKING FORWARD

Crandall, who was appointed watermaster for the southern Idaho water district in 1930, said he was looking forward to retirement, and a more quiet, peaceful life.

"I would like to have some time to hunt arrowheads at my leisure before it's too late," said the even-voiced, white-headed water leader, who owns one of the finest collections of Indian arrowheads which he himself has collected in long treks over the desert.

Crandall himself has been a point of controversy among water leaders at times. Forthright and calm in any of the legal storms that have swept up the river, Crandall stuck to his engineering guns and testified before Congress, that there was ample water in Snake River to allow construction of the hotly contested Hells Canyon Dam. A sensitive point of difference with the majority of water users who employed Crandall, it angered some. But like many another buffeting, he weathered it and water users continued to voice their confidence in his undoubted integrity by reelecting him to office.

Crandall often found himself in the middle of one of the most protracted water skirmishes that the Snake River has seen—the knitting of the many spiral fractures among water users over the Palisades Dam. Crandall is considered one of the principal architects of the Palisades Dam. He not only helped draft the bill but ironed out the many difficulties which arose in water exchange in the various affected reservoirs and other problems.

EXPERT WITNESS

When Idaho, or other Western States as well, wanted experienced counseling on challenging water matters, Crandall was called in to evaluate the problem. He has appeared as expert witness in many hearings and suits involving strategic water issues.

Crandall came to Idaho almost immediately after graduating from Cornell University, N. Y., in engineering. He accepted a job with the United States Geological Survey in Salt Lake City in 1910. He was later transferred to this agency's Boise office in 1911. In 1916, the North Side project near Twin Falls needed Crandall's unusual understanding of water affairs and he was hired by the project as chief hydrographer. As he has many times in his life, he landed here in the middle of a controversy between the construction company of the project and water users over water losses. He brought order to the dispute with his characteristically clinical findings.

STUDIED WATER PROGRAM

In 1920, he was hired as a water specialist for the Federal court to study the water program in the Big Lost River area and was stationed at Mackay. During this period, he was called many times as an expert witness on water controversy involving the Mackay Dam and reported water losses there. During this period, too, he performed general engineering work, including surveying work.

SUCCEEDED BALDWIN

In 1930, he was recommended to become watermaster for District No. 36, which embraces the Snake River from its source to King's Hill in Southwest Idaho. He succeeded the late G. C. Baldwin, who had been watermaster for 11 years, partly during the critical period when the Jackson Lake and American Falls Reservoirs were built. Fighting had been bitter between upper river and lower river interests over water, especially during lean water years. Although the problem was somewhat moderated when Crandall took over, he inherited several autonomy-minded districts. Precious water was

always a contest in the West and the issue was particularly keen during the lean water years of the 1930's. It was his knowledgeable matter-of-fact steerage during these years of crop failures that first won for him the allegiance of the water users. Water rights was Crandall's sacred trust, and he administered them effectively. Water cutoff to a water-hungry farmer could mean real privation in those days, but while the farmer may have gone up the ditch in high tempest to batter a headgate—or an intervening head—Crandall, the protector, and the administrator of the rights, was quickly reelected each year. He went with the river records he and his staff assiduously kept—and there was no arguing with Crandall's preciseness, his extraordinary intimacy with the Snake River, and with his abiding fairness.

Although his deep, monotone voice was crisp, and his manner impressively matter of fact, Crandall has been a warm counselor to young and old, from every walk of life. He has started many a youth on a project by generously sharing coins, arrowheads, or stamps from his fine collections. A man of learning, he is widely read, particularly in history and anthropology, and serves on the Idaho Falls City Library Board.

The Committee of Nine, water users advisory group who determine policy on the Snake River, Tuesday, began thinking of a replacement for the veteran watermaster. The task, committeemen said, was an extraordinarily big one.

THE IMPORTANCE OF LATIN AMERICA

Mr. SMATHERS. Mr. President, yesterday I read with great interest in the Washington Evening Star an article which was entitled "Top United States Envoys To Take New Look at Latin Ties." The article described the trip which the eminent Vice President, who now occupies the chair, is soon to take to Latin America, and also the trip which is planned for Dr. Milton Eisenhower, the President's brother. The article also indicated that possibly Secretary of State Dulles would finally make a trip to Brazil.

I think these are hopeful signs. I wish to congratulate the Vice President and Dr. Eisenhower, and certainly the Secretary of State, for this new appreciation of the importance of Latin America to the United States.

I have frequently occupied the time of the Senate on the floor, and have bored many of my fellow Senators, by talking of the importance of Latin America to the United States. I am delighted the Vice President, who has already made one trip there, is to go there again; but I am particularly impressed and encouraged by the fact that the Secretary of State has now seen fit to encourage others to make the trip.

We know that Latin America is the fastest growing area in the world. The countries of that area contain rich resources. We have paid little attention to them in the past. We have received support from those nations in times of peace and war. They mean much to us, politically and socially, as well as economically. The time is long overdue when we should be paying more attention to them.

I am much encouraged by the article which I read. I ask unanimous consent that it be printed in the body of the RECORD at this point in my remarks.

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

TOP UNITED STATES ENVOYS TO TAKE NEW LOOK AT LATIN TIES

A top level stocktaking of the state of United States relations with Latin America apparently is in the making.

The review, to be carried out over the next few months, could lead to a reassessment of United States economic and political policies toward the 20 nations to the South.

It apparently is President Eisenhower's answer both to new Russian threats of economic—and political—penetration in Latin America and to Congressional criticism that not enough attention is paid to that vital area.

STEPS ARE LISTED

The stocktaking will be done by:

1. Vice President RICHARD M. NIXON, who last week announced that, at the President's request, he would make an 18-day swing through 8 South American nations, beginning April 26. The countries to be visited are Uruguay, Argentina, Paraguay, Bolivia, Peru, Ecuador, Colombia, and Venezuela.

2. Dr. Milton S. Eisenhower, brother of the President, who, as the President's personal representative, will make a good will tour of six Central American nations in June, according to a White House announcement yesterday.

3. Secretary of State Dulles, who is reported to be considering personal visits to individual countries, Brazil—omitted from Mr. NIXON's tour because of a 1956 visit—is regarded as one of likeliest possibilities for such a stop.

4. President Eisenhower himself, who this week lunched with Costa Rican President-elect Mario Echandi, and who is scheduled to receive President Carlos Ibandez del Campo, of Chile, on a state visit in late April and early May.

OTHER TRIP RECALLED

The White House, in announcing Dr. Eisenhower's tour today, described it only as a good will trip.

But it immediately was recalled that Dr. Eisenhower, president of Johns Hopkins University, in 1953 made a 30-day tour of the 10 South American nations, and later presented his brother with a detailed report.

The report made concrete recommendations on United States policy, some of which were acted upon later.

The announcement of the trips of the Vice President and Dr. Eisenhower follow closely on Red trade overtures to a number of South American nations with which Russia does not now have diplomatic relations.

The Soviets have been offering to buy Brazilian and Columbian coffee, Chilean copper, and have, in fact, bought considerable quantities of Cuban sugar and Uruguayan wool. Argentina recently sent an economic mission behind the Iron Curtain to see what it could purchase there.

United States economic experts also are known to be concerned over the effects on shaky Latin American economies of the recent declines in the prices of some minerals, particularly copper.

Mr. CHAVEZ. Mr. President, I wish to join in the statement the Senator from Florida made, in which he referred to the forthcoming visit of the Vice President to Latin America. It is about time for this country to be paying a little attention to an area where our interests lie. I am glad the Vice President of the United States is to visit Latin America. I feel that his purpose is in keeping with what we have in mind—that is, having good relations with and interest in the people of the countries of Latin America.

We worry about Europe. We worry about Asia. For thousands of years the people of those areas have been fighting for the pieces of real estate there. Our interests from now on will lie in the area between Hudson Bay and Patagonia. I think any efforts made in the direction of furthering our interests with Latin America are to be commended, whether they be through visits by the Vice President or others. I am glad it is the Vice President in this instance who is to go to Latin America. I know such a visit will meet with the approval of the people of Latin America. I shall not be going officially, but as soon as Congress adjourns I intend to go to Latin America on my own initiative. I can get along with the people of Latin America very well. I believe the Department of State should pay a little more attention to those countries, outside of giving them lollypops, in the interest of good will and getting along with Latin America.

THIS RECESSION—AND PAST UNITED STATES EXPERIENCE

Mr. SMITH of New Jersey. Mr. President, one of the most informative articles which has appeared to date in reference to our economic difficulties was contained in the New York Times of Sunday, March 23, News in Review section. The article written by Edwin L. Dale, Jr., and entitled "This Recession and Past United States Experience," analyzes the current recession within the perspective of our recent economic history.

It seems to me that this is a much needed analysis because of the changing nature of our economic problems and, as a consequence of such change, the need for intelligent policies based on today's problems, rather than an automatic casting back for the policies of yesteryear, which might not apply to our current problems.

I ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks.

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

THIS RECESSION AND PAST UNITED STATES EXPERIENCE—BUILT-IN STABILIZERS VARY PATTERN FROM THAT OF GREAT DEPRESSION

(By Edwin L. Dale, Jr.)

WASHINGTON, March 22.—Private, capitalist economies have business slumps. There have been about 24 in the last 100 years in the United States. The business cycle appears to be a fact of life that probably cannot be escaped.

In comparing the 1957–58 slump with its predecessors—chiefly the great crash that began in 1929–30 and the two previous postwar slumps of 1948–49 and 1953–54—three questions are in order:

Has the pace of decline to date been materially different?

Was the condition of the economy before the slump materially different?

What has the Government done about the slumps in the past and how well did it work?

The pace of decline depends in part on the beginning date selected and the measurements used. But, assuming the current recession began last July, it can be said in general that the pace of the 1957–58 slump has been a little steeper for its first 7 months than the other two postwar recessions, certainly stiffer than 1953–54, but that all three have been less steep than in 1929–30.

KEY INDEX

For example, the key index of overall industrial production fell 8 to 9 percent in the first two postwar slumps and 9.7 percent this time during the first 7 months, but it fell 13.1 percent in 1929–30. Nonfarm employment was off 2.3 percent in 1953–54, 3.3 percent in 1948–49, 3.1 percent this time and 5.4 percent in the same period of the great crash.

There is one other significant difference, related not only to the pace of the decline, *but to major* changes in the economy since the great depression. This is the movement in personal incomes.

In 1929–30, personal income fell off about 8 percent in the first 7 months of the slump. This meant a sharp and severe drop in purchasing power.

Since that time there have been added unemployment compensation, other social security payments affecting mainly the aged, and farm price supports. These income cushions, otherwise known as built-in stabilizers, have worked beautifully in the postwar slumps.

Compared with the 8 percent decline in personal income in 1929–30, the decline in 1948–49's first 7 months was 3.1 percent, while in 1953–54 it was 1.9 percent and 1.3 percent in 1957–58. This means that purchasing power in each postwar slump has fallen far less than production and considerably less than employment.

If the differences in the pace of decline between prewar and postwar as notable, the differences in the condition of the economy before the slumps are even more important.

BASIC CONDITION

One basic condition applied to all four: There was an inflation of one kind or another preceding the slump. In 1929, it was not primarily a consumer price inflation but a specialized inflation in stocks, real estate and some commodities. It was still an inflation, however, according to most modern analysis.

But it is the differences that count. All three postwar slumps began with these differences from 1929:

(1) There was no preceding runaway stock market boom. New legislation made some of the worst features of the 1929 boom impossible. The amount of stock market credit was regulated and totaled only one-fifth or less of the amount in 1929.

(2) The banks had Federal deposit insurance. This virtually barred runs on banks and the kind of financial collapse that characterized the great depression.

(3) Housing credit was much sounder. The concept of the amortized mortgage loan, insured by the Government in many cases, had replaced the old short-term loan payable in full on maturity.

(4) Federal spending made up a far larger part of the total economy. In 1929 the Federal budget came to only about 3 percent of the gross national product, but today it is about 18 percent. This is spending that, if anything, automatically increases in slumps and certainly does not dry up.

(5) Incomes were more evenly distributed.

All of these changes are, of course, in addition to the aforementioned built-in stabilizers.

How about differences and similarities at the outset of each of the three postwar slumps?

They all had been preceded by inflation. They all had been preceded by what was probably excessive buildup in inventories. But otherwise there were differences.

The precondition for the 1948–49 slump was essentially the huge surge of consumer buying after World War II, accompanied by rapid consumer price inflation. The 1953–54 slump was preceded by the Korean war and a big surge of Government spending—spending that began falling in late 1953 and helped trigger the slump.

Before the present slump, the key features of the economy were probably the huge bulge in business investment in plant and equipment and only slightly smaller bulge in consumer installment credit.

In effect, excesses seem to breed slumps. One of the main reasons for extra concern about the present slump is that the main excess was in plant and equipment spending. The fear is that this major item in overall demand will be sliding downward all through 1958 and well into 1959, on the ground that industrial capacity has fully caught up with consumer and other demands.

INADVERTENT MEASURES

That leads to Government remedies, and the thinking behind them. Surprisingly, it turns out that the major Government measures in each of the postwar slumps before this one, aside from the aforementioned remedies already built into the system, were taken almost inadvertently. In 1929, of course, economic thought was much different from today's, and the Government did not feel called on to act early in the game.

President Herbert Hoover seems, in the light of history, to have vacillated between a belief that things would soon improve and a belief that something should be done. But there is little doubt that his underlying belief was that radical Government measures—necessarily involving a deficit in the budget—would be unsound and would do more harm than good.

However, ironically, he did cut taxes in November 1929. The trouble was that taxes were already so low that the saving for a man earning, say $5,000 a year was less than $10 a year. The President also proposed to Congress and got some increase in Government public-works programs.

In the 1948–49 slump the built-in stabilizers performed admirably. Outside of that, the Government took the familiar measures of easing credit and trying to spur housing by increasing Government purchases of mortgages. But the big help seems to have come from two actions unrelated to the slump.

One was a tax cut enacted by the Republican Congress over President Harry S. Truman's veto in 1948, well before the slump began. The other was the beginning of the Marshall plan, in which 1949 was the first big-spending year. This created a big demand for American goods to be shipped to Europe.

EASING OF CREDIT

In 1953–54, there was also a major easing of credit and the array of housing measures. This time the credit-easing probably made some difference, because it followed a period of rather tight money, unlike 1948–49. Other comparatively minor measures were taken, including an effort—not altogether successful—to speed up Government spending on some programs.

But the big item in that slump was a $7.5 billion tax cut—$5 billion of which had been already written into law 2 years before. All the administration had to do was let this big tax cut go into effect. It did so, despite the fiscal orthodoxy of the then Secretary of the Treasury, George M. Humphrey, because Government spending was heading downward at the time following the Korean war, and the tax cut did not increase the deficit much.

This postwar experience is an illustration of why the present situation is such a difficult one. True, the gods have once again provided a lucky break—the postsputnik increase in defense spending.

But there is real doubt that this will be enough. Hence the widespread belief that this recession is providing much the most severe test of whether modern American Governments can and will take the right actions to cure successfully a serious slump.

ST. ALBAN'S SCHOOL FOR BOYS

Mr. SMITH of New Jersey. Mr. President, St. Alban's School for Boys, at the Washington Protestant Episcopal Cathedral, has made many distinguished contributions to secondary education during its 50-year history. Among them is the symposium on science and secondary education held on Sunday, March 23, as the first of a series marking the school's anniversary.

Speeches were delivered at the symposium by Dr. James R. Killian, Jr., president of Massachusetts Institute of Technology, and special assistant to President Eisenhower for science and technology; Dr. Merle Tuve, of the Carnegie Institute; and Rear Adm. Hyman G. Rickover, Chief of the AEC Naval Reactors Branch. The New York Times, which itself has made important contributions to increased understanding of educational problems, judged their remarks worthy of page 1, column 1 coverage.

All three speakers stressed the top-priority importance of strengthening our educational system if we are to meet the demands of the times. In their view, our schools most urgently need to place greater emphasis on intellectual achievement, provide more opportunity for gifted students, and improve the quality of teaching, particularly in the sciences.

Federal action to meet these needs is provided in both S. 3163, the administration education bill which I introduced, and S. 3187, introduced by the Senator from Alabama [Mr. HILL]. I am hopeful that a committee bill incorporating the best features of both measures will be reported to the Senate in the near future.

The speeches of Dr. Killian, Dr. Tuve, and Admiral Rickover make a forceful and timely case for strengthening quality in education. For this reason, I ask unanimous consent that their talks, as excerpted in the New York Times of Monday, March 24, be printed in the body of the RECORD, at this point in my remarks.

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

KILLIAN'S TALK

In speaking as an ardent advocate of better science teaching and greater emphasis on science in United States schools, I must start with some personal observations about education.

Our overriding objective today must be to elevate standards of performance and enlarge the intellectual content of the secondary school program. There needs to be a greater interest in matters of the mind, a weeding out of the trivial, peripheral, narrowly vocational subjects and a more general acceptance by parents, teachers and students of the importance of intellectual qualities and high standards in all parts of the secondary-school program.

If we are to have better science education, we must have better overall education and if we are to have better education, we must have a shift in values so that intellectual interests and performance are not played down and socially denigrated. We must cultivate in all of our education a distaste for the take-it-easy and anti-intellectual attitudes and a positive taste for what is excellent in intellect and spirit.

These same observations can be made about college education. The emphasis on quality must run through the whole spectrum of education. We need to bring down into the undergraduate college program more of the spirit of independent and creative work that now marks our good graduate schools, and we need to bring down into the high schools more of the depth and the sense of individual responsibility for intellectual effort that is to be found in college.

In both secondary school and college we must provide both opportunity and incentive for high talent, especially in the secondary school, and there must be an unremitting search and enlarged opportunity for talent and intellectual giftedness.

In the development of our public school system, we have concentrated in recent years on making it universally available and of the greatest help to the greatest number. The next phase—the next great mission of our educational system—should be to introduce more extensively into our system of mass education the opportunities and means for differentiation in order to permit the fullest encouragement and development of our high talent.

In emphasizing the importance of intensifying the cultivation of talent and the raising of standards as objectives of top priority, I do not mean to suggest that our great secondary school system should cease to provide effectively for all of the varying needs of your young.

Diversity of needs noted

Our schools must be designed to help all children, and the needs of children of different ability, different background and different aspirations must constantly be kept in mind. The diversity of educational needs in America is very great.

With the expression of these general views on education, let me now turn more specifically to the problem of priority for science teaching and science education. During the last quarter century our schools have gone through a phase during which languages, mathematics and science have been far too generally neglected or ostracized. I think it futile to try to assess blame for this; it has occurred in part because the attitudes and values of the American people resulted in a low value being placed on these subjects. But clearly the time has come for a redress of this imbalance.

The needs of the Nation today require that these subjects be restored to a priority at least as high as other principal subjects in the high school curriculum and that they be taught, not superficially, but thoroughly and well—and imaginatively. It is not that we want to make scientists of all our young people; far from it. Rather, it is that science courses have come to be taught much more poorly in many schools than have the humanities and social sciences and they need to be brought up to par.

Opportunity is seen

Up until now, we have done little—save in our best schools where science is probably taught as well as anywhere in the world. We have been blocked by the baseless fear that if we strengthen our science education, we might run the risk of distorting the emphasis on other subjects. I hold that we have extraordinary opportunity and unique incentive now to strengthen science education and that in doing so it can serve to strengthen other parts of the curriculum. Science can be the flagship in leading to a deeping and strengthening of the high school curriculum. It also may well do much good by serving as a sorting-out factor of excellence, since scientific courses are likely to give better mental discipline and a better test of student mettle than descriptive courses.

In the longer view, it is well also to remember that it is usually easier to make a good businessman out of a scientist than it is to make a good scientist out of a businessman.

Mucker pose fought

And now let me restate and recapitulate my remarks:

First, we need to fight the mucker pose that it is smart to be anti-intellectual. We must set greater store by intellectual achievement and the sense of the first rate in all education.

Next, as we seek to provide better for the intellectually gifted and to emphasize quality more, we must remember that our public school system gains strength through its diversity and by ministering to the varying needs of all our young people. But it must avoid prodigality and sternly put first things first.

Third, we must shore up the sagging quality of our science teaching and the outdated content of science courses.

Search for beauty

Fourth, we need to think of science not as materialistic magic, but as an exciting, adventuresome, creative activity of the mind. Our view of science has been too much encumbered with emphasis on its utility, which is great, and too little illuminated by its search for beauty and understanding, which are basically humanitarian objectives.

Fifth, science and the humanities should "make up" and again be on speaking terms with each other. We need them both and each needs to crossbreed with the other.

Sixth, we need more scientific literacy among all our people. In a century of science it is dangerous and illiberal for the nonscientist to be ignorant, sometimes boastfully ignorant, of science.

And finally, we need to cultivate great engineers and engineering as well as great scientists and science.

DR. TUVE'S SPEECH

The big problems facing us as a nation and facing all mankind are not technical problems requiring more and better engineers and technical men, but the problems of guiding and controlling technology. We need men who are intelligent and informed about science and technology to assess and control the ways we use our technical strengths. This obviously is the oustanding problem of today, not any vague shortage of scientists and engineers.

Our coming lawyers and doctors and manufacturers and journalists and priests and legislators must all have some sound background for the judgments they will make and the actions they will take concerning the goals and uses of our technology.

If as a nation we are to meet successfully todays' challenges to many of the really basic elements of our culture, the attacks on the Greek-Hebrew-Christian foundations of all our Western civilization, we must first of all raise our youngsters to know what they stand for, to recognize and cherish the simple and basic things amid all the seeming complexities of the modern world, to have faith and to act on it. Then after this we must equip them with the tools and the techniques of power.

Not just more scientists

Knowledge is power and technology is power—but the calm spirtual strength of the man who knows what he stands for, whose value-system is in the very fibre of his being, is the man who will successfully and constructively direct the uses of knowledge and the goals of technology. These men are the men we need, not just more scientists and engineers.

If we want more and better technical men, this is the way to get them. We must call for a higher level of overall student achievement, not just better courses in mathematics and science. And we should have no false notions about equality and democracy when it comes to helping our best students. They are really worth special attention in community. About half of our leaders come from the top few percent. It is the equal opportunity and equal invitation to be in this top-level group that constitutes democracy. The absence of a toplevel group surely is a false notion of democracy.

Better teachers stressed

The key to this whole program of more high quality students is more high quality teachers. We have many fine teachers in our secondary schools and many devoted individuals with a high sense of duty and tremendous energy. But we need more teachers who are scholars, men who are recognized as identified with their special subjects of study and accepted as distinguished professorial members of the local community.

We have allowed the teachers of our high schools to drop from their old position of relatively high esteem in our communities to the workingman's level of grocery clerks or filling station attendants or countless other service people in our present social fabrics. This has been a community mistake and it has lowered the standards of secondary school work in all respects.

It is exceedingly difficult nowadays to attract into teaching any student who has completed a good, solid, college major in physics or chemistry or mathematics, because there are so many interesting and attractive jobs elsewhere, with good pay, and also because most States and local communities have laws which require all prospective teachers to have taken many semester hours of educational psychology, practice teaching, and similar subjects.

If we really want to do something about improving secondary education here is one direct and simple thing that will surely have great effect in strengthening our schools: We can go after our local school boards and our own State legislatures to change the laws which now restrict teacher certification to the products of the courses in education.

There are two other actions local groups can take in any community which also will help greatly to improve secondary education.

The idea that our secondary school teachers should be working with students 5 or 6 hours a day for 5 days a week, plus some late afternoon and many evenings on PTA and other school assignments, denies these teachers any status as scholars. A practical action for a community group is to insist that the professional teacher be given some time to himself for his own scholarship. We can hire clerks and stenographers and specialists in education to handle these countless chores and public relations activities. Make him a professional scholar again, as he once was, and a position of high respect in the community will be his again.

The other action relates to salaries; this is important but not as vital as the first two points I have made. There should be provision for much greater spread of salaries, and a significant part of this spread should be for merit in teaching and scholarship, not only for longevity and for credits and more degrees from schools of education. We must pay our best teachers significantly higher salaries.

RICKOVER'S ADDRESS

Formal school education was not as vitally needed in American pioneer society as it is in 20th-century America. The degree of ignorance which a democracy can tolerate

varies in inverse ratio to the advance of the Nation toward higher cultural and scientific levels.

Our elementary and secondary education must, thus, provide first, for the average and below average student, a sufficiently broad terminal education to get him into a modern technological society; and second, for the talented student, it must provide a solid underpinning for subsequent professional education. Neither of these two objectives is achieved in the majority of American public school systems.

We are reaping the consequences of the destruction of traditional education by the Dewey-Kilpatrick experimentalist philosophy.

Dewey's desire to alter curricula so as to teach subjects which will be of use to the child in life can be accepted only if we interpret the term "use" in its broadest sense.

Many subjects dropped

Unfortunately, his ideas have led to elimination of many academic subjects on the ground that they would not be useful in life, and to substitution of trivial, recreational and vocational subjects alleged to be of more practical value.

The student thus receives neither intellectual training nor the factual knowledge which will help him to understand the world he lives in, nor to make well-reasoned decisions in his private life or as a responsible citizen in a modern democracy. He is instead handed a bag of know-how tricks; he is helped to become a pleasant, nicely mannered young person, able to get along with whatever group he joins.

Intellectual training can be combined with home training only when schools are residential, as are the famed English public schools. In a short school day there is not enough time to do both. I suggest we turn back to the home what is properly the function of the home and permit the public schools to concentrate on what is properly their function—the education of young minds.

I have made some calculations to compare the curriculums of the Dutch secondary schools with our own 6-year junior-senior high schools. The Dutch school day is 10 percent longer than ours; the school week lasts 6 days, or 20 percent longer; the school year lasts 240 days or 33 percent longer. The Dutch class period is 50 minutes and the homework required is a minimum of 4 hours daily. Further, no subjects but academic ones are taught, except gym, art, and music.

Europe demands more

Europe has always demanded more of her children than we of ours and for a very good reason. To attain a high standard of living, given a similar level of technology, a country must either have a favorable ratio of people to land and resources, or its people must work harder and more intelligently—they must acquire more competence.

In other words, poverty of land and of natural resources can be offset to a degree by better development of human resources. Ours has been the classical example of a high standard of living based primarily on favorable ratio of people to land but in the last 180 years we have wasted much of our natural wealth and multiplied our population more than 40 times.

Though our ratio of people to land is still much better than that of Europe, it worsens each year and the day is not too far off when we shall be no better off in that respect than Europe. We must not let ourselves be impressed by total acreage figures. There is much desert and semiarid land in our West whereas Europe has carefully preserved its land and forests and has no deserts or arid lands.

As we approach European conditions, we may find that we shall have to make a choice: educate our children better or downgrade our standard of living. We still have a margin of safety but it is none too soon for all of us to think this matter over carefully so that we may express our wishes clearly and in the proper democratic way to those who run our schools.

Few of us have been aware of our worsening situation, for thus far science has been able to keep up with diminishing resources and a population growing three times as fast as Western Europe's. If we develop all our human resources, we shall still be able to insure a high standard of living to our children and grandchildren. But it cannot be done with 180-day school years, driver-training courses, and print shops in high school.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. SMITH of New Jersey. Mr. President, on March 27 the National Conference on International Trade Policy held an all-day meeting in Washington at which some 128 organizations supporting extension of the Reciprocal Trade Agreements Act were represented. These groups represented industry, agriculture, labor, and consumers.

In a bipartisan atmosphere, both President Eisenhower and Mr. Adlai Stevenson made stirring pleas for a liberal trade policy.

Both speakers stressed two essential points: First, that in an age of interdependence, trade policy cannot be divorced from foreign policy and from the free world's struggle against communism; and, Second, that the maintenance of a strong and vigorous trade relationship among free world nations means greater prosperity and economic develpment for all. It means, in short, both jobs and security. It also means that the ability to export depends in large part on the capacity and willingness to import.

However, extension of the act, as the President has emphasized, will mean continuation of the policy of providing relief in cases where injury to a domestic industry, because of trade concessions, is established under the law.

Mr. President, I ask unanimous consent that copies of the addresses by President Eisenhower and Mr. Stevenson as published in the New York Times of March 28, be printed in the body of the RECORD at the conclusion of my remarks.

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

(WASHINGTON, March 27.—Following are the texts of addresses today at the National Conference on International Trade Policy by President Eisenhower and Adlai E. Stevenson.)

EISENHOWER'S SPEECH

I am honored to join tonight in this great gathering of citizens from all parts of the Nation. You have come here to demonstrate the strength of your support for an enlightened trade policy that promotes jobs at home and peace in the world.

My grateful thanks go to you for this magnificent bipartisan citizen effort to rouse Americans to the great stake all of us have in widening and deepening the channels of world trade.

This cause that draws us together tonight does not readily command the headlines. Like so many other good things, the benefits of trade are taken for granted and are assumed somehow to be a normal part of life. On the other hand, the special domestic problems to which world trade sometimes give rise, in terms of impact on particular industries, are real and identifiable and demanding of action.

You and I believe firmly that our reciprocal-trade program is good for America and we have an obligation to our fellow citizens to set forth our views fairly and convincingly. If we do so, I am confident that the countrywide support of this program will be reflected in Congress. That is where fateful decisions about its whole future will shortly be taken.

We know that the American people will always do what they think is important and necessary to do. Our task is to make sure the importance of expanding trade is understood.

In searching for what is best for 173 million Americans, we must recognize that questions concerning reciprocal trade have been raised by conscientious Members of Congress and others deeply concerned with the economic welfare of their particular communities. On Capitol Hill the most potent arguments regarding trade legislation are likely to be its effect on the industries of specific States and districts.

So, in the effort to dispel honest doubts about the reciprocal-trade legislation's great value to the entire Nation, we should first hammer home the fact that safeguards in the law are being strengthened to cope with the uneven impact of import competition.

Case-by-case basis

We should next point out that the authority to make trade concessions in the national interest is permissive, not mandatory. It applies to individual products, and will be used only on a case-by-case basis, after full review of all the factors involved.

Likewise, we should present this commonsense arithmetic: The defeat of the trade agreements program would destroy far more jobs and job opportunities in agriculture, manufacturing and transportation than it could possibly preserve.

We should make everyone aware of the deadly peril impending if—through blindness—America and the free world are robbed of adequate economic defense against Communist penetration.

I doubt that anyone would favor tearing down our trade program were he to have on his conscience full knowledge of such grave hazards.

We can be heartened because in districts, States and Nation a growing majority is finding that far stronger reasons can be advanced for an effective extension of the trade agreements legislation than the excuses made for rejecting or crippling it.

Both job security and national security demand an enlightened trade policy. So compelling and justifiable are these individual and collective reasons than even previous opponents of reciprocal trade should see the need of changing from their former position and so measure up to this inescapable duty of our day.

An informed and observant public would disapprove of anyone who insisted on clinging to old ideas which cannot solve crucial new problems. But it would welcome and praise everyone in public or private life for changing his mind in the best interests of 173 million Americans.

Now let me be specific.

Our reciprocal trade program is good for America. It strengthens our own economy. It strengthens the economy of the free world. It reinforces our security against external danger.

The United States is the greatest trading Nation. Last year the world's export trade amounted to about $100 billion. Our share was a fifth of that enormous total. This vast flow of commerce to and from our shores is vital to our economy.

Consider these facts.

World trade makes jobs for at least 4½ million American workers. At a time of slack in the economy like the present these jobs should not be placed in jeopardy by crippling our trade program. The presence here tonight of representatives of the great labor organizations of America underscores this point.

"Such sample facts"

Export trade is big, important business. It was greater than all consumer purchases of furniture and household equipment. It was greater than all residential nonfarm building, or as great as the sale of all steel mill products in this country. Such sample facts as these indicate why the greater business organizations of America are represented here tonight.

We shipped abroad last year, for example, over a tenth of our machine-tool production, almost a fifth of our motor trucks and coaches, and over a quarter of our construction and mining equipment. And that is why so many manufacturers—small and large—are represented here tonight.

Foreign markets provide an indispensable outlet for our farm programs, over half of our wheat, cotton and rice went abroad. So did over a third of our soybean production, a quarter of our tobacco and a fifth of our lard output. Those and other farm exports benefited not only farmers. The movement required financing, inland transportation, storage and ocean transportation for 36 million tons of cargo. That was enough farm products to fill 800,000 freight cars and 3,600 cargo ships. Those activities mean jobs—lots of jobs.

And for those who may wonder what the connection is between these farm exports and our reciprocal trade program let me cite this fact: Nearly four-fifths of these record farm exports went to countries with which we have agreements under that program. Loss of income from overseas markets would deal a hard blow to farm families. Such facts as these indicate why the great farm organizations of our country are represented here tonight.

This brief review of our huge export business evidences an inescapable truth: Trade is good for all America—for its workers, its businessmen and its farmers.

Now what of the other side of the trade coin—imports?

In discussions of trade problems, some people seem to be for exports and against imports. They apparently assume that we can continue to sell even though we refuse to buy. But our farmers, workers and businessmen cannot use drachmas, rupees, lira, or other foreign currencies. Consequently they cannot accept those currencies for the goods they ship abroad. They can accept only dollars. In the same way, if other nations are to buy our exports to them they must get dollars earned by their exports to us. This means giving them an opportunity to sell in the American market on a reasonable basis.

Our import needs are great—$13 billion last year. We obtained from abroad most of our supplies of tin, mica, asbestos, platinum, nickel and newsprint. Part of our requirements for iron ore, petroleum, copper, wool, bauxite, burlap and other materials must be obtained outside this country. Such imports keep our factory wheels turning and assembly line moving for the national defense.

Center of controversy

We also import foods and manufactured goods. They are not as essential to us as are industrial materials. Nevertheless, Americans want them. They are entitled to a reasonable chance to buy them. Selling customers what they want is the way American stores keep in business. And that is why representatives of consumer groups are here tonight.

Since imports of manufactured goods are the center of much of the trade controversy, we should keep one fact clearly in mind: Last year we imported $2¾ billion of manufactured goods and exported $10½ billion—nearly four times as much. Of course, we want, under the law, to accord manufacturing industries relief from demonstrated injury or the threat of injury due to imports.

But if we seek to do this by ill-advised measures such as broad and rigid systems of quotas, we should consider the consequences upon our 4-to-1 interest in exports of these goods. We must remember that other countries have trade problems too. As we and they have learned to our mutual regret, everybody can play the costly game of trade restrictions.

The choice is plain: It is reciprocity or retaliation.

Important as our trade program is to building a stronger Nation here at home, it is equally important in building a strong neighborhood of nations where we can be secure.

Our first line of defense against potential attack is an effective deterrent power widely based throughout the free world. The dispersal of this power is a key aspect of our defense. But dispersal requires cooperation among the free nations—not merely military cooperation but in all the ways which make our allies strong.

It may be trite to say that trade is a two-way street, but is it trite to say that cooperative security is a two-way street? By no means. Allies need to be sturdy. Sturdy allies need progressive economies, not only to bear the burden of defensive armaments, but also to satisfy the needs and aspirations of their people.

This fact requires a clear understanding on our part that, for most of these nations, foreign trade is vital to their economies. Some are limited in natural resources, their markets at home are much smaller. In many instances their economies are much less developed. Trade is truly their economic lifeblood. The United States must continue to make it possible for them to trade with others and with us on a reasonable basis.

The American people have long been keenly aware of the Communist military threat. They are determined to maintain ample retaliatory power to deter armed aggression. But we must make certain that our people clearly recognize the danger of the Communist economic drive among developing countries—offering the carrot and hiding the stick.

The Soviet offensive

That danger is real and is growing. The Communists are deterred from military adventure by the defensive forces we and our partners and allies have built. They now seek, through economic penetration and subversion their purposes of ceaseless expansion.

The danger of the Soviet economic offensive is clear. To the leaders of Communist imperialism, economic relations are merely another means of gaining control over nations that become economically dependent upon the Communist bloc.

It is the Communist system that the Kremlin is determined to export.

It is the system of economic freedom that the Kremlin is determined to destroy.

If, through utilizing trade and aid, they can tempt free nations one by one into their spider web, they will have paved the way for political victory. And they will have made progress toward their great goal of economic encirclement of the United States.

Though its resources do not by any means match our own, the Soviet Union is enabled by despotic concentration to use them effectively for special purposes. By forced investment, heavy industrialization, and the repression of consumer needs, the Soviet bloc is producing on a growing scale the goods and capital equipment which many of the newer nations must have for their own economic development.

The Soviet capacity to export is coupled by a willingness to import. It is offering to receive raw materials and other products which free nations have to sell. Thus the Communist bloc holds out the prospect of becoming an important supplier of capital and equipment to free nations and a large market for their surplus products.

Communism, like all other forms of dictatorship, is a reactionary movement. Yet reaction has, more than once in the past, enjoyed periods of marked success. Can we be sure that reactionary communism will not succeed in tempting many nations to exchange freedom for glittering—and sometimes realistic—opportunities for material betterment?

We cannot at all be sure of this unless we see to it that economic freedom is allowed to operate effectively, that the benefits of economic advance in the free world are diffused and spread to others.

This means trade.

If free nations cannot find room and opportunity to trade within the free world, they will surely, inexorably turn to trade with the Communist world.

For to live they must trade. It's as simple as that.

Strengthens freedom

This brings us directly to the proposals for the extension of the reciprocal-trade program. This program was inaugurated by a great American, Cordell Hull, almost a quarter of a century ago. It has been extended and strengthened no less than 10 times. It has become a prime impetus to economic cooperation and to flourishing trade. It strengthens freedom against despotism.

To move forward along the road on which we have thus far advanced, I have recommended to the Congress a 5-year extension of the Trade Agreements Act. I have requested authority to negotiate reductions in tariffs, on the basis of the peril-point procedure, by 5 percent of existing rates a year, during this interval. I have further recommended strengthening the escape-clause and peril-point procedures to recognize more fully and promptly the need for relief in cases where injury to a domestic industry due to trade concessions is established under the law.

This program has been attacked as both too little and too much—which may suggest that it is about right.

In my opinion the authority requested in the bills introduced by Representatives MILLS and KEAN, embodying my proposals, is necessary to the continued success of the program. So, too, is the 5-year extension period essential to the continuity and stability of our trade relations.

There is a mistaken belief spread among some people that the administration's 5-year proposal was merely introduced as a bargaining position. Let me set the record straight. It is a proposal dictated by the facts.

Among these facts is a special one: A great common market is now being formed by six nations of Western Europe. These countries will in due course eliminate all barriers to trade among themselves and act toward others as a single economy. That means a common tariff applying to imports from the rest of the world, including the United States.

It is expected that important steps toward this common tariff will become effective during 1962—up to four and a half years from the renewal date of our reciprocal trade legislation this summer. If we are to serve the interests of American buyers and sellers the President must have from the Congress adequate authority for sufficient

time to prepare for and conduct negotiations with the common market authorities. In the national interest this timetable dictates a minimum of extension of the law for 5 years.

The good of America will not be served by just any kind of extension bill. It must be a good bill. It must be an effective bill. Such a bill is before the Congress.

The issue before the Congress and the American people in this spring of 1958 is a momentous one: Will we through apathy or ignorance see our trade program killed outright or gutted by amendments? Will we weaken ourselves by returning to the law of the jungle in trade relations between nations?

"Good for America"

Or will the program be extended and strengthened?

The choice is clear.

I repeat: This program is good for America.

It is good for America on straight pocketbook grounds. It is good today because it will help protect millions of jobs. It is good tomorrow because more trade means more jobs.

It is good for America, too, because it helps build the road to peace. I believe this program is vital to our national security. Retreat on this program would make dangerously difficult the holding together of our alliances and collective security arrangements.

Less trade means more trouble.

We cannot find safety in economic isolationism at a time when the world is shrinking. For us to cower behind new trade walls of our own building would be to abandon a great destiny to those less blind to the events and tides now surging in the affairs of men.

America will not choose the road, for it is a downward leading road to a diminishing America—isolated, encircled and at bay in a world made over in the image of an alien philosophy.

Rather, America will move forward strongly along the clear road to greater strength at home, expanding trade with other free nations, greater security and opportunity in a friendlier world for this and succeeding generations.

This is a great and continuing mission in which you and I and every American can have a part. We can serve it today by keeping our country firmly on its chosen course of fostering lifegiving trade among the nations. And on that same course we shall move ever nearer to permanent security and to an enduring peace with right and justice for all.

STEVENSON'S SPEECH

Sixty-five years ago this month my grandfather was inaugurated Vice President with Grover Cleveland, after a campaign in which he incessantly preached the virtues of free trade and the evils of excessive protection. We have been arguing the question incessantly ever since. And here I am doing it again.

After so many years and so many words, it is hard to think of anything new to say about foreign trade. The subject badly needs, if I may put it this way, some new clichés.

The newest thing I can say about it is that this conference should not have been necessary at all. It is a melancholy reflection upon our faltering position in a perilous world. Instead of planning for the future we are still fighting battles we thought had been won in the past.

So, I repeat that I deplore, not this conference, but the need for it—the need to reassure ourselves and a world grown dubious of our leadership that we are indeed leaders, that we are not seeking a way out but a way forward.

With unemployment grave, we are seeking to prevent a repetition of our terrible error of 1930. Using the jobless as the pretext, we then raised tariffs to unprecedented heights. This increased unemployment here and abroad. It provoked universal retaliation against us. It retarded world recovery from the great depression. Some authorities hold that the ratification of the Smoot-Hawley Tariff Act was a turning point in world history. The League of Nations survey of 1932 pointed out the part it played in deepening the depression and bringing on tariffs, quotas, embargoes everywhere.

Nor is this all. It fostered the fatal drive toward self-containment that brought on the catastrophic political changes in Italy, Germany and Japan, which precipitated the Second World War.

It is no easy matter to make trade policy. For now, more perhaps than in the 1930's, it is clear that trade policy is foreign policy.

Yet, in order to prevent the repetition of that fatal miscalculation of the 1930's, we must reiterate what we believed we'd never have to say again, namely:

The world is not our oyster.

It is not our colony.

It can get along without us.

But can we get along without it?—the shrinking world where, among other things, 250 American bases exist upon the sufferance of others; where we are the largest producers, the largest creditors, the largest traders, the largest investors?

No man an island

And this is to say what ought to be self-evident: that, as no man is an island unto himself, neither is any country; not even the United States, which must import more and more of its needs and export more and more of its product to be safe and sound.

We are the last great outpost of free enterprise capitalism. Yet here we are striving to keep alive a significant phase of free enterprise in its homeland; to keep a significant phase of capitalism functioning in the country of the capitalists; to keep competition alive among the apostles of free competition.

This is odd. But do I exaggerate? Let me illustrate. Our chemical industry is the world's largest. The annual sales of only one of its units is double the size of Japan's total exports. In 1957, our chemical exports were $1 billion greater than our imports. But this multibillion-dollar colossus wants tariff protection. While denouncing what it calls "Government interference" and proclaiming the glories of free enterprise, in tariff matters it seems to want to jump into Uncle Sam's pouch, like a kangaroo at the approach of strangers.

I noticed with more anxiety than amusement that one of the high priests of free enterprise in this industry resigned in anger not long ago when the National Association of Manufacturers suggested liberalizing trade policies.

The moral is chilling. Regardless of all the lessons of history, of all the counsels of experience, shortsighted domestic self-interest rather than the hard realities of international life often prevails in our public policy.

Yet in our dangerous days this is reckless counsel. For the character of our times, the nature of our struggle for survival in a pitiless universe, will be determined largely by how we react to material events. The manner of America's dealing with foreign trade policy, for example, will illuminate the way in which we may be expected to deal with the terrible issues confronting us in other fields.

"The cold algebra"

We may rise to the occasion, or we may sink to it. How we shall act must finally depend upon our resolution and our understanding of the apocalyptic day upon which the world has come.

Perhaps some figures, the cold algebra of sense and reason, will enlarge our understanding of reciprocal trade. They are not, however, the dreary digits of pedestrian transactions. In our era they are vital statistics of our society, and it is perilous to misread them. In our frequent concern for tremendous trifles it is not less perilous to ignore them.

We are the world's greatest traders. Last year our exports were valued at approximately $21 billion and our imports at $13 billion.

These numerals are abstractions. But behind them are about 4½ million Americans who live by foreign trade—7 percent of our labor force. If each of these workers is breadwinner of the typical family consisting of papa, mama, junior, sister, then some 18 million of us are nurtured in the present and sustained in our hopes of the future through foreign trade.

What of foreign trade and American business? The sun never sets on the American business empire. An empire without a capital colony, or ruler, it flourishes everywhere because it renders its customers greater satisfactions at lower costs than they can receive elsewhere.

The huge structure of American overseas business, far flung, carefully planned, heavily committed, is more than international. It is internationalized. Statistics barely illumine the majestic proportions of this structure.

American corporations have invested abroad about $37 billion, and it is constantly increasing. These corporations annually manufacture $35 billion of goods in their overseas plants.

Dividends from direct American foreign investments touch countless American pocketbooks. They account—the fact is astonishing—for about 17 percent of all dividend payments in the United States.

But the continuance of such dividends, and the security of our overseas investment, depend upon the continued operation of a theorem men lived by long before King Solomon's ships traded to Tarshish for ivory, apes, and peacocks. It is that in order to sell you must buy.

We may try to abrogate this theorem and still prosper. We may also—this being a free country—try to slow down the speed of light as it passes over Washington, D. C.

How we look to others

Our foreign trade looms over the world. Last year the combined value of our exports, imports, and overseas manufactures reached the staggering total of $67 billion.

Let us see this as others see it, and then we may get a notion of how we look to others when we complain about exports to us of tuna fish or wooden clothespins.

Our total foreign business of $67 billion last year was more than 3 times larger than the gross national product of India—the India that contains one-fifth of the human race.

Our exports range from locomotives to jukeboxes. The American movie industry derives nearly half of its revenues from overseas customers. Without them, it would shrivel.

The Gillette Co. and the National Cash Register Co. make nearly 40 percent of their sales abroad. In 1956 the H. J. Heinz Co. earned 70 percent of its consolidated net income overseas.

In Europe alone the International Business Machines Co. employs more than 16,000 persons. Foreign sales account for about one-fourth of the Goodyear Rubber Co.'s consolidated sales. Last year Firestone derived $17 million in profits from its overseas sales.

Approximately one-tenth of all movable goods manufactured here are sold abroad.

This is the significant tenth—the fraction that spells the difference between profit and loss.

We export about 20 percent of the trucks we produce, 40 percent of the track-laying tractors, 10 percent of our machine-tool output, over 20 percent of our mining and

construction equipment, about 15 percent of our coal output.

The world takes between 25 and 40 percent of our cotton, wheat, rice, tobacco, fats, and oils.

The farmers' stake

It is greater than the sales of new cars at home, greater than the farmers' gross income from crops or livestock, or the clothing purchases of all Americans.

The American farmer has long had a large stake in exports. And the farmer is still concerned with foreign markets. About one-fifth of our total exports consists of farm products. They are the output of 40 million acres.

I don't know whether foreigners regard it as a blessing or a product of what some regard as our peculiar culture, but a bubble gum manufacturer exports 10 percent of his output. (I wonder where it goes, also why.)

In my State of Illinois we have a company, the Caterpillar Tractor Co., which employs nearly 40,000 in the United States. In 1957 exports accounted for 42 percent of its sales. Without its export business, Caterpillar could have done without 15,000 workers last year and its payroll would have been $75 million less, not to mention the effect on 5,400 companies that sell to Caterpillar.

Foreign trade profits all of our States. I can cite only a sample:

Export trade brings approximately $800 million annually to Michigan's 18th Congressional District and provides jobs for nearly 3,000 people.

Goods to the Swiss

Exports bring about $123 million annually to Connecticut's First Congressional District and provide jobs for nearly 8,500 workers.

In 1956, for example, every State in the Union sold goods to Switzerland. Our Swiss exports rose from $7 million in 1936 to $215 million in 1956. The Swiss are expert textile makers and large exporters. Yet in 1956 they bought textiles made in Alabama, Georgia, Maine, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island.

Similarly, some of us want Swiss textiles. Such an interchange of goods benefits the economies of both countries. But, more important, it enriches the lives of the parties to the exchange. Liberalized trade policies make a bazaar of the whole world; a bazaar where everything is sold to further man's pursuit of happiness and satisfy his needs.

If liberal trade policies are good for the export industries, they are good for the consumer, too, and we are all consumers. If we can buy foreign goods cheaper we have more money to spend elsewhere on other goods and services, which means compensating employment. One hundred sixty-five million Americans can never agree on what to do about anything. But as consumers they could quickly agree that they need better goods at cheaper prices whether from California or New Jersey or India. If there is a forgotten man in the everlasting tariff struggle it is the consumer who really pays the tariff subsidies.

But I've dwelt too long on the obvious advantages of foreign trade to American business. What about the disadvantages? We hear it said once again that foreign competition will throw more men out of work; that tariff cuts reach into the helpless workers' pay envelope. What are the facts?

Workers affected

It has been estimated that if all tariffs were temporarily suspended only 200,000 to 400,000 workers might be affected, of whom only a third are in nonfarm employment, but since no such drastic step is proposed the dimensions of the problem are smaller.

According to the Department of Labor, in 23 industries in which the Tariff Commission found injury or threat of injury from April 1948 to March 1957, the maximum total displacement was 28,000, which is hardly a formidable figure with the economy growing at the rate of $10 billion annually and absorbing more than half a million new workers a year.

Moreover, pending legislation contemplates Federal assistance to industries, workers, and communities seriously injured by foreign competition resulting from tariff reductions.

No, it is not the tariff cut but the tariff that reaches into the worker's pay envelope.

Actually, it seems to me that unemployment is one of the strongest reasons for stimulating rather than stifling trade. The soundest way to restore and sustain full employment and economic health is to expand, to develop new products, and new markets.

There are a billion customers around the world who want what we can produce. But they can't buy unless they can sell. Trade with these underdeveloped countries, particularly as we supply them with capital goods, will enable them to increase their capacity for consumption of our products.

And that brings me to the political implications of freer trade, which, if anything, are more important than its economic aspects. For nowadays trade policy is foreign policy. If we don't understand that, the Russians do.

Since 1952, I have talked a great deal about Communist intentions in the field of foreign trade and economic aid. And I repeat again Stalin's counsel of that year to a Moscow conference:

"We can win the world peaceably. It will eventually turn upon West Germany and Japan. But the stupid, greedy West will hamper their foreign trade. Then we shall draw them into our orbit through overwhelming trade agreements."

Last year Mr. Khrushchev said:

"We declare war upon you—excuse me for using such an expression—in the peaceful field of trade."

The mounting opposition

And he added that he confidently expects to win this war and that the threat to the United States is not the ICBM.

Well, noting the mounting opposition to trade and aid generally, it looks as though we were determined to make Stalin a prophet and Khrushchev a conqueror.

Let me illustrate with the case of Japan, our best customer, after Canada, and recently our leading market for farm products. Japan is invaluable to the Free World.

The world's fifth largest grouping of people, the industrious Japanese, operate Asia's greatest workshop. Their crop yields per acre are the world's highest. The Japanese are striving to become the first Asians to escape definitely from Asian poverty. If they succeed, the effect throughout Asia would be great.

But Japan can succeed in only one way—through trade. And she can succeed through trade only by doing much of it with us. With too many people, too little land, too few resources, Japan must import about one-fourth of her food and nearly all the cotton, wool, iron ore, and other materials she processes. She can pay for them only with exports. Trade is life or death for Japan.

Huge China, with its land mass and 600 million population, exerts a mighty gravitational pull upon Asia. It would be a savage irony if the Japan we preserved from Communist aggression by our bloodshed in the Korean war should be driven by American business into the arms of the Communists.

No one in his right senses will any longer laugh off Communist competition in trade and aid or be content with reassurances that the Soviet Union is about to collapse. Already conspicuously succesful, their trade opportunities may widen as the recession deepens and as we close the door upon the newly independent countries that must trade with us or be drawn into the Communist orbit.

Their great advantages

In this total cold war the Communists esteem no weapon more highly than trade, not only because they understand its uses, but also because they read our newspapers and understand us—because they know that here local interest, as opposed to the national interest, makes us most vulnerable. They know, too, that with their totally controlled economy and the ability to impose sacrifices on their people they have great advantages over us.

But the consequences of restrictive trade policies come even closer to home than Japan and the cold war raging through Asia and Africa. These are not times in which we can see our best and closest friends angrily seeking other trading partners without grave concern. Yet in the current election campaign next door in Canada the Conservatives are attacking the Liberals for "putting all of Canada's eggs in the United States basket" and are promising alternative markets and investments.

Nor should we overlook the great impetus which the St. Lawrence Seaway could give to export-import trade in the Middle West.

And isn't there a lesson for us in the establishment of the common market in Europe and this bold acknowledgment, at long last, that prosperity and peace can come only through the freest and maximum amount of trading. The six nations of Europe that have agreed to eliminate all trading barriers in the next 15 years are not a trading bloc directed against us.

On the contrary the common market opens a vast new frontier for American enterprise. But the United States will be dealing with an entity of more than 250 million people with resources comparable to ours. It will be a match, and then some, for the United States at the tariff bargaining table.

Diving for storm cellars

Surely it would be folly not to give the President the authority he needs and hobble our leaders at the conference table or in the cold war. Surely it would be unthinkable to refuse to renew the Reciprocal Trade Act, and for at last 5 years in order to create some permanence about our intentions. Instead of diving for the storm cellars I suggest we take courage from the Europeans who have recognized that in the modern world we are interdependent and that the hope of peace and prosperity for all depends on expansion and an increasing volume of trade for each.

Indeed I would like to think that what has started in Europe is only a beginning. For if tariff barriers are barriers to peace and prosperity in six countries they are likewise barriers for all the countries in the North Atlantic Union and for the still larger association of free countries we must build—not just to counterbalance the Communists, but because in the long run trade and commerce and the arts of peace will save us, not weapons and alliances and the arts of war.

So, with the common market on one side of us and the mounting Sino-Soviet economic offensive on the other, any retreat on trade policy will have forbidding and unalterable consequences. It will further weaken our alliances, further enfeeble confidence in our leadership, push the great undeveloped areas into Communist arms, and in the long run isolate, imperil, and impoverish us.

We cannot, must not, dare not, turn the clock back to 1930. We cannot be at once advocates and opponents of growth, expansion, and competition. We cannot be at once political internationalists and economic nationalists.

As David Cohn, a southern author, said, "It is both becoming and perhaps saving that

we should so act that the world will again hold us to be a great country and not merely a big country."

CONSTRUCTION AND REHABILITATION OF THE MERCEDES DIVISION, LOWER RIO GRANDE PROJECT, TEXAS

Mr. ANDERSON. Mr. President, I ask unanimous consent for the immediate consideration of a concurrent resolution which I send to the desk.

The VICE PRESIDENT. The resolution will be stated for the information of the Senate.

The concurrent resolution (S. Con. Res. 75) was read as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to return to the Senate the enrolled bill (S. 2120) to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division.

If and when the said bill is returned by the President, the action of the presiding officers in signing same shall be deemed rescinded; and the Secretary of the Senate is authorized and directed, in the reenrollment of said bill, to make the following correction:

In line 2 of section 3 of the House engrossed amendment after the words "to lands", insert "in this project."

The VICE PRESIDENT. Is there objection to the request of the Senator from New Mexico?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. ANDERSON. Mr. President, the resolution relates to S. 2120, to authorize the construction and rehabilitation of the Mercedes division, lower Rio Grande project, Texas, under the reclamation law.

The Senate passed the bill on August 19, 1957, with a floor amendment which was designed to make clear that any relaxation of the acreage limitation of the reclamation law in the bill was limited to this project and was not to be construed as general legislation. The desired result was achieved by inserting in line 2 of section 3 the words "in this project".

The House of Representatives on March 13, 1958, substituted the text of its own bill for S. 2120. Inadvertently the words "in this project" were omitted and the error was not revealed when the Senate agreed to the House amendments on March 18 with an amendment. The House agreed on March 19, and S. 2120 was sent to the President.

The concurrent resolution requests the President to return the bill, rescind the signatures of the Presiding Officers, and directs the Secretary of the Senate to make the correction indicated.

Mr. President, I move that the concurrent resolution be agreed to.

The VICE PRESIDENT. If there be no amendment to be proposed, the question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 75) was agreed to.

PROTECTION OF HUMAN HEALTH FROM RADIATION DANGERS

Mr. NEUBERGER. Mr. President, on February 14, 1957, I introduced in the Senate a bill to establish a National Radiation Health Institute and for certain other steps to be taken in the Public Health Service of the Department of Health, Education, and Welfare. A corresponding bill was introduced in the House of Representatives by Representative CHARLES O. PORTER, of the Fourth District of Oregon.

Because I have thus followed with interest for some time developments in the field of health concerning the impact of radiation on man, on other biological organisms, on the food we eat and on the environment generally in which we must live, I was most interested to learn of the establishment last week of a Division of Radiological Health in the Public Health Service.

I ask unanimous consent to have printed in the RECORD at this point a brief news dispatch from the New York Times of March 29, 1958, announcing the establishment of this new Division in the Public Health Service.

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

RADIOLOGICAL UNIT SET UP

WASHINGTON, March 28.—A Division of Radiological Health was established today by the Public Health Service.

Marion B. Folsom, Secretary of the Department of Health, Education, and Welfare, said the Division would bring together 51 persons and a budget of $400,000 already dealing with health aspects of radiation.

The Secretary said the program was expected to expand to include a staff of 76 with a budget of more than $600,000 for the fiscal year starting July 1, 1958.

Operating under the Bureau of State Services, the Division will provide technical assistance to State agencies dealing with medical, industrial, and other activities involving public exposure to radiation.

Dr. Francis J. Weber, medical director of the Department's regional office in Denver, will be brought to Washington as Chief of the Division before July 1.

Mr. NEUBERGER. Mr. President, I am glad to see that this step has been taken by the Secretary of Health, Education, and Welfare toward having the Public Health Service assume the responsibilities for a modern problem of public health which is likely to be as important as any which will confront the American public in the years ahead. According to the New York Times dispatch, the new Division only coordinates the work of 51 persons and a budget of $400,000 that is already devoted to the health aspects of radiation. However, this will form the nucleus of a future expanded program of radiation health problems within the Public Health Service.

Mr. President, I welcome this evidence of active concern within the Public Health Service as a long needed step in the right direction. I should like to state again that I believe this problem deserves further attention by the Congress. I would hope that the Committee on Labor and Public Welfare, to which my own bill on radiation health was referred, might allot a few days to hearings for the purpose of looking into the status of the Government's radiation health program in the light of this new announcement by the Department of Health, Education, and Welfare, and to determine whether additional steps such as proposed in S. 1228 might not be in the public interest. No Member of the Senate has a deeper or longer standing interest in programs of public health than the illustrious chairman of that committee, the Senior Senator from Alabama [Mr. HILL].

The great importance of a well-organized institutional framework for pursuing the necessary studies and research in the radiation field—in the light of the vast increase of radiation-producing activities that may be expected in this country in the near future—was pointed out recently in an editorial in the American Journal of Roentgenology, Radium Therapy, and Nuclear Medicine of February 1958, written by Dr. Russell H. Morgan, of Johns Hopkins University. I ask unanimous consent that the editorial from an expert source be printed in the RECORD at the conclusion of my remarks.

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

PROGRESS TOWARD A COMPREHENSIVE PROGRAM IN RADIATION SAFETY

There is perhaps no radiologist who has not, at some time or another during the past year or so, first been angered and then embarrassed at the widespread publicity given to the dangers of excessive radiation exposure in the public press. The anger has arisen from the all-too-frequent flagrantly sensational manner in which radiation hazards have been reported; the embarrassment has occurred from the realization that clinical radiologists, faced for many decades with the dangers of radiation, often have been careless in the use of radiologic apparatus and, perhaps more important, have often been unable to give answers to many fundamental questions where the actions of radiation on biologic systems are involved.

As a result of public concern, a number of nationally sponsored committees have been vigorously at work studying various aspects of the radiation exposure problem. Among these may be included the Committee on Radiology of the National Research Council, the National Committee on Radiation Protection, and the Radiation Study Section of the National Institutes of Health. In addition, numerous other scientific and semi-scientific groups have had these matters under serious consideration. In each case, the objective of the committee has been a review of the radiation problem as it pertains to the area of committee responsibility and the development of ways and means to correct such practices as are found from this review to be hazardous.

Although each of these committees has faced its task with great responsibility, it has become evident, as time has passed, that much of this committee work may not be as effective as desired. The reasons for this I believe are two-fold: (1) There is no one committee in this country with a continuing, comprehensive responsibility in the field of radiation control; and (2) There are few committees involved in radiation matters which have available to them mechanisms wherein their recommendations may be assuredly carried out.

To illustrate the need for comprehensive responsibility, let us consider the following matters. Those of us in clinical radiology

are well aware of the hazards which pertain to our own specialty. However, the applications of radiation-producing machines and materials are not limited to the practice of medicine. They are found more and more often in industry, in agriculture, and in the food processing fields, even a conservative look into the future indicates that the hazards of radiation exposure in industry alone, 10, 15, or 20 years hence, will potentially exceed those which exist today by many times. In addition, the activities of the military forces of the Nation which, until a few years ago, have not been of great concern in the maintenance of the health of our people, now are creating a radiation problem of considerable magnitude.

During the past few years, it has seemed to many that if effective control of the radiation hazards which confront the people of the United States today and in the years to come is to be attained, the radiation problem must be faced on a comprehensive basis and within an operational framework such that those who apply their time and effort to radiation safety may be assured that their recommendations may be transmitted into effective action. Furthermore, it has appeared to an increasing number of responsible physicians and scientists that the United States Public Health Service should take the lead in the development of just such a program. By law, the Service has primary responsibility for the maintenance of the health of the Nation. Unlike other Government agencies whose scope of interest in the radiation field is limited, the Public Health Service has the responsibility to our people to view the radiation problem from the broadest possible viewpoint. Finally, the Service, either by existing legislation or by possible legislation in the future, has the mechanisms whereby such control methods which, in the judgment of our best men in medicine and science, seem desirable, may be put into action.

Unfortunately, the Service in past years has developed no great competence in radiation affairs to support such responsibility. This has largely reflected a distressing lack of interest in these matters at high levels of authority and an assumption that radiation problems in public health could be effectively met by the Atomic Energy Commission, even though the latter agency's interest in radiation hazards is limited to its own circumscribed activities.

During the past summer, Secretary of Health, Education, and Welfare, Marion B. Folsom and his newly appointed Surgeon General, LeRoy E. Burney of the United States Public Health Service, recognized clearly the important role which the Service must play in developing a comprehensive radiation program in the health sciences. They also recognized that, to accomplish this objective, the Service will need the assistance and guidance of every individual, organization and society which has competence in those branches of the medical sciences where radiation is involved. For instance, the three national committees mentioned in an earlier paragraph, will be encouraged to play an even more vital role in the radiation programs they have pursued in the past.

To begin the work of the Service, the Surgeon General is currently forming a National Advisory Committee on Radiation which will be directly responsible to him. This committee will include men in a broad range of scientific and ancillary disciplines, including clinical radiology, radiobiology and radiation physics. It is anticipated that the committee will be relatively small, since much work is required, and this can be most readily effected if the committee is not excessively large. Its first job will be to evaluate the problems related to radiation and its hazards which affect the health of each one of us. Following this, it is anticipated that a comprehensive national program in radiation control will be developed. Finally, such legislation as may be necessary to place this program in operation will be sought.

One can only anticipate the areas of primary concern in the deliberations of the National Advisory Committee on Radiation. However, the history of the past few years makes it abundantly clear that great attention must be given to the development of fundamental and applied research programs whereby a better understanding of the effects of radiation on biologic systems may be gained, and whereby improved standards of safety may be developed.

In addition to problems in research, the needs of our scientific and medical schools in radiologic education will be studied with great care. At the present time, there is a great insufficiency of well-trained people in those fields of the medical sciences where radiation protection problems are important. As a result, considerable assistance must be given to our medical schools, schools of hygiene and schools of engineering by way of grants for building construction, faculty additions, and research fellowships, so that these schools may provide the climate wherein competent people in radiation affairs may be educated.

Ways and means of meeting today's problems, before the longer-range effects of future research and education come into play, must also constitute an area of serious deliberation. Furthermore, since the hazards of radiation exposure constitute only one of a group of environmental health problems which exist in our country today (for example, chemical toxins distributed in the air by industrial plants constitute an increasingly serious matter), it is important that this be recognized and that radiation control methods not be developed as an isolated program but in their proper relationship to environmental health problems as a whole.

In closing, there is one thing that might be well to point out, since it is of great importance if the freedom of the scientific and medical professions of our country is to be maintained. The Public Health Service historically in the conduct of its programs operates as an advisory agency rather than as a regulatory force. As far as regulatory matters are concerned, it has consistently left these to the regional, State, and local community to conduct; one can anticipate that such will be the case in the future. Furthermore, in its great programs in support of medical research during the past few years, the Service has consistently followed a course wherein the individual investigator has retained the greatest possible freedom in the conduct of his work; again, the same practices may be antcipated in the field of radiation. This viewpoint, I believe, is important to remember because a sound radiation program can develop and flourish best within a framework of scientific freedom, with only such regulation as the public health demands.

With the foregoing developments, it is sincerely hoped that in the future, matters on radiation control may be more effectively met—supported by comprehensive research at both the fundamental and applied levels and by the development of well-trained people who are able to do the job which is required of them. Certainly, this is the objective of the program on which the United States Public Health Service has embarked. As I have indicated heretofore, it will utilize every possible resource to insure its being a program of which all of us can be proud.

JOHNS HOPKINS UNIVERSITY
AND HOSPITAL,
RUSSELL H. MORGAN, M. D.
BALTIMORE, MD.

IMPROVEMENT OF HARBOR FACILITIES AT YAQUINA BAY, OREG.

Mr. NEUBERGER. Mr. President, with the passage by the House of Representatives of the omnibus rivers and harbors bill, S. 497, a beneficial undertaking long awaited on the Oregon seacoast has come nearer to reality. I refer to the great $19,800,000 Yaquina Bay Harbor project, near the tidewater communities of Newport and Toledo, in Lincoln County.

I am proud of my own part in helping to secure authorization by Congress of this major improvement of the deep-water anchorages along Oregon's magnificent and strategic shoreline, which borders the Pacific.

In November 1955 it was my pleasure to present a statement on behalf of the proposed modification of the Yaquina Bay project to the Board of Engineers for Rivers and Harbors. On the basis of information presented at the hearings, the Board approved plans to extend the jetties and to deepen the entrance channel across the bar from 26 feet to 40 feet, to deepen the channel inside the bar from 20 feet to 30 feet, and to enlarge the inside turning basin.

In July of 1956, after the House had passed the omnibus rivers and harbors bill without including the Yaquina Bay project, I and other members of the Senate Public Works Committee interrogated officials of the Corps of Engineers about the status of plans, and the Senate approved our action in including the project in the bill. After the President vetoed the bill on grounds that it contained projects lacking proper clearance of administrative agencies, I cosponsored S. 497, which was introduced early in the first session of the 85th Congress and which contained the authorization for the Yaquina Bay project.

The improvements at Yaquina Bay have long been sought by port officials and by other representatives of Newport and Toledo, and by commercial interests of these communities dependent on shipping in and out of Yaquina Bay. Their cooperation has been important to my efforts. Furthermore, establishment of a deep-water harbor at Yaquina Bay is of far-reaching importance to the adjacent territory which has great potential for economic expansion. Provision of adequate deep-water harbor facilities at Yaquina Bay will be the key to unlocking vast development of seaborne commerce along Oregon's seacoast.

Mr. President, I ask unanimous consent to have printed in the RECORD with my remarks an editorial from the Oregonian of March 2, 1958, concerning this major forward step in improvement of Oregon's water transportation potential.

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

DEEP HARBOR STEP CLOSER

If the rivers and harbors authorization bill is not vetoed by President Eisenhower this year as it was in 1956, Oregon will stand a fair chance of obtaining another deep water harbor—at Yaquina Bay. Realization of the proposal then will depend on appropriations from Congress, which are not included in the measure just passed by the House or in a similar bill approved earlier by the Senate.

The $19,800,000 Yaquina Bay project was one of the stumbling blocks to Presidential

approval 2 years ago. The President then contended that several projects, which are included in this year's bill also, had not received normal study and approval by the Army Engineers. The Yaquina Bay job was one of these. The President also objected to some projects on the grounds that they either were not economically justified or required insufficient local contributions.

Since the 1956 veto, the Yaquina Bay project has been studied further and approved by the engineers. If a Presidential veto is forthcoming this year, the Oregon job's status with the engineers cannot be blamed for it.

The project is a major one. Its estimated cost is approximately the same as that of deepening the channel in the Willamette and the Columbia to 40 feet from Portland to the sea, an undertaking on which Congress has not acted. Plans provide for extension of both north and south jetties; deepening of bar and outer channel to 40 feet for a width of 400 feet and a length of 3,400 feet; establishment of an upstream channel 2.4 miles long, 30 feet deep, and 300 feet wide, and digging of a turning basin 30 feet deep covering an area 900 to 1,200 feet wide and 1,400 feet long.

Principal user of the Yaquina Bay facilities would be the Georgia-Pacific Corp., which recently added a $22 million pulp and paper plant to its sawmill and plywood operations at Toledo. The company has announced plans to bring in hemlock pulp from Alaska for processing at Toledo when harbor facilities make that possible.

Lt. Gen. Lewis A. Pick, retired chief of Army Engineers, appeared as vice chairman of the board of Georgia-Pacific Plywood to argue in behalf of the project before the Board of Engineers in Washington in 1955. District and division engineers then had recommended against it on the grounds that benefits would be insufficient to warrant the expense. General Pick described the improvement as the answer to the shifting of lumber operations from Washington State to southwest Oregon. The improved harbor, however, would be more than a lumber port, he asserted. Shipping would increase by 840,000 tons a year, he said.

The harbor improvement would be a substantial addition to Oregon's economy just as is the recently completed pulp and paper mill. One question arises, however, in view of expensive efforts made during construction to avoid polluting the oyster beds and other fish life and the further precautions ordered last week by the State sanitary authority: What effect will conversion of Yaquina Bay into a deep-water harbor have on the hitherto carefully protected shell and fin fishes?

OPPOSITION TO ANY REDUCTION IN IMPORTATIONS OF CANADIAN CRUDE OIL

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a copy of a letter I addressed to President Eisenhower on March 28; and a telegram I have received from the Northwestern Refining Co., of which Mr. Elmer R. Erickson is president.

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

WASHINGTON, D. C., *March 28, 1598.*

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: I have just completed reading the Executive order which you issued on March 27 in connection with Government purchases of crude petroleum and petroleum products and the supplementary report dated March 24 of the special committee to investigate crude oil imports.

There is a growing interest in this matter among the citizens of Minnesota and the Midwest region of the United States. I feel that the report submitted to you by the Secretary of Commerce recognizes the necessity of restoring the competitive vitality of the small independent refineries and the small crude producers of this Nation.

Because this program to study and investigate crude oil imports is a continuing one. with periodic reports to be submitted along with recommendations, I believe that it is necessary to bring to your attention certain proposals for your study and consideration.

I am particularly concerned with the subject of Canadian crude oil imports. We in Minnesota are very conscious of the long history of friendly relations experienced between the United States and Canada. No one will deny the need for the continuance of such friendly relations.

Keeping in mind that the Canadian crude oil industry is in its infancy and the small refiners in Minnesota and in the Midwest depend to a large extent upon imports from Canada, I submit the following suggestions for your study and investigation.

1. That Canadian crude oil imports be exempted from future controls on imports. Considering this suggestion from the standpoint of our national security and economic conditions, I have not found where such an exemption of Canadian imports would have an adverse effect. If it is not possible to adopt such a suggestion then I would further suggest—

2. That refiners which are certified as small business under the definition set down by the Small Business Administration be exempted from controls on imports.

Inherent in these suggested changes is my deep concern for the future status in our economy of the small refiners and small producers and my concern for the continued good relationship between our country and Canada.

It would seem that both of the above mentioned ramifications would justify a review of the import program for the purpose of determining whether one or both of the suggestions could be adopted. I am hopeful that the administration will give careful consideration to these proposals.

Respectfully yours,

EDWARD J. THYE,
United States Senator.

ST. PAUL, MINN., *March 31, 1958.*

Hon. EDWARD J. THYE,
Senate Office Building,
Washington, D. C.:

We note with interest your excellent release supporting no reduction in Canadian crude imports for Minnesota refiners. We support your position and we will sincerely appreciate any further efforts you can name on this matter in our behalf.

NORTHWESTERN REFINING CO.,
ELMER R. ERICKSON,
President.

THE FARM PROBLEM—LETTER FROM ALFRED WAGGONER TO THE SECRETARY OF AGRICULTURE

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, for the information of the Senate Committee on Agriculture and Forestry, a copy of a letter which I have received from Alfred Waggoner, of the Walnut Grove Farm, of Lindsey, Ohio. The letter is most informative. For that reason, I believe it should be printed in the body of the RECORD, and also should be referred to the Committee on Agriculture and Forestry.

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

WALNUT GROVE FARM,
Lindsey, Ohio, March 26, 1958.

Hon. EZRA T. BENSON,
Secretary of Agriculture,
Washington, D. C.

MY DEAR MR. SECRETARY: I wish to call your attention to the misinformation in the press and by public utterances in the past and present with respect to the farm problem.

Just what is the farm problem? This question has never been defined. A physician cannot cure a patient without a proper diagnosis and by the same token this farm problem will never be solved or improved until all the factors creating the problem are taken into consideration.

I want to make this clear and emphatic, farm surpluses are not the crux of this problem, merely incidental to it. Permit me to repeat, farm surpluses are not the crux of the problem, merely incidental to it. Our farm surpluses are only good insurance against crop failures, except wheat and cotton and should be maintained at all times. The ever-normal granary concept.

A problem can never be solved if we fail or refuse to recognize the factors creating the the problem. This problem has been with us for a long time, became acute about the time of the Granger cases in 1870–80, and has been with us to the present time. The problem became worse since World War I when farm operations became more complex and expensive. Agriculture only wants parity or a fair and equitable exchange basis for the products that we produce.

Industry and services have all been surrounded by protecting legal devices. What protection has the farmer? All such legal devices protecting industry and services are founded in the presumption of "a reasonable return on a reasonable investment." Those legal protective devices are the factors creating the farm problem and causing the present cost-price squeeze. To name some of them are the following:

1. Utilities, electric power, telephones, gas, etc.: State law.
2. Interstate railroads, trucks, buses, airlines, pipelines: Public law.
3. Tariff making power of Congress: Public law.
4. Bargaining power of labor: Public law.
5. Fair trade laws: State law.
6. Federal Trade Commission: Public law.
7. Federal Communications Commission: Public law.
8. Federal Power Commission: Public law.
9. Interstate Commerce Commission: Public law.
10. Tax inequality—

(a) quick depreciation writeoff, depletion allowances, etc.: Public law.

(b) farm soil is expendable, therefore should be depreciated. Farmers should be given compensation allowance for their labor and management for income tax purposes.

In addition to the foregoing, we have some monopolistic controls. Until World War I when some prices were pegged and 1933 when AAA was enacted and amended to the present, was the only time agriculture received any price protection by public law. This price protection has now deteriorated to a mere mockery.

Mr. Secretary, pray tell me how farmers can stay in business without price protection in view of the aforementioned legal devices. You must also remember that the farmer's cost of production is governed by the same economics as that of any other producer of goods and services. Contrary to public opinion that farm prosperity can-

not be legislated, if the problem and cost-price squeeze was caused by legislation, it must be corrected by legislation.

Like President Lincoln's statement "the Nation cannot be half free and half slave," likewise the farmers cannot be on a free-trade basis and the rest of our economy be protected. This double standard of morality in our economy, one standard for agriculture and another standard for the rest of the economy cannot endure. Agriculture has been in real trouble for over 40 years.

Agriculture is the basic industry. Agriculture built this Nation. It was so aptly said in the past "take away agriculture and your cities will wither and grass will grow in your streets." We have tried every expedient endeavoring to evade the real causes of the problem and have failed.

Are we so morally, spiritually, and intellectually bankrupt that we cannot dispose of our farm surpluses in a hungry world? Congress did enact Public Law 480 that is partially doing the job, but it can be improved. Among the many blessings that our Nation is endowed with, probably the greatest is our abundance of food. Without it, where would we go for food in this hungry world except for wheat in Canada and Australia? For this abundance the farmer is penalized.

We fail to realize or have we forgotten that we are a creditor Nation instead of a debtor. When we were a debtor, we cleared our trade balances mostly with agricultural exports. Our exports now exceed our imports, hence no debt balance. Now we do not know what to do with our farm surpluses. We do not want agricultural exports to interfere with industrial exports.

You were so frank and naive when you said recently that we must lower parity so that farm products would move more freely in the world markets. If prices of industrial products were lowered so that they would move more freely in the world markets, there would be no farm problem or would be greatly lessened. You advocate lowering parity and farmers produce more; that is the surest method for farmers to farm themselves into the poorhouse. Low prices never put the one gallus farmer out of business, however you must know that it is bankrupting the good young commercial farmer that went in debt recently. It is also discouraging young rural men from engaging in agriculture. We cannot afford to have this condition exist. Agriculture needs these young men and must have them.

Mr. Secretary, you seem to be so far removed from the actual conditions and needs of the dirt farmer. We forget that during the 1930's when wheat was 32 cents per bushel and hogs were 2 cents per pound, this did not increase consumption. Consumption was actually less per capita—no purchasing power. Low prices never reduced acreage. Can we never learn from past experience?

I have no patience with any arbitrary parity basis for any farm product less than full parity. In order to attain and maintain a balance of production and consumption, we must have acreage allotments with strict compulsory and cross compliance, or some such a plan as the Brannan plan. Also the 1933 historical base acreage must be brought up to date and be made more equitable so that agriculture can be on a going business basis. My present allotments were founded on 1933 base acreage and I cannot comply.

A word about subsidies. Whenever Congress appropriates money for agriculture the consumers shout to high heavens about farm subsidies and the ones shouting the loudest are the ones receiving the most subsidies. To name a few of the segments of our economy that are subsidized: nonferrous mines, airlines, trucks, busses, steamships, publishers, quick writeoff of depreciation, depletion allowance, labor, tariff (indirect subsidy), harbors (channel dredging, breakwaters, lighthouse), and others. When agriculture receives $1 of subsidies other segments receive $5 plus. I have noticed in recent press reports that some unemployed workers have reached the limits of their unemployment compensation benefits and are now being supported by the taxpayers. That is an industrial subsidy and has always been in the past.

The last 5 years, the taxpayer had to pay more for agricultural surpluses and the farmers received less for their products in about the same proportion. I hate subsidies. If other segments receive subsidies, we must also share them. There is no other alternative.

I also have no patience with the pious pronouncements that the Government get out of agriculture and that we go it alone and let nature take its course. We had to endure that during the 1930's. That was enough for me.

Trusting that you will recognize some of the factors creating this problem and make recommendations to Congress recognizing that farming is a business and not a way of life today. Among many other things, the farmers consume about 50 percent of steel and gasoline, with an adequate purchasing power. Our curtailed purchasing is a factor in this present recession, depression, panic (by any other name it would smell just as sweet).

Again, I am pleading with you to give this problem the consideration that it deserves in arriving at some definite and permanent solution.

Respectfully yours,

ALFRED WAGGONER.

PROSECUTION OF PERSONS ENGAGED IN SALE OF OBSCENE LITERATURE

Mr. THYE. Mr. President, last week I introduced a bill to aid in the prosecution of those who are engaged in the sale of obscene literature through the United States mail. This bill, S. 3555, was held on the table for the remainder of the past week, in order to afford to other Senators an opportunity to join in sponsoring it.

A recent article, which appeared in the Washington Evening Star, and has been reprinted in the Postmasters Advocate magazine, very pointedly brings out the urgent need for the enactment of legislation to curb the mailing of obscene and crime-inciting materials through the mails. The article describes the activities of these immoral enterprises, and points out the difficulties which are encountered in attempts to prosecute the offenders. The bill I have introduced will make it possible to bring action in the jurisdiction where the objectionable material is received. In other words, with the enactment of Senate bill 3555, parents of children in Minnesota who receive these lewd and obscene advertisements will be able to prosecute the sender in their home jurisdiction, rather than have to bring the court action in some distant jurisdiction, such as Los Angeles or New York.

Mr. President, I ask unanimous consent that the article be printed in the RECORD at this point, as part of my remarks, and also it be referred to the Judiciary Committee, for consideration along with Senate bill 3555.

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

[From the Postmasters Advocate of March 1958]

LETTER MARKED "PERSONAL" MEANS OFFER OF LEWD PICTURES TO JUNIOR—PARENTS' COMPLAINTS TOTAL MORE THAN 50,000

(By Miriam Ottenberg)

(EDITOR'S NOTE.—The following article is reprinted with the special permission of the Evening Star, a Washington, D. C., daily newspaper in which it recently appeared. The author has been a Star staff writer for 20 years. She specializes in stories dealing with crime investigations, administration of justice, law enforcement, and campaigns for reform. This particular feature article has been syndicated by the North American Newspaper Alliance. It also appeared in the CONGRESSIONAL RECORD.)

Junior sends away for a cowboy picture or a model car or a fishing rod.

Then it happens. The postman delivers a letter to Junior, sometimes marked personal, often in a girl's handwriting.

The letter is indeed personal. Junior may be only 13, but he is urged to write for "sexational" pictures of Hollywood models, "stag party" films or "authentic French type photos." A sample of the promised wares tumbles out of the envelope.

This is only the beginning. Through the mail slot of Junior's home now comes a flood of lurid circulars. Junior is now on the mailing list of a dozen different promoters of obscene or near-obscene pictures.

Some of the letters purport to be written by the models themselves, cleverly reproduced to resemble handwriting and complete with an intimate P. S. Thus a youngster is likely to get the impression he is one of a select few although a single outfit has been known to mail out more than 100,000 similar letters in a few days.

Junior's parents finally complain to the Post Office Department. In the past year, more than 50,000 such complaints have reached the Department.

FLOOD OF OBSCENITY

Postal inspectors estimate conservatively that 50 million direct mail advertisements for pornography are now going into homes across the country annually. From a trickle in 1950, the flow of obscenity by mail is now reported at flood stage.

The promoter's "take" is enormous. The former wife of one of them testified under oath that her husband raked in $750,000 in a few months. Advertised prices of the merchandise range from $2 to $80. Ironically, the advertising material is often more obscene than the merchandise itself, postal inspectors say.

The parents want to know what the Post Office Department is doing about it. Last week, postal officials explained to a Congressional committee how their hands are tied. They want Congress to untie them.

There are now two ways they can go after the promoter—by civil or criminal action. On the civil side, the Postmaster General, after an administrative hearing, can issue an order under which postmasters can return the mail stamped "unlawful" and the promoter is quickly out of business. But, pointed out Chief Postal Inspector D. H. Stephens, as soon as the order is issued, the promoter can run to court and gets an injunction to keep the postmaster from carrying out the order.

On the criminal side, prosecution is virtually balked under a 1952 court ruling. A Federal appellate court ruled that a case against a promoter could only be brought where the circulars and other obscene material were mailed—not where they were received. If the circular is mailed in Hollywood—where the largest number of them originate—the United States attorney in

Kansas or Michigan or any other place where Junior gets the circular can't do a thing about it.

SOPHISTICATION A FACTOR

As tactfully as possible, postal inspectors say that judges in metropolitan areas have a more sophisticated attitude toward the material than judges in other parts of the country. Mr. Stephens put it this way:

"Unfortunately, the largest dealers in smut and obscenity have been able in many instances to frustrate our efforts to stop them because of legal barriers which enable them to take refuge in areas where the Federal courts take a very broad view of what constitutes obscenity which is not shared by the rest of the country."

The Post Office and Justice Departments have joined in asking Congress to let them prosecute the promoters where Junior lives, not just in the big city where the promoter does his business. "We want to give the offended communities a chance to decide what is obscene and what they want to do about it," a postal official explained.

They figure that the parents who would serve on the juries in the towns where the pornography is coming into mailboxes would take good care of the promoters.

The attitude of parents is reflected in this sampling of recent complaints:

From the Milwaukee mother of a 15-year-old son: "I have been having an awful time trying to keep these things from him, but he must have his name on a lot of lists. All I can do is ask that you take care of people like this in whatever way you are able. Thank you."

From the Effingham (Ill.) parent: "I have written about six letters back, telling them he is a child of 12 years. He just received another one."

From a very concerned father in Hartford, Conn.: "The advertisers are not only guilty of peddling filth but some * * * even brag about the fact that they are breaking the law by selling and mailing pornographic matter."

MAIL FOR A 12-YEAR-OLD

From a Chicago mother: "For over a year these filthy things have been sent to my son, who is 12. * * * For a while it slowed down and is now going full force again. I cannot see why the Government permits it."

From a Lansdowne (Pa.) mother: "What can one do if children get to the mailbox and open the mail to see pictures of this kind? * * * Why should they be in the mailbox of people who are trying to be decent? What would my 8-year-old and 10-year-old daughters think, how can I explain if they should get these and see them?"

From the Pittsburgh uncle of an 11-year-old, who had sent for a cowboy picture: "From the tie-in with the cowboy pictures, it would appear that this campaign is aimed directly at youngsters and is therefore particularly vicious."

A Washington mother said the circulars started after her son sent for a rebuilt English rifle. A New York father said it began after teen-agers sent for catalogs on guns, radio equipment and camping information. A Des Moines lawyer said a 14-year-old boy got on the obscene mail list after writing for rare stamps. Complaints have come from a girls' training school in Michigan and a fashionable boys' academy in Pennsylvania. Circulars are still coming to the home of a boy killed several years ago in a traffic accident.

Meanwhile, the promoters are having a field day, capitalizing on the findings of the postal inspectors.

One circular boast: "Sexually stimulating and provocative? Yes, says the United States Post Office." This same circular announces: "Gigantic clearance sale stag merchandise. Too hot to handle. Must be sold before final court decisions."

A note attached to one circular sounds this note of urgency: "The censors say we have blown the lid off and may have stepped out of bounds. Because of this situation, it may become necessary to destroy our negatives. We therefore urge you to order immediately."

Postal inspectors wish the promoters really feared they were in danger of a shutdown. One of them summed up the situation this way: "Postmen are forced to carry mail they don't want to carry, at a loss to the Post Office Department, into homes that don't want it."

CHIEF POSTAL INSPECTOR URGES PROMPT ACTION

POST OFFICE DEPARTMENT,
CHIEF POSTAL INSPECTOR,
Washington, D. C., March 18, 1958.

Hon. LOWELL K. GALBRETH,
President, National League of Postmasters of the United States,
Washington, D. C.

DEAR MR. GALBRETH: Your recently expressed personal interest and offer of added assistance with the Department's efforts to prevent use of the mails for the distribution of obscene material are much appreciated, as are the efforts of postmasters in this regard.

As described to you, the rapidly increasing volume of objectionable material being sent through the mails is cause for alarm on the part of all citizens, thousands of whom are voicing violent objection to the receipt of such unwanted and unordered matter by juveniles.

You are aware of the fact that the Department is making every effort to obtain legislation designed to aid in the prosecution of those who are engaged in the sale by mail of filthy literature and pictures. Even though the inspection service has caused 144 major arrests for the subject offense in the past year, legal restrictions and rulings favorable to the promoters have made effective action difficult indeed.

It is believed that a public informed of all of the circumstances under which dealers in obscene mailings are reaping fortunes annually will insure success in barring the mails to and punishing offenders. Postmasters stand in this, as in numerous other ways, in an especially important position to render public service.

Thank you again for your interest.

Sincerely yours,

D. H. STEPHENS,
Chief Inspector.

MR. LEHMAN'S 80 GOOD YEARS

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD the editorial tribute from the New York Times of March 28, 1958, on the occasion of the 80th birthday of our beloved former colleague, Herbert Lehman, of New York.

His clear and courageous voice has been a force for reason in our public life for three decades. His enduring vitality, undiminished concern for human needs, and broad vision, are as evident today as they were during his years in the Senate and in other public positions.

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

MR. LEHMAN'S 80 GOOD YEARS

When a citizen is as valuable to the community as Herbert H. Lehman, former Governor, former Senator and constant servant of the public, it is an added piece of good fortune that he has also the quality of longevity. Mr. Lehman is, according to all the available records, 80 years old today. He does not, however, behave like a man who is conscious of his years. His name continues to be in the news, not for any self-glorification, but as that of a man continuously active in good works and no more afraid than he was a generation ago to engage in controversies.

His latest contribution to the public good was to take a successful hand with Harry Uviller in settling the recent brief controversy in the International Ladies Garment Workers Union and their employers. Everybody assumed that this strike was as good as settled as soon as Mr. Lehman took on his part of the job. Both sides trusted him. Both sides, plus the general public, respected his wisdom and recognized his innate good will. He had to stay up practically all night during the crucial weekend, but he did it.

So with his other activities, he still sits on the Democratic Advisory Council. If he thinks our Middle Eastern policy is wrong, as he has thought during the past year, he says so. The keen, shrewd mind that made him an outstanding success in his own business and in the public's business in offices to which he was elected operates as accurately and as incisively as ever.

There would not be enough space on this page to summarize Herbert Lehman's public career. He has been a part of the liberal movement in this country ever since he abandoned his business career to run for Lieutenant Governor on the Roosevelt ticket in 1928, but what stands out in his personality over and above its intellectual qualities is his conscience, his tolerance, his zeal for liberty and the warmth of his heart. These qualities the public seemed to realize very early. Mr. Lehman astounded the professional politicians by the huge majorities he rolled up in several elections without any use whatever of the customary pyrotechnics. All he had to do seemingly was to show himself in order to make the electorate like and trust him.

It is hard to tell what to wish any man when he has reached the age of 80. Perhaps in this case the sensible thing would be to wish, on behalf of the whole community, that Herbert Lehman may go on doing what he is now doing as long as possible and with undiminished zeal and vigor.

PROPOSALS TO SUSPEND TESTS OF NUCLEAR WEAPONS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to proceed for not more than 5 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. HUMPHREY. Mr. President, the Soviet announcement that it will end its tests of nuclear weapons unilaterally is not unexpected. I invite the attention of Senators to the fact that on Thursday of last week I indicated, in a brief speech in the Senate, that we could expect this Soviet announcement very shortly.

Since the Soviet Union has just concluded one of its most elaborate test series, it is not strange that it should announce that it is suspending its tests, at least for the time being. The world should realize that the Soviet Union is not making a single concession in terms of its own security in this announcement. The Soviet Union states it will be forced to resume testing if the United States does not also agree to stop testing. This is another way of saying, the Soviet Union will resume testing when its re-

search indicates that another test series is ready.

I invite the attention of my colleagues to the fact that the recent series of Soviet atomic tests was the most diversified and the most intensified in Soviet history. I regret that our Government has not seen fit to inform the people of the United States as to the nature of these tests, even though such information is available from the scientific data which have been gathered by our detection system. The matter of explosions of atomic bombs and testing is no longer a private privilege. It is a matter of the utmost public urgency.

The United States Department of State must make it clear that the Soviet proposal is really no proposal at all. At the same time the administration must get off dead center and press for negotiations with the Soviet Union for a suspension of tests, with inspection.

I sincerely recommend that the President of the United States announce immediately that we are prepared to break up our disarmament "package," that we are prepared to separate the matter of the testing of nuclear weapons from the production cutoff of nuclear materials for weapons purposes, and that we are prepared to meet with the Soviet Union to discuss a disarmament proposal limited to cessation of tests alone, but with inspection.

Second, I recommend that the President place on the agenda of the United Nations, through the required procedures, the declaration that we seek the good offices of the United Nations in the promotion and attainment of such a test ban with inspection.

We should point out that for the Soviet Union to say it is going to stop testing is not tantamount to a test cessation because without inspection the world will not have assurance that Soviet tests have actually stopped.

The United States should not only propose to negotiate with the Soviet Union on a test suspension but it must promptly inform the American people what kind of inspection it believes will be adequate. The administration has allowed the impression to grow that the detection of tests would be impossible even with an inspection system. This is simply not true. Our test detection measures are excellent and, if an inspection system were installed in the Soviet Union, the Soviets would have a very difficult time trying to avoid detection. In fact, the consensus of those in the executive branch in a position to know is that our detection system would be so good that the Soviets would not dare to try to cheat.

I wish to emphasize that there would be some risk in agreeing to suspend tests of nuclear weapons even with an inspection system. This risk, however, is small compared to what we would receive in return, a first step in halting the arms race, and the start of an exchange between the United States and Soviet Union, as well as other countries, of inspectors so that mutual confidence and trust could begin to be established. This inspection of a test suspension would be an enormous breakthrough, a political breakthrough second to none. If the administration does not soon act in this matter it will cause the United States to hand to the Kremlin the entire initiative on the question of seeking peace. We must indicate to the world the fallacy of this recent Soviet announcement but at the same time we must indicate that we are prepared to negotiate on an inspected test suspension.

Mr. President, this morning our Nation has been delivered a terrible propaganda blow. For months we have had the opportunity to negotiate a satisfactory test suspension, but we frittered away our time because those who were in charge of this Government have been either timid or uncertain, and the conflict in administration circles over what should be done has left us paralyzed and immobile.

The time is at hand for action, and I hope we shall not again see the specter of the Soviet Union literally keeping our Nation punch drunk from one propaganda blow after another, leaving us standing before the world in ugly nakedness, because of the sterility of our international policies on this great issue, with which the people of the world are so deeply concerned, namely, the danger of a thermonuclear war.

Mr. COOPER subsequently said: Mr. President, I wish to refer to a statement which the distinguished junior Senator from Minnesota [Mr. HUMPHREY] made a few minutes ago. It was an important announcement, and one which Members of the Congress and the persons in the country are going to hear a great deal about in the days ahead.

The Senator from Minnesota told the Senate today that a very important decision had been made by the Soviet Union; namely, to suspend thermonuclear tests, unilaterally. As a Member of the Senate and as an American citizen, I am concerned, as are all other Americans, with the decisions which affect our security and our position in the world.

I believe we must concede that the announcement will have a profound effect on the world. It will have great propaganda value. It may cause great pressure to be brought upon the United States to take a similar step. Regardless of whether their decision is based upon all the facts, in the minds of many people the announcement will sound reasonable. It will so appear to many people in the world, and to world opinion. Many will believe the Soviet Union has taken an important step toward world peace.

I think the position of the United States and of the present administration has been sound in regard to suspension of nuclear tests. Our position has been, that concurrent with an agreement to suspend nuclear tests, there should be some assurance of inspection, there should be an agreement to stop the production of fissionable material and to cease the manufacture of thermonuclear bombs, eventually leading toward the abolition of such weapons.

Nevertheless, I believe it will be very difficult now for the United States to convince a great portion of the world that our position is not legalistic legalisms. It will be difficult to convince many people in the world our position is actually designed for world peace, toward doing away with the actual instruments of war, rather than the suspension of tests.

There will be a more urgent necessity now for the administration to make clear to the world our purposes. We should make it clear that we have not been simply speaking of a suspension of nuclear tests, which in itself would not assure that bombs would not be used, but we are seeking the actual suspension of the manufacture of bombs and the eventual abolition of the bombs, to prevent them ever being used in war. We could hinge our argument upon the truth, that our objective is to ultimately remove from the possibility of their use the thermonuclear weapons which threaten the peace and security of the world. For it is the grave threat of their use, rather than nuclear tests, that endangers the world.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. COOPER. Mr. President, I ask unanimous consent that I may continue for 2 additional minutes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky?

Mr. SMATHERS. Mr. President, reserving the right to object—and I shall not object—I wish to point out that the Senator from Wisconsin [Mr. PROXMIRE] has been standing for some time, and has not yet had an opportunity to speak. The Senate is in the morning hour.

It is most interesting to hear what the Senator from Kentucky has to say, but I hope after he uses the additional 2 minutes he will end his discussion of the matter and we may proceed in order under the morning hour rule.

Mr. COOPER. Mr. President, I do not want to take the time of the Senate unduly. I will say I also stood for some time. I know the limitations of the morning hour.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the Senator from Kentucky is recognized for 2 additional minutes.

Mr. COOPER. We have to make clear that the purpose of the United States is not merely the suspension of tests alone, but as a step in the final abolition of these instruments which could destroy the world.

Second, Mr. President, the United States ought to consider making an announcement such as, "We will suspend tests for a reasonable period. In that time, we will see if the Soviet Union will agree to take steps toward inspection, toward the cessation of production of fissionable materials and bombs." We could thus place upon the Soviet Union the test whether it is actually willing to stop the production of fissionable materials and the bombs which place the world in danger. It seems to me that the Soviet Union would then be before the bar of world opinion.

I hope our efforts to make our position clear will increase, because of the Soviet announcement.

The VICE PRESIDENT. The time of the Senator from Kentucky has again expired.

Mr. JAVITS subsequently said: Mr. President, I endeavored to have the Senator from Kentucky [Mr. COOPER] yield to me, but unfortunately his time was limited.

CESSATION OF NUCLEAR TESTS

I now wish to join with him in a word to the American people on the announcement by the Foreign Minister of the Soviet Union, Mr. Gromyko, on the suspension of nuclear tests.

This is a grave moment for the American people and for the people of the world, because they could easily be taken in by what is obviously a propaganda maneuver, leaving us wide open to results which would be bad not only for us, but for the Russian people themselves.

We bear the awful responsibility of treating with the subject in a responsible way, while the Russian leaders apparently believe that they can afford to treat with it strictly as a propaganda medium.

The State Department has referred to these proposals by Mr. Gromyko as "illusive formulations." That is exactly what they are, for they propose to bypass the effort of the entire world with respect to disarmament with control and inspection, including the suspension of nuclear tests, an effort which, I emphasize, was approved by the United Nations General Assembly. The Soviets come forward with a new, glamorous proposal which has no beginning, no end, and no real basis in fact.

In effect, what they are saying is, "We are going to stop these tests when and as we please, with no inspection or control, and no assurance as to what we have done in the past or what we shall do in the future; but we want all of you to follow us."

If the world were to take that bait, it would be ripe for picking by the Communists. I believe that our leadership is much more firm and decisive than that, and that there is a determination on the part of the free peoples, through their various organizations for self-defense, such as NATO, the Baghdad Pact, SEATO, the Rio Pact, and others, not to be taken in by this Russian bait.

I think it is up to people like ourselves to sound the clarion call, the tocsin of danger, for the world, so that it will not be taken in.

At the same time, we should sincerely press forward in the United Nations, and any other forum open to us, including a prospective summit conference, to propose methods of true cessation of nuclear tests which include concern for the security of the world, namely, methods which involve inspection and control.

I, for one, shall stand fast in support of the position of our President in that posture, and I feel so will also the great majority of the American people.

PRICES AND THE RECESSION

Mr. President, I speak about our recession and the view that is held by some that only the Government can get us out of the recession.

I have been voting for all the things that we have been doing in Congress to help the Government fight the recession.

In spite of our efforts, however, there is still disquieting news.

I for one would urge the President to call a White House conference of management and labor to see what can be done to stabilize prices and to stabilize wages. That would be a surer way to help us get out of the recession.

This morning's news on the subject is not good. I have before me the New York Times which I read this morning, and no doubt other Members of the Senate have read the same news in other newspapers. I refer particularly to two articles in the New York Times, one of them headlined "Recession Eludes a Price Cut Cure." The subhead reads "Business Continuing Slack as Stores Are Caught in Steady-Cost Squeeze."

The second article is headlined "Lack of Backlog Depresses Steel."

I ask that both be included as part of my remarks.

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

LACK OF BACKLOG DEPRESSES STEEL—ABSENCE OF THIS MAJOR PROP SENDS PRODUCTION DOWN TO NEW-ORDER LEVEL

PITTSBURGH, March 30.—Steel order volume showed no improvement last week. With no backlog to help support it, steel production was receding to a point where it would meet the lower level of new business. As a result, the production rate has declined in recent weeks, despite some reports of stabilization.

Some observers inadvertently have confused steel production with new order volume. The latter has not changed much in several weeks. Bad news about steel mills shutting down was due sometimes to special cases, particularly the concentrating of tonnage at the most efficient plant and shutting down temporarily the least efficient unit.

Another practice has been to accumulate orders while a plant was shut down and to start up operations when sufficient tonnage was available. One large Detroit mill is following that method, and many smaller companies have been doing this for some time.

A major setback to the industry has been the lack of automotive steel orders. February and March were disappointing and little improvement is expected in April.

Part of this outlook on the automotive steel purchases stems from the effects of the labor talks under way and the heavy stocks of unsold cars. Even if there were to be an auto strike—and one can't be ruled out—a continuation of the lack of car sales would preclude any last-minute buying by auto makers as a hedge against a walkout.

The lack of support from auto companies puts the job of bolstering the steel industry on other types of consumers. For example, a seasonal pickup in construction is expected soon. But that may or may not raise production. It depends upon the volume of inventories and the amount of new construction and manufacturing.

Iron Age magazine points out that district steel sales offices are working much harder, and calls on customers are up 25 percent. But this has not increased the volume of new business.

RECESSION ELUDES A PRICE-CUT CURE—BUSINESS CONTINUING SLACK AS STORES ARE CAUGHT IN STEADY-COST SQUEEZE

(By William M. Freeman)

Business is slow but the retailer's usual remedy, a spoonful of price cutting, is not being used. The chief reason seems to be that the prices merchants pay are not only not coming down but are firm and showing signs of going higher.

A retailer's song of the blues usually can be changed to a happier tune by careful cutting of prices on slow-moving items. Some prices, notably on appliances that had been released from fixed-price minimums, have come down, but prices generally have not.

Retailers are paying distributors and manufacturers as much as ever for the goods they sell to consumers. The effect is to put the stores in something of a squeeze on food, furniture, clothing, appliances, automobiles and a host of other items.

CHEMISE STYLE A HELP

The latest report on department store sales, issued by the Federal Reserve Board for the week ended March 22, puts volume at 4 percent below the 1957 period. The latest week spurred by better weather, did considerably better, and merchants estimated that the period that closed Saturday would turn in rises of 12 to 15 percent for this year over the 1957 week for this area.

Sales should be considerably higher than a year ago, of course, since Easter is less than a week off. At this time in 1957 it was 3 weeks off.

Automobiles are moving slowly, and so are other consumer durables and soft goods. The chemise style, like it or not, is a major influence in building store traffic and sales. The women seem to like it. Without it, some store officials say, they would not care to think of what apparel departments would be reporting in the way of decreases from last year.

A sudden upsurge of tinted hosiery—violent pinks, greens, blues, aquamarines, orange, and several hundred other hues—also is helping to sell not only stockings but related accessories.

Consumers have the money to spend, if they care to, and presumably they could be induced to spend it if bargain prices are combined with selling, promotion, and advertising.

It is true that they are earning less money, with less for what the economists call discretionary spending, which is to say the amounts left over after food, clothing, and shelter are paid for.

At the same time, they are putting away more cash in banks and other financial institutions—credit unions, savings and loan groups, life insurance, home mortgages, and so on.

Personal income is running at an annual rate of $341,800,000,000, down $1,800,000,000 from the 1957 figure. The number of workers collecting unemployment benefits in the last week of February rose to 3,282,400.

SAVINGS NEAR RECORD

But, although money coming in is down and jobs are fewer and overtime is shorter, cash savings of all sorts are close to a record figure. The Federal Home Loan Bank Board put the total as of last December 31 at $262,109,000,000, a rise of $13,600,000,000 from the figure of a year earlier. Sources in the banking community say the current figure is probably even higher. The National Association of Mutual Savings Banks put the total of deposits in their 520 member banks at a record of $32,066,000,000.

The situation is made to order for price cuts, the traditional and sure-fire remedy for balky customers, the kind who are just looking instead of buying. Merchants know that price cuts bring trade, but except for scattered instances prices are not coming down.

The merchants are caught in a squeeze. Few prices of the things they buy are being lowered, and they cannot reduce the prices they charge without cutting into their markup. If they cut prices they lose their profit, a state of affairs that is not only distasteful but eventually would put them out of business.

They are looking for economies in distribution, in merchandising, in selling costs, even in promotion, wherever and whenever they can find them, so that prices can come

down at retail to make their wares more attractive. Their merchandise cost obstinately remains much the same, and there is little they can do about it, except wait, hope, and pray and bring pressure on suppliers.

INDUSTRIAL RATE LEVEL

The latest report of the National Association of Purchasing Agents, to be issued this week, notes little change in the published prices of industrial commodities.

There are some instances, however, of discounts from the list prices as a result of competition for scarce orders. Only 14 percent of the industrial buyers queried reported that they were able to buy the raw materials they needed for their manufacturing for less money than a month before.

Prices paid for farm products are sharply higher. The Agriculture Department reported late in the week that payments to farmers went up 4 percent in the month ended March 15. This was the sharpest increase for any month since February 1951. The index stood at the highest figure since May 1953.

However, lower Government support prices for the dairy industry, to go into effect tomorrow, will bring some decreases. The Jewel Tea Co. cut prices on butter late in the week 2 to 6 cents a pound, in anticipation of this action, in order to stimulate sluggish buying.

Dairy items are a lonely exception to the general upward trend. Fresh fruits and vegetables are up because of bitter winter weather, and the firmer prices also are spreading to new packs of processed and canned fruits and vegetables.

Spring warmth should ease prices a bit, but the winter's effect will be felt for some months. Concentrated frozen orange juice coming into distribution, for example, is not only higher in price but not as sweet as earlier packs.

Beef, pork and other meats are high, and, while warmer weather might bring some easing, they will continue for some time to be a major component in keeping the cost-of-living index high. Cereals and baked goods also are expected to continue to hold at high price levels.

As for clothing, new wage contracts in the dress industry should cancel out lower raw materials costs. However, no advance in prices of finished garments is looked for because of competition among the many manufacturers in the industry.

As for industrial prices, one important metal, aluminum, is coming down. Aluminium, Inc., the Canadian producer, announced late last week a cut of as much as 2 cents a pound on ingots, effective tomorrow. There has been intensive competition in the metal, which was in short supply until only last fall. Domestic producers will follow suit.

Steel, however, a leader, is continuing to hold its price levels, although some small companies are reported to be offering price inducements on small quantities.

Rents show no sign of easing, and all sorts of professional services—the doctor, the dentist, the lawyer—cost more. So, too, do hospital charges, laundry, cleaning, construction work, remodeling and a host of other day-to-day costs borne by Mr. and Mrs. Average.

Special sales produce responses, drawing cash out of savings, but there seem to be fewer of them. Caravan and warehouse sales, along with superspecial promotions, did especially well in this area in recent weeks. One fur sale, with spectacular markdowns, not only produced crowds of buyers, but had a healthy effect on other store departments.

The abandonment of the fair trade rules in the appliance field, in which dealers could not sell below retail prices set by the manufacturers, brought in substantial business.

Beyond this, there has been little cutting of prices. Merchants apparently reason that they could get business by this device, but the reduction would eliminate their profit, since their own merchandise costs are not lowered.

MAIL-ORDER REDUCTIONS

The big mail-order houses are putting some reductions into effect on their spring catalogs, and bargain-hunting buyers are responding.

Spiegel, Inc., cut many prices an average of 15 percent below the spring-summer catalog levels in an anniversary sale book. Montgomery Ward & Co. is cutting heavy appliances, among others, in a catalog due out next week. Sears, Roebuck & Co. will not have its book out until May, but meanwhile it has quietly begun a survey to ascertain where prices might be cut.

Catalog prices customarily run about 5 percent below charges for the same items in retail stores operated by the same concerns. These prices exclude mailing and other delivery charges, of course.

A reduction on these already low prices has had the expected effect of spurring trade sharply. Another factor causing such selling to gain, against the downward trend of retail volume elsewhere, is the fact that such sales are made chiefly to parts of the country little affected by the recession. Some suburban dwellers with little liking for a trip to the city or for parking are taking up buying from catalogs, too.

There is further trouble ahead for the merchants attempting to offer bargain prices. This is an upward trend setting in at the distributor level, making it even more difficult for him to offer any bargains.

The Sunbeam Corp., which makes the Mixmaster and other appliances long protected under fair-trade laws, added about 2 percent on some products in its distributor prices. It also added $1 to what it calls the suggested list prices, replacing the former fair-trade price. It cited higher costs in issuing the new schedule.

Observers in the Chicago area were inclined to think they spotted the beginning of a move to put pressure on suppliers to take the lead in lowering prices.

Carl A. Bimson, chairman of the Installment Credit Commission and president of the Valley National Bank, Phoenix, Ariz., told a credit conference of the American Bankers Association in Chicago recently that, over all, trade was holding up well.

SIGNALS DISREGARDED

He conceded that there had been a downturn in general business activity, with consumer durables suffering, but he insisted that the American consumer had not gone on a buyer's strike. He ascribed the sluggishness of trade to prices and possibly a sense of uneasiness regarding the national economy.

Carl E. Allen, president of the Federal Reserve Bank of Chicago, told the same group that rising prices at a time of declining business volume disregard the signals of our free-market system, and he warned that this may make Government intervention inevitable.

"Moreover," he said, "if Government intervention replaces price flexibility as the equilibrating mechanism, it could well be a death blow to our price enterprise economy. The upward spiral of prices imperils the economic strength of our country and threatens the survival of the America we have known.

William A. McDonnell, board chairman of the First National Bank of St. Louis, who recently was elected president of the United States Chamber of Commerce, takes the view that this recession will be cured primarily in the market place rather than on Capitol Hill.

"However," he said a few days ago, "Washington action can assist the private merchandiser." He suggested that the management-labor bargaining table was the battleground on which the wage-price spiral could be halted.

He noted that past recessions had been halted by price reductions that spurred buying and urged management to say to labor, in effect, "If you hold wages down, we'll do the same with prices and may reduce them as productivity increases."

Mr. JAVITS. Mr. President, I should like to point out that our American economy is not owned by a handful of economic Bourbons, but, instead, by millions of American stockholders, savings bank depositors, and holders of life insurance policies, and they are also the ones who must be protected from the effects of the business downturn. The public interest demands that consumption be attracted by price. Rigid prices will not help us in this situation. Economics tells us that the classic way to improve consumption is through price attractiveness. Therefore, I suggest that the President use his own influence in calling a White House conference as a sure-fire means of helping to solve the price-wage problems in which we find ourselves as soon as possible.

EXECUTIVE SESSION

Mr. MANSFIELD. 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 MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Clarence E. Harden to be postmaster at Tolono, Ill., which nominating messages were referred to the appropriate committees.

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

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). If there be no reports of committees, the nominations on the Executive Calendar will be stated.

UNITED STATES DISTRICT JUDGE

The legislative clerk read the nomination of George Harrold Carswell to be a United States district judge for the northern district of Florida.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

CIRCUIT COURTS, TERRITORY OF HAWAII—NOMINATION PASSED OVER

The legislative clerk read the nomination of John F. Dyer, to be seventh judge of the first circuit, circuit courts, Territory of Hawaii.

Mr. MANSFIELD. Mr. President, I ask that this nomination be passed over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the nomination confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. 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.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of Senators, the Senate will meet at 12 o'clock noon tomorrow and remain in session late, to consider the Fulbright communities facility bill, S. 3497. If action upon the bill is not completed tomorrow night, it is my intention, with the consent of the distinguished minority leader, to ask that the Senate convene at 10 o'clock a. m. on Wednesday morning.

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

Mr. MANSFIELD. I yield.

Mr. YOUNG. Can the Senator from Montana indicate when Calendar No. 1442, Senate bill 3120, relating to the exemption of 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, will be considered?

Mr. MANSFIELD. If that bill is in the list announced by the majority leader, it will be considered today.

THE ADMINISTRATION'S RESPONSE TO THE CHALLENGE OF THE BUSINESS RECESSION

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a joint statement issued by myself, as minority leader of the Senate, and Representative JOSEPH W. MARTIN, Jr., minority leader of the House of Representatives, which we released on March 30.

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

JOINT STATEMENT BY SENATOR WILLIAM F. KNOWLAND AND REPRESENTATIVE JOSEPH W. MARTIN, JR.

The Republican administration has responded to the challenge of the business recession by taking 50 separate actions to stimulate the economy in sensible, well-planned ways.

Some of the administration's program requires legislative ratification.

The steps taken to date by the administration involve accelerated Federal expenditures and other job-generating plans with a value of many billions of dollars. As the administration's actions make themselves felt across the Nation, the total dollar impact of the impetus will be immeasurable.

The character of the actions, detailed in the accompanying list, make it clear that money is being made available for things which the country has already determined it needs.

In many cases, it is just a question of spending now money we had planned to spend later or over a longer period of time. There is no leaf raking make work in the administration program. The actions are designed to create meaningful activity soon.

We have learned from the past of the ineffectiveness of slow-moving, massive public works as a solution of our economic problems. We are not going to waste years and billions again in a frenzied spending program which would offer no immediate assistance in the current temporary decline, but would mortgage our fiscal future.

Two things make it clear that there is no justification for any segment or section of the Nation to bog down in pessimism—either the real kind or the professional type being spread by many in the political arena.

The first is the substantial antirecession program already activated by the administration and the Congress.

The second is the knowledge that the administration is prepared to take more steps to stimulate the economy if future circumstances require further action.

ADMINISTRATIVE ACTIONS

1. Defense contracts accelerated to $13.4 billion in first half of 1958 as against $7.9 billion in last half of 1957. Calendar year totals: 1958—$23.6 billion; 1957—$17.8 billion.

2. Spending increased in Federal highway programs by $800 million over last fiscal year and plans call for additional increase of $600 million in fiscal 1959.

3. Acceleration of authorized civil works by $200 million in current fiscal year.

4. Federal Reserve discount rate reduced from 3½ to 3 percent on November 14.

5. Reserve requirement of Federal Reserve banks reduced one-half of 1 percent on February 20, thereby freeing additional $3 billion for lending.

6. Release of $107 million for additional purchase of military Capehart housing loans by Federal National Mortgage Association.

7. Additional $50 million in capital grant funds for urban renewal projects issued.

8. FNMA received additional $20 million for purchase of FHA insured loans for cooperative housing.

9. FHA-insured mortgage downpayments reduced.

10. Release of additional $200 million for use in FNMA's special assistance mortgage buying program.

11. About 60 Federal buildings programed for lease-purchase construction, requiring $105 million financing. If ordered by Congress for financing by direct appropriations $177 million would be appropriated.

12. Federal Reserve discount rate cut from 3 to 2¾ percent on January 21.

13. Rule requiring cash payment of FHA closing costs eliminated, in effect a further reduction of downpayment requirement.

14. More funds attracted to VA-insured mortgages by permitting increase in maximum yields allowed on VA loans traded in secondary markets.

15. Defense Department directed to funnel contracts to distressed labor areas and to small business generally. In February, $102 million in Federal contracts set aside for small business, twice the amount in February 1957.

16. Federal Home Loan Bank Board arranged longer term financing with home loan banks.

17. Army schedules award of $100 million in motor vehicle contracts in areas hit by automobile unemployment.

18. Speedup ordered in $1 billion worth of urban renewal loans and grants handled by Housing and Home Finance Agency.

19. Federal Reserve discount rate dropped from 2¾ to 2¼ percent on March 6.

20. Acceleration ordered in placement of $740 million in Rural Electrification Administration loans for electric facilities and telephones.

21. Federal Reserve again reduces reserve requirement by one-half of 1 percent on March 18, freeing another $3 billion for lending.

22. President orders speedup in $300 million in HHFA loans for college housing.

23. Urban renewal program speeded to 100 new projects in fiscal 1958 and 120 additional in fiscal 1959, compared to 56 started in fiscal 1957.

24. Military departments accelerate construction programmed before June 30 to total of more than $2 billion and expect to arrange financing for $500 million in Capehart housing loans. All Federal agencies directed to plan immediately for as many fiscal 1958 supply and equipment orders as possible.

25. Interior Department steps up general construction program by $25 million.

26. Acceleration ordered on $140 million in HHFA public housing loans.

27. General Services Administration given extra $8 million for general repair and improvement work.

28. REA given additional $12.5 million for loans.

29. Speedup ordered on $75 million in HHFA loans for public facilities.

LEGISLATIVE RECOMMENDATIONS

30. Permit Federal Government to assist States in 50 percent extension of unemployment benefits.

31. General supplemental appropriations of $1.2 billion, mostly for defense, requested.

32. Congress asked to authorize $2 billion, 3-year program of postoffice modernization and construction.

33. Area assistance program recommended for Federal aid to sections of the country experiencing persistent unemployment.

34. Additional $200 million requested for accelerated urban renewal program in year beginning July 1.

35. Army engineers' fiscal 1959 budget for civil works boosted by $125 million.

36. Congress asked to remove limit on life of Small-Business Administration.

37. A $2 billion increase in lending authority of Export-Import Bank requested. Bank to finance $625 million in shipments abroad in first half of 1958 with larger program due in last half of this year.

38. Congress requested to authorize $840 million speedup in general Government purchasing by June.

39. Congress asked to suspend expenditure limitations in Highway Act, so that additional $2.2 billion can be allocated for highway aid in calendar years 1958–1961.

40. Reclamation Bureau's 1959 budget increased by $46 million to maintain faster construction pace.

41. Congress asked to increase size of FHA loan insurance and to increase FHA total loan authorization by $3 billion per year for next five fiscal years.

42. Tax relief for small business proposed.

43. Acceleration of VA home loan program proposed through elimination of interest rate limitation.

44. Congress asked for additional $15 million for Agriculture Department watershed program in fiscal 1959.

45. Supplemental appropriation of $46 million for Federal hospital aid proposed.

46. Congress asked for $2 million supplemental appropriation for FHA to use in speeding processing of loan applications.

47. District of Columbia authorized to propose $100 million public works program, to be financed with Treasury borrowings.

48. Elimination asked of interest-rate limitation on FHA-insured loans for rental projects, cooperative housing and Capehart military housing.

49. Interior Department budget amended to permit early start on small reclamation projects.

50. Additional lending authority proposed for Small Business Administration.

THE ACADEMY AWARD TELECAST

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed in the RECORD a statement I have prepared on the academy award telecast.

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

STATEMENT BY SENATOR KNOWLAND

It may seem a bit obvious to emphasize what more than 70 million people in the United States and Canada already know, but I want publicly to praise the American motion-picture industry for its entertaining telecast of the so-called Oscar awards last Wednesday evening.

The annual academy award presentation is, I understand from the experts in the radio and television field, an eagerly awaited and greatly viewed program each year. It affords not only drama in the announcement of the winners as best actor, best actress, best picture and other achievements, but color and glamor as scores of the world's best-known personalities participate in the program.

This year the motion-picture industry, which is one of my State's best-known and largest business enterprises, outdid itself in two particulars. It put on the Oscar ceremony itself with no commercial sponsorship intervening, and it reemphasized the international penetration of the American motion-picture industry.

The best picture was one made in Ceylon and the best-actor award went to an Englishman, Alec Guinness who was the star of the best picture. The best-supporting actress award went to a little Japanese girl who won for her role in a picture largely filmed in Japan. The two top pictures were both made thousands of miles away in the Far East.

It is tribute to the thousands of theater owners throughout America that they urged their patrons to stay home and watch the televised Oscar program last Wednesday. This united industry effort to interest the American people in what the motion-picture industry is doing had the cooperation also of the Hollywood film colony.

Artists and talent who can command from $5,000 to $15,000 for a mere brief appearance on a television program, sang songs, participated in skits, acted as masters of ceremonies, and made announcements, all as their contribution to their own industry's noncommercial television program.

The motion-picture industry, from top to bottom, from those who put up the large sum of money necessary to stage and televise the program, to the actors and musicians who gave their services, is deserving of a hearty accolade for 105 minutes of enjoyable television entertainment.

PROPOSED EXTENSION OF THE EAST FRONT OF THE CAPITOL

Mr. HAYDEN. Mr. President, I am sure all my colleagues have noticed the informative editorials and articles which have appeared in the Washington Evening Star during the past several days relating to the east front of the Capitol. These articles and editorials are classic examples of the high standard of editorial policy and news reporting we have come to expect daily from this newspaper. In its stories, the Star has dealt with facts rather than fiction, with true illustrations rather than distorted, misleading sketches. I desire to express publicly to Editor Ben McKelway and to Star Staff Writer George Beveridge, my appreciation for their contribution to our knowledge of the subject. After reading their articles and studying the latest report of the associate architects, I am more convinced than ever that we should proceed immediately with this work, authorized by the Congress in 1955.

Mr. President, at my request, one of the editorials and four of the articles have already been printed in the RECORD. I now ask unanimous consent that the second editorial entitled "Get Going on the East Front" and the last two articles entitled "Gain, Not Loss, Seen in Capitol Extension" and "Capitol Job Would Give Badly Needed Space," appearing in the Star on March 27 and 28, 1958, be printed in the RECORD as a part of my remarks.

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

GET GOING ON THE EAST FRONT

It is likely that many Members of Congress have been misled by the sinister accusations and half-truths of the whipped-up "write your Congressman" campaign to save the Capitol from organized vandalism.

Undoubtedly many of them have been deluged by sincere protests from constituents back home. For their constituents have been told only half of the story, with deliberate suppression by the propagandists of the factual considerations underlying the carefully considered plan to extend the east front.

These have been set forth in the series of articles by the Star's George Beveridge, who was given full access to the reports and records of the distinguished commission of its own leadership set up by Congress to supervise and carry out the project.

The information contained in these articles and the personal investigation of the facts by Members of Congress who wish to reassure themselves ought to set the record straight. We hope so. For the work should proceed immediately, without further dilly-dallying.

Our Capitol is a beautiful, living building. We show elsewhere in today's Star some pictures that illustrate phases of its past growth. The east-front extension will bring it nearer completion, and years hence the House and Senate wings may also be extended, with other changes to preserve the grandeur of the structure together with its utility.

Understanding the reasons for what is being done, we believe their constituents back home will support the Members of Congress who have had the courage and imagination to do what should have been done years ago, and to save the Capitol from the deteriorating influences of misdirected sentimentality.

GAIN, NOT LOSS, SEEN IN CAPITOL EXTENSION

(By George Beveridge)

In the well-organized opposition campaign to extending the Capitol's east front, critics hurl bitter charges of vandalism, mutilation, and desecrations. Behind these epithets are two main arguments.

First, deeply rooted in sentiment, is the desire to preserve—as an exterior wall—the very stones and columns that were built to carry out the designs of the Capitol's early architects, Thornton, Latrobe, and Bulfinch. As the National Trust for Historic Preservation puts it: "The surviving original facade that epitomizes our earliest ambitions."

The second argument is more technical. It is cited mainly by architects. They say an extension of the east front 32½ feet forward would wreck the historic court between the House and Senate wings, and would cut off a view of most of the Capitol dome from a position in the court near the front.

RECKLESS WITH FACTS

In describing these changes, some critics get reckless with the facts. Pictures and drawings published by some newspapers, for example, indicate the front would be moved out as far as the two wings—twice as far as really is proposed. Some say the present sandstone front would be torn down and gouged out. Ralph Walker, a former American Institute of Architects president, refers to the front being moved out 40 feet or more.

These things are not true, and they are sore points with associate architects who have been working 2 years to learn the facts and plan the extension.

Many of the critics, however, have not distorted the facts, but have honest, emotional convictions that a precious piece of history is being lost.

To them, the Capitol architects point out that change is not new to the Capitol, that the real history of the Capitol is one of constant change, dictated partly by increased needs for space and partly by the desire to make the Capitol as architecturally perfect as possible. And they say the present extension proposal has precisely those same aims.

In the process of past changes, they say, a number of the basic features of the original Capitol designs have been altered and abandoned.

The original design of William Thornton, accepted by President George Washington as the Capitol pattern in the 1790's, had a small dome, a modest 8-columned portico, and a flush, ground-level portico entrance.

By 1800, the north half of the Capitol was occupied and the House side was rising. Under the direction of Benjamin Latrobe (Architect of the Capitol 1800–1811), a number of minor changes were made in the Thornton design, but for the most part it was a faithful reproduction. After the British burned the Capitol in 1814, reconstruction also largely followed the old pattern.

When Latrobe turned to the design of central portico, however, he deviated sharply from Thornton. By 1840, the result was a considerably modified Capitol, as designed by Latrobe and supervised by Charles Bulfinch (1815–29).

PORTICO DOUBLED

The portico, for example, was doubled in size and given 16 columns. The dome was changed somewhat, and small domes were added on each side. Steps, unplanned by Thornton, added to the monumental beauty.

The real change, however, was made by Architect Thomas U. Walter between 1851 and 1865, when the demands for space required construction of the House and Senate wings. But the wings, Mr. Walters noted, completely overpowered the tiny dome of Thornton (as modified by Latrobe and Bulfinch), and he replaced it with the massive cast-iron dome which gives the Capitol its present appearance.

Just as Mr. Walter saw that the old dome was architecturally wrong, however, he saw that the big new dome violated architectural principles of balance by appearing to overhang the front. While the dome itself rests solidly on the main building, the dome's lower columns and painted iron skirt actually extend out over the portico roof and the skirt is supported by the roof. The Capitol's west front, meanwhile, extends far beyond the dome on the other side, increasing the appearance of imbalance. While he never argued that there was danger the dome might fall, it looks as if it might. And that, Mr. Walter said, is wrong.

EXTENSION PROPOSED

To correct the error, Mr. Walter proposed extending the east front, and every Capitol architect since has followed suit. Except for economy measures during the Civil War, the

extension may well have been carried out in the 1860's. But it wasn't. And by the turn of the century, it was steeped in controversy.

As late as 1915, however, the east front's massive standstone steps were removed and replaced with concrete steps.

The architects who favor the extension today say that the east-front change is far less drastic than the major Capitol changes of the past. In fact, they say, the new front is hardly a change at all, but would reproduce the old in every detail.

They say it is their professional judgment as architects—some other architects disagree—that the change would be evident to no one but experts.

The proponents recognized that these arguments are not a total answer to those who want to preserve the old front. These people, largely for reasons of sentiment, want to be able to see, with their own eyes, the very stones that were laid under the direction of Latrobe and Bulfinch.

ANSWERS GIVEN

What are the answers to this desire? The Capitol's associate architects cite these:

Deterioration already is eating away details of the work of the early architects. If nothing is done to the front, this will continue. And if the front is refaced at its present location, the old stone will be gone as completely as with the extension.

An exact reproduction of the front in marble actually will restore the visual detail of the early ornamental sculpture, much of which now is dulled and hidden under numerous coats of paint.

A good bit of the present front would be retained as an interior wall of the extended portion. The portico, and possibly the balustrade at the top of the front, would have to come down; but most of the wall would be retained and visible, not gouged out, torn down, or thrown away. Possibly, officials say, the portico might be reerected in a museum for preservation.

What about the chances that the court will be destroyed, and the classic view of the dome eliminated?

WORRIES RESOLVED

Roscoe DeWitt, one of the Capitol's associate architects, said this question also seriously bothered several of his colleagues when studies of the extension began 2 years ago. But the extension plans as developed, he said, have "wiped out these concerns."

The two features which give the east-front court its distinction, Mr. DeWitt says, are the columned, recess "necks" between the east front and the House and Senate wings, and the fact that the portico sits behind the front line of the wings.

Both these features will be preserved. New columns will stand in the recessed areas. And the bottom of the new portico steps would be 40 feet behind the steps of the wings.

"I think that if people could understand we propose to do these things, that much of the sting would be removed from the charges we're hearing," Mr. DeWitt said.

Extension opponents have made much of a report submitted last year by a top-level panel of the Capitol consultants, which said the House and Senate wings also eventually should be moved out 32½ feet, eventually restoring the same relations that exist between the center and the wings today. In citing this, however, opponents do not stress the word "eventually," and do not mention that the consultants have approved the central extension now.

VIEWPOINT IN 1904

Dipping 54 years into history, opponents also challenge assertions that Carrere & Hastings, a distinguished architectural team which studied extension proposals in 1904, really favored a 32½-foot extension. Opponents quote one Carrere & Hastings report which says the front should be moved no more than 12½ feet. Proponents, however, cite another which calls the 32½-foot extension an "excellent second-best plan."

A number of opponents want to preserve the front as the scene of the inauguration of every President since John Quincy Adams. It's a small point, but for the record there have been eight Presidents since Adams who were not inaugurated at the east front.

What about the view of the dome?

From the bottom of the portico steps today, a visitor who looks straight up can see nearly all the dome. It is true, as critics claim, that the visitor who looks up from the extended steps would see far less, because the top of the portico would block part of the dome.

The architects have computed that precisely the same view could be seen after the extension, however, from a point only 55 feet away from the new steps—at the near edge of the main parking area on the plaza. It is from this distance, or considerably farther away, that most pictures of the east front are taken, even now, because very close views appear distorted.

But no amount of talking will end the controversy over the appearance of the dome. Architects have argued it for over half a century and—extension or not—it is not likely they will stop. Here are a few examples:

Mr. DeWitt: "The overhang of the dome is a very real defect, and the need for its correction cannot be stressed too strongly. To the west * * * there is a great mass of building, to the east, nothing, so that the dome appears to teeter on the edge. This is bad architecture."

Lorimer Rich, New York architect: "We have here one of the most satisfying architectural compositions in the world. You get a feeling here which is unusual and unique that you get with no other dome structure in the world."

John Russell Pope, architect (in House hearings, 1935): "I think the criticism (of the dome overhang) is very well justified, because the dome comes down on the central motive, which is the principal motive of the facade, in such a way as to crush it, and, therefore, to reduce its importance as the entrance to that building."

Leicester B. Holland, former Director of Fine Arts, Library of Congress (in Senate hearings, 1937): "The dome gives the impression of springing not from the roof of the building but from the ground itself * * * it is really a very masterful composition."

Extensive testimony on the east-front issue was held in both 1935 and 1937. Both years, the Senate passed legislation authorizing the extension, but the House killed it.

In reply to charges that the present extension legislation was pushed through in secrecy, without public hearings, Architect of the Capitol J. George Stewart cites the old hearings, and says their records have been made fully available to Congress. He says, also, that little has been added to the old controversy over the years that would throw new light on the issue.

Indeed, part of a summation of the public hearings given by Architect of the Capitol David Lynn in 1935 could serve almost equally as well for the hearings held a month ago in the Senate.

CITES OBJECTIONS

"Within the past few weeks," Mr. Lynn said in 1935, "opposition has been voiced to the proposed change on the grounds, first, that it would destroy the historic character of the building by replacing original work with a copy; second, that the building is already a beautiful one and that the change would injure its architectural appearance * * *. These objections may be answered as follows:

"The oldest portions of the building are not now 'original' work in the sense in which the term is used by archeologists. It is already in large part a copy. To reproduce the original design in marble would preserve all that is valuable in historic and sentimental associations and would give the building a longer and more useful life.

"The question of the relative architectural merit of the building as it stands now and the building as it would appear if the front were extended is one in which the mass of expert testimony is in favor of the change. The architects who testified in favor of it are men of high standing in their profession. Most of them are accustomed to designing large buildings, and are giving their opinions as a result of real knowledge and study instead of a perfunctory examination of the building and a superficial knowledge."

CAPITOL JOB WOULD GIVE BADLY NEEDED SPACE

(By George Beveridge)

Some of the most confusing arguments against extending the Capitol's east front crop up when opponents talk about the provision of new Capitol space, and what it will cost.

One of the opponents' persistent charges, for example, goes like this:

The $10.1 million cost of moving the east front 32½ feet forward would provide a thin sliver of 44,930 square feet of new usable space, and this represents a cost of about $200 a foot. This, they say, compares with a cost of between $20 and $30 a foot for the United Nations Building in New York.

OTHER FACTORS

Now at first glance, this reasoning seems clear—you divide 44,930 into $10.1 million and you get a cost of more than $200 a foot.

But some of the main points this simple bit of arithmetic ignores completely, the associate architects planning the extension point out, are that:

1. The 44,930 square feet of space cited are specifically for offices, committee, conference and dining rooms, supply and file rooms and kitchens. But another 41,873 square feet of space is provided for wide corridors, storage, and mechanical areas and other purposes. And the total of these two is a sliver, almost one-seventh of the entire Capitol today.

2. The implication is that the sole benefit and purpose of the extension is to provide space. Actually, the architects note, the $10.1 million's equally important purposes are to carry out the controversial, century-old completion of the architectual composition of the Capitol, and to replace the old, deteriorating sandstone facade with one of enduring marble.

HALF FOR EXTERIOR

3. About half the entire $10.1 million is in the exterior extension of the building, with no regard for interior improvements and requirements.

4. Another $1.8 million of the $10.1 million is for related improvements within the main Capitol building—not the extended front—and to provide a 10 percent "contingency margin" for the whole project.

5. A great part of the new east front's interior expense is required to maintain the classical character of the Capitol, with its wide corridors, arched ceilings, cornices, wainscots, columns, and ornamentation. These requirements, the architects say, are so far removed from the construction of a modern, functional office building that cost comparisons are ridiculous.

The architects concede that space—if that were the only matter involved—certainly could be provided somewhere else for less than $10.1 million. But it isn't the only matter involved. And Congress specifically

has directed that the additional Capitol space it wants be provided in the long-planned east front extension.

ANOTHER APPROACH

In a report to House Speaker RAYBURN, chairman of the Congressional commission directing the extension, the associate architects also use an arithmetic approach to answer their critics on the costs of space. It goes like this:

Suppose, they say, that the east front simply is reproduced in marble at its present location, and is not extended at all. That alone, they say, would cost more than $4,750,000. So subtract this amount from the $10.1 million because it would have to be spent in any event if the old front is reproduced in marble. Then also subtract the $1.8 million for contingency items and for the improvements proposed in the main central part of the Capitol.

That leaves $3.5 million as the amount estimated for all the interior work within the extended east front.

"Thus," their report says, "for $3.5 million—the amount allocated for items not involved in a refacing program—the Congress can, without danger to the building, come into possession of 78,500 square feet of net usable floor area, of which 45,000 square feet is choice office, committee, and dining space.

At a cost of $3.5 million, 78,500 square feet of space figures to a cost of less than $45 a foot, a price comparable to similar space in the new Senate Office Building.

SOME DENY NEED

This line of reasoning, of course, is based entirely on the assumption that the east front will be reproduced in marble, regardless of extension. And some extension opponents contend no such reproduction is necessary. Other opponents, however, have suggested it. And the architects hired to plan the extension insist that something drastic must be done to preserve the east front facade, and soon.

What is the need for additional space in the Capitol?

In a report to the extension commission last year, Capitol Architect J. George Stewart said studies showed a need for 139,250 square feet of new usable net space, of which 78,500 would be provided in the east extension. The architectural consultants proposed that the rest be provided in an extension of the west front, as part of a suggested long-range program of Capitol improvement.

The space estimates, it was understood, largely reflect the views of present occupants of the Capitol about expansion needs. On this basis, although officials won't say so, it is possible that some of the needs have been overstated. But there is no doubt that a considerable amount of new space is needed as is evident from overcrowded conditions in virtually every office, committee room, and dining area.

SUGGESTIONS OFFERED

Two suggestions made by the extension opponents are that (1) some activities might be moved from the Capitol and that (2) all additional space needed could be provided better in a west-front extension.

As to the first, Capitol sources say those who suggest moving out any significant number of activities have little practical knowledge of the workings of Capitol Hill. It is essential, for example, they say, for such big space-users as the Appropriations Committee to be near the House and Senate floors. During most of the session, the staffs of these committees are subject to constant, hurried calls from Members.

Likewise, it is essential that the leaders of both Houses have offices near the Chambers. Many of the other activities are located in the Capitol specifically for the convenience of Members, and it is highly unlikely that these would be moved.

What about the proposal that new offices and restaurants be provided on the west front, instead of the east?

DETERIORATION CITED

In the first place, the associate architects say, this would not solve the problem of the east front's deterioration, or carry out its long-planned architectural completion.

In the second place, they say, it is unlikely Congress would approve the more expensive west extension at this time, even though they propose it be done eventually.

And in the third place, they say, a west extension could not function adequately until still other long-range improvement proposals are carried out. Included are proposals which call for underground parking and access lanes beneath the east plaza.

Today, for example, all the dining areas are on the east, and they are serviced by ground-level elevators at the east front, where trucks can drive up to deliver food and cart away refuse. At present, however, there is no vehicular access to the west front. So if all restaurants were located on the west, as some groups suggest, there would be no way to have supplies delivered and carried away—in the absence of underground access.

SCHEME C AWAITS

Along with the east front extension, proposals for the west extension and the underground network were lumped together in a long-range program by the consulting architects, which they called scheme C.

It was understood that some members of the architectural consulting team have felt strongly that the entire program should go ahead as rapidly as possible. Thus far, however, the Rayburn commission has approved nothing beyond the east front extension, and Chairman Rayburn has said he wants to see that carried out before other needed improvements are tackled.

What space would the east front extension really provide?

Mr. Stewart and his panel of associate architects say final decisions have not been made either as to the layout of rooms and offices or their specific use. Final decisions will be made by Mr. RAYBURN'S office on the House side and by the Rules Committee on the Senate. But here is a general description of the new space:

The basement will contain mainly storage space, corridors and kitchen facilities. The street floor will have conference rooms, offices, a front corridor and two new dining rooms, seating 115 people each and supplementing 722-capacity dining rooms already on the east. The principal floor will be devoted mainly to committee rooms and offices. And the gallery will have subcommittee rooms, offices and a through-corridor to connect the House and Senate wings.

PROJECT GETS COSTLIER

The architects who have spent 2 years studying the east front extension have only one more thing to say about costs—and that is to look at history.

In 1904, when a Congressional commission first was set up to study the extension, its cost was estimated at $1.5 million.

In 1935, Architect of the Capitol David Lynn put its cost at $3.5 million and, in 1954, at $7.5 million.

Today, it stands at $10.1 million.

All these estimates, the architects say, are based on comparable improvements. What level will they reach, the architects ask, if the long-planned extension is put off for another few decades? And how tax money will be spent in the meantime on fruitless, stopgap efforts to halt deterioration?

VISIT TO THE SENATE BY THE HONORABLE W. McL. ROBERTSON, A MEMBER OF THE CANADIAN SENATE

Mr. KEFAUVER. Mr. President, I should like to introduce to my colleagues in the Senate a very distinguished visitor from the neighboring Dominion of Canada. I am very pleased to introduce Hon. W. McL. Robertson, a member of the Canadian Senate.

[Applause. Senators rising.]

Mr. JAVITS. Mr. President, I am delighted to greet Senator Robertson. He is well known to me from our work together in the NATO parliamentary group. I am delighted to welcome him to the Senate.

GERMAN-JAPANESE WAR ASSETS

Mr. JOHNSTON of South Carolina. Mr. President, at this time I request the indulgence of the Senate in order that I may refer to a very, very important matter which has come from the administration. Inasmuch as I have been very active in this regard, I ask unanimous consent that at this time I may proceed to address the Senate for 5 minutes.

The PRESIDING OFFICER (Mr. COTTON in the chair). Is there objection? The Chair hears none; and the Senator from South Carolina is recognized for 5 minutes.

Mr. JOHNSTON of South Carolina. Mr. President, on numerous occasions I have given my views on the question of the return of privately owned enemy assets which were seized by our Government as a wartime, precautionary measure. I have always contended, and I still strongly believe, that we are morally and legally committed to return this property to its rightful owners now that we are in friendly alliance with the governments of the nationals concerned. We are likewise definitely obligated to compensate American citizens who have legitimate war damage claims as yet unresolved.

Mr. President, we are not concerned with the property of the Hitler or Tojo governments; we are not concerned with the property of convicted Nazi or Japanese war criminals; we are concerned only with the property of individual German or Japanese citizens, who, prior to World War II, had enough faith and confidence in our system of government to invest some of their earnings in our country. Our Nation has earned the reputation of being a protector of private property. Are we now to let this group of private investors down and tell them, in effect, that we will confiscate their property just as a Communist dictator would repay their trust?

The Office of Alien Property has under its control certain properties of American citizens which are still termed "enemy assets." This property represents interests in estates and trusts. In most cases, the principal of these trusts is now, and always has been, here in the United States, invested in American securities, earning interest and dividends, and paying its share of United

States taxes. In this category of property owners we have a number of former enemy nationals who have become citizens of the United States since the vesting of their property. Yet we are still holding their seized property as if to infer that we must still treat them in this respect as enemies—in other words, not full citizens. In all instances, whether or not the rightful owner of an estate or trust property has become a United States citizen, we are thwarting the wishes of certain United States citizens who, through hard work and diligence, were able to bequeath this property to their heirs who were foreign nationals. I cannot believe we are carrying out the intent of our laws on this subject by such confiscation.

Various agreements and policies dealing with vested assets were adopted immediately after World War II—during the time of great emotional stress—which, when examined in the calmer atmosphere of today, are completely out of line with our foreign and domestic policy in this and related fields.

Mr. President, we have returned the vested assets which formerly belonged to Italian nationals; we are returning seized property to Hungarian, Bulgarian, and Rumanian citizens. Why, then, should we continue to hold the private property of certain citizens of Germany and Japan—and even citizens of the United States?

We understand that many of the owners of vested assets are hardship cases. Think of the good will toward the United States which could be gained by returning to these people their property. How can we explain the conflicting situation of our Government giving approximately $2 billion to Germany in economic aid since World War II, and at the same time continuing to hold property belonging to individual German citizens—property valued at only a fraction of the total amount spent in postwar aid?

The PRESIDING OFFICER (Mr. COTTON in the chair). The time of the Senator has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that I may have 1 additional minute.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. JOHNSTON of South Carolina. Mr. President, as to the other equally important part of this program, we must not further delay compensating our own citizens who suffered physical injury or property loss or damage as a direct consequence of the military action of Germany or Japan. Many of these claimants are also well advanced in years, and many are in financial need. We will have to resolve these claims very soon indeed if the original claimants are to derive any personal benefit from this program.

I was encouraged last July by an announcement from the White House that the question of the disposition of vested assets and the payment of American war damage claims was receiving further study, and that a new proposal would be submitted to the Congress which would reflect the latest thinking of the administration on the subject. Last Friday I received from the Department of State a copy of the administration's new proposals in the form of a letter, with an attatched memorandum, addressed to Chairman of the Committee on the Judiciary. I shall ask that this letter and memorandum be printed in the RECORD at the conclusion of my remarks.

Mr. President, I am hopeful that we can find the solution to these complex problems during this session, and return our Nation to its former firm policy of protecting private property, even in wartime, and thus enable us to fight on all fronts the Communist practice of confiscation.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter sent by the State Department to the Senator from Mississippi [Mr. EASTLAND], and also a copy of a statement entitled, "Vested German Assets and Payment of American War Damage Claims Against Germany," dated March 17, 1958.

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

MARCH 28, 1958.

The Honorable JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, United States Senate.

DEAR SENATOR EASTLAND: There is submitted herewith an administration proposal designed to provide the basis for a solution to the long unresolved problems of vested German assets and of the war damage claims of American nationals against Germany arising out of World War II.

Proposals offering a solution to these problems were submitted on behalf of the executive branch to the 84th Congress and to the first session of the 85th Congress. These have received consideration in your committee and in the House Interstate and Foreign Commerce Committee, but no legislation regarding them has as yet been enacted.

Although provision has been made for dealing with war claims of American nationals against other former enemy states, no provision has been made by the United States Government for war claims of American nationals against Germany except those of prisoners of war, and merchant seamen. In addition, the vesting program has imposed hardships on numerous German nationals who had small properties in this country prior to World War II and it appears desirable, in the interests of our relations with Germany, to take action to alleviate these hardships.

The German Federal Government has on a number of occasions indicated to this Government its hope that legislation could be enacted on the subject of the return of vested assets. It has welcomed the $10,000 return program heretofore proposed by the executive branch. At the same time, it has expressed the hope that it would prove possible to go beyond the limited return contemplated in the administration's previous proposals. The subject was last raised with the President by Chancellor Adenauer on the occasion of his visit to Washington in May of last year, as a result of which a new study of the problem was undertaken by the administration. An announcement was made by the White House in July of 1957 that supplementary proposals regarding these matters would be submitted to the next session of Congress. The objective to be sought was the payment of all legitimate American war claims against Germany and an equitable monetary return to former owners of vested German assets.

It would obviously be desirable to arrange a final settlement of the unsatisfied claims of American nationals against Germany for World War II losses. It would also be in the interest of our relations with the Federal Republic of Germany to achieve a final and mutually satisfactory solution to the problem of vested German assets. What can be done in both instances depends essentially on the determination of what funds can be made available.

Pursuant to various agreements which the United States has entered into over a period of time (the Paris Reparation Agreement of 1946, the London Debt Settlement of 1953, and the Paris Agreements of 1954), the proceeds of vested German assets constitute the only presently existing funds available for payment of American war claims against Germany. Under the terms of the agreements to which I have referred, the United States Government has agreed not to seek compensation for such claims for the German Federal Government. These latter two agreements followed the policy expressed in the War Claims Act of 1948 under which the proceeds of vested assets were to be devoted to the settlement of American war claims.

While it is difficult to give any firm figure either of the amount of claims which might be filed or the amount which after due examination would be actually allowed, the Foreign Claims Settlement Commission has recently estimated that a reasonably adequate program for the payment of the war damage claims of American nationals against Germany could be carried out within the limits of $100 million. The cost of a return of up to $10,000 to natural persons who were former owners of vested German properties would be approximately $50 million. Thus at least $150 million would be necessary to implement a program for the payment of legitimate American war damage claims and for a $10,000 return. Sums beyond this total would be required to complete an American claims program, should $100 million prove inadequate for this purpose, and to provide an equitable monetary return to all former owners of vested German assets not receiving a full return under the $10,000 program, including corporation.

Proceeds from vested assets are presently available in the amount of approximately $83 million according to the Office of Alien Property. This is manifestly not enough to cover an American claims program and the $10,000 return program. Ultimately some further funds might become available from reserves totaling $179 million now maintained by the Office of Alien Property for litigation and claims payable out of vested assets under existing legislation. The most substantial reserve is that of $100 million for the General Aniline & Film litigation.

As a result of the pooling of vested German and Japanese assets for the purpose of paying these claims provided for in the War Claims Act of 1948, a sum of approximately $125 million deriving from German assets was in effect used to pay claims against Japan. In order to secure a final and equitable settlement of the claims and assets problems the Administration is prepared to seek from the Congress an appropriation of $100 million for a claims and assets program, as a restoration of a substantial part of the former German assets used to pay American claims against Japan. The Administration would not be prepared to seek an appropriation beyond this amount for this purpose.

The presently available proceeds from vested assets ($83 million) together with the restoration of a substantial part ($100 million) of the former German assets used to pay claims against Japan would make $183 million immediately available for a program for the payment of the claims of American nationals against Germany and for an equitable monetary return of vested German assets to their former owners. The total estimated cost of an initial American claims program and a $10,000 return to former individual owners would be approximately $150

million leaving about $33 million for the settlement of any unpaid awards to American claimants and, to the extent not required for those awards, for pro rata distribution among the former owners of German properties, with the prospects that some further funds might eventually become available from vested assets as reserves are liquidated. If the payment of legitimate American claims in full required less than $100 million, a further sum would then become available for distribution among the former owners of German properties. It is believed that if funds are made available in this order of magnitude a final settlement can be reached which will take into account, and provide a fair and equitable treatment of the interest of, both the American claimants and the former owners of German properties. It is believed that if funds are made available in this order of magnitude a final settlement can be reached which will take into account, and provide a fair and equitable treatment of the interests of, both the American claimants and the former owners of German properties.

It is not intended that this recommendation include vested Japanese assets with respect to which the existing circumstances are substantially different. It appears that the value of vested German assets exceeds the amount of American war claims against Germany which have already been paid or which would appropriately be paid out of the proceeds from such assets. On the other hand, the amount of American war claims against Japan which have already been paid by the United States Government exceeds by far the value of the vested Japanese assets.

In accordance with the above, it is recommended on behalf of the administration that the Congress give favorable consideration to a solution of the problem of vested German assets and the World War II damage claims of American nationals against Germany which would: (1) authorize the setting aside of $100 million for the payment of such legitimate American claims; (2) authorize a return of up to $10,000, as a matter of grace, to natural persons who were former owners of vested German properties; (3) provide that the remaining funds from vested German assets, and any sums realized in the future from vested German assets, which are available after the requirements of the $10,000 program are met, be used first to complete the compensation of American war damage claimants in full in the event the initial fund of $100 million proves insufficient and, second, to effect a pro rata return, as a matter of grace, to the former owners of vested German properties not receiving a full return under the $10,000 program; (4) provide that if the $100 million fund is more than sufficient for the satisfaction of American war damage claimants in full, the remaining balance be included with the funds from vested German assets devoted to the pro rata return. It is further proposed that this program be financed from the proceeds of vested German assets, including presently reserved assets which may in the future become free of claims, litigation, or other present obligations, supplemented by an appropriation of $100 million, representing a substantial part of the proceeds from German assets used for the payment of American claims against Japan. This program contemplates the expeditious liquidation of vested properties.

In connection with the proposed return, it may be noted that the Federal Republic of Germany has been informed of the United States view that such a return should not be regarded as a precedent with respect to other allied countries.

The legislation should give the administration discretionary authority to work out with the German Government arrangements with regard to the return of vested assets which would, to the maximum extent possible, relieve the United States Government of the burden of administration. The returns of up to $10,000 would be made by the United States Government, with maximum German assistance. The pro rata returns in excess of $10,000 might be dealt with on a lump sum basis, depending upon what arrangements could be made with the German Government. Returns to former owners who are now American nationals in all instances should be made directly by the United States Government. In other respects, such as the provisions relating to copyrights, trademarks, property subject to agreement with other countries, war criminals, and the coverage of the claims program, the legislation should follow the lines of previous administration proposals. In addition, provision should be made for the divesting of unliquidated interests which the United States still holds in estates and trusts so that there can be terminated the continuing participation of the United States for an indefinite period in the administration of these estates and trusts.

Almost 13 years have passed since the end of the war. It is essential that action be taken promptly if many of the original American claimants, and the original owners of German vested properties are to derive during their lifetimes any of the benefits which a solution of these problems would afford. The program outlined above would provide, at long last, compensation to American citizens for losses and damages suffered during World War II and attributable to Germany. In addition it would resolve a troublesome problem in the field of our foreign relations and would strengthen our ties of friendship with the Federal Republic of Germany.

I respectfully request that early consideration be given to the enactment of legislation embodying the program outlined above. A similar letter is being sent to the chairman of the House Interstate and Foreign Commerce Committee.

There is enclosed a statement of the events and legislative background leading to the recommendation of this program.

The Bureau of the Budget advises that the above proposals are in accord with the program of the President.

Sincerely yours,

WILLIAM B. MACOMBER, Jr.,
Assistant Secretary
(For the Secretary of State).

MARCH 17, 1958.

VESTED GERMAN ASSETS AND PAYMENT OF AMERICAN WAR DAMAGE CLAIMS AGAINST GERMANY

By the first War Powers Act of December 18, 1941, Congress amended the Trading With the Enemy Act of 1917 to grant the President extensive powers to vest assets in the United States owned by foreign countries or their nationals. The 1917 act already contained provisions for the return of such of the property to be vested as might ultimately prove to be owned by nonenemies. However, neither the 1917 act nor the 1941 act provided for the disposition of World War II vested assets finally determined to be owned by enemy governments or their nationals. That matter was left open.

Early in 1942 the President created the Office of Alien Property Custodian as an independent agency and delegated to the alien property custodian the power to vest property other than securities, cash, and credits. In June 1945, the custodian's vesting power was expanded to include German and Japanese-owned securities, cash and credits. As a result, substantially all the German and Japanese assets known to be in the United States as of December 7, 1941, were vested by the custodian or by his successor, the Attorney General.

In January 1946 the United States and 17 allied nations other than the Soviet Union and Poland executed the Paris Reparation Agreement whereby they agreed upon the division of the limited German assets in kind available to them as reparation from Germany, including German external assets located within the respective signatory countries. The 18 Allies agreed to hold or dispose of these external assets in such a way as to preclude their return to German ownership or control. This program was formulated in light of the allied experience after World War I when the attempt in effect to exact reparation from Germany's current production failed and led to Germany's default on its obligations. Moreover, it was clear after the end of World War II that the United States would have to provide major assistance to Germany to prevent disease and unrest. This country, therefore, favored measures which would limit Germany's World War II reparation to its external assets and other assets in kind, thus relieving Germany of reparation payments from current production and avoiding the indirect financing of reparation by the United States. The Paris Reparation Agreement met this objective.

In 1946 Congress enacted section 32 of the Trading With the Enemy Act authorizing returns of vested property to persons having merely technical enemy status and to enemy nationals who were persecuted by their own governments. In the same year, Congress added section 34 to the act, providing for the payment of prevesting debt claims of Americans against enemy nationals whose property was vested.

By the War Claims Act of 1948, Congress added section 39 to the Trading With the Enemy Act, providing that German and Japanese assets not returnable under section 32 should, after the payment of debt claims therefrom, be retained by the United States without compensation to the former owners. In addition, the War Claims Act of 1948 gave priority to the use of the net proceeds of liquidation of this retained property for the payment of compensation to American civilian internees of the Japanese, to American servicemen captured by the forces of Germany, Japan, and other governments which failed to provide adequate subsistence as required by the Geneva convention and to certain Philippine religious organizations which had rendered aid to American personnel. This act did not provide for the payment of war claims of Americans arising out of war-caused property damage but authorized a study of the problem. The Attorney General has advanced a total of $225 million from the proceeds of vested assets for purposes of the War Claims Act of 1948. Thus that act constituted a Congressional disposition of the German and Japanese assets vested under the Trading With the Enemy Act during World War II. Furthermore, that act, in effect, gave confirmation to the reparation program set forth in the Paris Reparation Agreement by devoting German external assets to the satisfaction of certain American war claims.

The Bonn Convention of 1952 for the Settlement of Matters Arising out of the War and the Occupation, between the Federal Republic of Germany and the United States, Britain, and France, also affirmed the policy of the Paris Reparation Agreement. In that convention the Federal Republic of Germany agreed to compensate its own nationals for their loss of external assets by these vesting and other action of the Allied Powers. For their part, these countries gave the Federal Republic a commitment that they would not assert any claims for reparation against its current production. These provisions of the Bonn Convention were carried forward and approved in the Paris protocol of 1954 which was approved by the Senate April 1, 1955, and came into force on May 5, 1955.

On July 17, 1954, Chancellor Adenauer wrote to the President to enlist his support for legislation which had been introduced in Congress for the general return of vested

German assets. The Chancellor referred to the hardships suffered by many of the German individuals whose property had been vested. He mentioned old people, pensioners, and beneficiaries of insurance policies and inheritances, in particular, and urged that alleviation of these hardship cases would make a considerable contribution to furthering the friendship between the peoples of the United States and Germany. The President's reply of August 7, 1954, referred to the fact that the Allied Governments decided to look to German assets in their territories as a principal source for the payment of their claims against Germany. The President expressed sympathy with individuals in straitened circumstances in Germany for whom the operation of the vesting program in the United States has created particular hardship. He pointed out that American nationals who had suffered losses arising out of the war had received no compensation also with resultant hardship in many cases. Finally, the President stated that although none of the bills then pending in Congress with regard to the return of vested assets had the approval of his administration, the problem was receiving earnest consideration and he hoped that a fair, equitable, and satisfactory solution could be achieved. The matter was also raised by Chancellor Adenauer with the President during the former's visit to Washington in October 1954, and conversations between representatives of the two Governments were agreed on.

As a result, the executive branch formulated a plan which was subsequently incorporated in a draft bill submitted to the 84th Congress. Prior to the submission of that bill, representatives of the United States and the Federal Republic of Germany discussed the matter of vested German assets and the related problem of American war claims against Germany. During these discussions representatives of the Federal Republic of Germany were informed that the executive branch would recommend a limited return of vested assets to natural persons up to a maximum of $10,000 as a matter of grace for the purpose of alleviating the cases of hardship caused by vesting. The United States representatives pointed out that this action would result in a full return to approximately 90 percent of the former owners whose property had been vested and would achieve the equitable solution sought by the President. The United States representatives expressed the hope that in addition to relieving hardships of an appreciable number of German people, this action would serve to make even more secure the ties between the United States and Germany. The representatives of the German Federal Government expressed the hope that the proposed return would subsequently be followed by a wider program. They were informed, however, that the administration did not envisage a broader return than was contained in the prepared recommendation.

At the time of the submission of the administration proposal in 1955, it appeared that between $50 million and $60 million might be realized from the liquidation of German and Japanese assets, over and above the amounts which had already been paid into the war claims fund pursuant to the War Claims Act of 1948, as amended, and the amounts required to pay claims which might be asserted under the Trading With the Enemy Act. It was then calculated that a return of up to $10,000 to former individual owners of vested German and Japanese assets would require approximately $60 million. There was therefore need for finding some arrangement for financing the payment of claims of American nationals against Germany if any measures of partial return of vested assets were to be contemplated.

As a result of the pooling of vested German and Japanese assets for the purpose of paying those claims provided for in the War Claims Act of 1948, it was then estimated that the sum of approximately $100 million deriving from German assets had in effect been used to pay claims against Japan. This use of German assets to pay claims against Japan thus drastically reduced the funds which would otherwise have been available at the discretion of Congress to pay American property damage claims against Germany. It was therefore proposed that the sum of $100 million be restored from governmental funds to pay war claims against Germany.

The subject of the disposition to be made of the vested assets and of American claims against Germany was again considered by the administration in the early part of 1957. At that time it appeared that larger sums would be available from the liquidation of assets than had previously been estimated. It was calculated that the sum of $108 million was immediately available and that a substantial additional amount might become available out of funds held in reserve against unresolved claims, litigation, and other obligations. It was therefore recommended by the administration, in letters sent to the Vice President and the Speaker of the House from the Chairman of the Foreign Claims Settlement Commission under date of April 3, 1957, that returns be made up to $10,000 to the former individual owners of German and Japanese properties, as previously recommended, and that the remainder of the proceeds of vested assets be used to meet the war-damage claims of American nationals against Germany.

Thereafter, a new study of the problem was made by the administration. On July 31, 1957, the White House announced the intention of the administration to submit to the next session of Congress a supplementary plan which would provide for the payment in full of all legitimate war claims of Americans against Germany and would permit, as an act of grace, an equitable monetary return to former owners of assets.

PROPOSED PARTIAL RETURN OF ALIEN PROPERTY ASSETS

Mr. SMATHERS. Mr. President, I wish to express my personal disappointment that the administration has seen fit to send to the Congress a recommendation for a partial return of alien property assets.

I think it is obvious on the face of it that if certain German nationals are entitled to any return whatsoever, they are entitled to a full return. If they are entitled to a nickel, they are entitled in full to every claim they may wish to make against the United States Government.

I do not believe that this retreat on the part of the administration, in recommending a partial return in an attempt to smooth and sugar the bill so that it can pass the Congress, will be successful. There is no justification for such a proposal. Legally and morally the vested assets belong to the United States and should be retained to pay all legitimate American war claims against Germany, and any funds remaining should be utilized to the benefit of the United States. I have proposed this solution in a bill I introduced over a year ago. The bill is S. 2737 and is presently pending before the Judiciary Committee.

I think it has been well established on the floor of the Senate, and certainly before the Judiciary Committee in the past, that this particular vested alien property, both morally and legally, belongs to the people of the United States. Their ownership results from an agreement entered into in 1946 by our allies and the then Republic of Germany, which was subsequently reiterated in the terms of the Bonn convention, as amended by the Paris Protocol. This was also recognized by action of the Congress in the adoption of the War Claims Act of 1948, which provided that this property actually belonged to the people of the United States and should not be returned to its former owners.

We waived our right to claim any reparations whatever from the Government and the people of Germany for starting World War II—certainly we did not start it. We did not ask from them any damages. The only thing we asked and received was an agreement that the National Government of Germany would repay its own people, and that we in turn would keep in the United States the vested alien property in lieu of assessing any reparations against our former enemies. Germany today is better off financially than we are. It is capable of assuming its own responsibilities. It should be encouraged to carry them out to its own citizens. The Allies waived $300 billion of reparations in exchange for these vested assets. Germany benefited thereby. As a result it agreed to reimburse its own citizens, and should do so rather than attempt to transfer this responsibility onto the backs of the American taxpayer. The administration by its proposal is assisting Germany to impose this rank injustice upon our own citizens. It is a ridiculous proposal and warrants prompt rejection by the Congress. A fair solution to this controversial problem can be had by utilizing these liquidated funds to pay legitimate American war claims. Any balance left remaining should be held in a revolving fund to finance scientific and engineering scholarships for the youth of our Nation through the National Science Foundation. Any obligation Germany has to its own citizens is Germany's problem, not ours, and it is financially able to carry out such responsibility. Legally and morally the vested assets belong to the United States and should be used to its benefit and the benefit of its own citizens.

I ask the esteemed chairman of the Judiciary Committee, when he is ready to begin hearings on the bill, to give ample notice, because many of us expect to object to it most strenuously.

REVIEW BY SENATOR KENNEDY OF BOOK AL SMITH AND HIS AMERICA

Mr. PROXMIRE. Mr. President, the distinguished Senator from Massachusetts [Mr. KENNEDY] has written a review of a book by the brilliant historian, Oscar Handlin, entitled "Al Smith and His America."

I am sure it will be of particular interest to Members of the United States Senate. The contribution that Gov. Al Smith, a former Democratic nominee for President, made to a humanitarian and progressive America has not been fully appreciated. The Sen-

ator from Massachusetts points out that the driving force for most of the reform impulses which remade America in the thirties had their origins in two States: in the Wisconsin State government, under the influence of old Bob La Follette, and the New York State government, under the influence and administration of Al Smith.

Mr. President, the combination of the review by the able junior Senator from Massachusetts, who is himself an eminent author, as well as a gifted legislator, a review by this great Senator on the work of Oscar Handlin, who is himself a Pulitzer prize-winning historian, and certainly one of the finest in the world, on the life and influence of Al Smith, is a work which will be of great interest to the Senate and to the country.

Mr. President, I ask unanimous consent that the review entitled "The Whole of Al Smith" be printed in the RECORD following my remarks at this point.

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

ABOVE ALL ELSE, PRACTICAL—THE WHOLE OF AL SMITH

(Reviewed by JOHN F. KENNEDY)

(Senator KENNEDY is the author of the longtime best seller and Pulitzer prizewinner, Profiles in Courage.)

AL SMITH AND HIS AMERICA, BY OSCAR HANDLIN. ATLANTIC MONTHLY—LITTLE BROWN

Oscar Handlin, professor of American history at Harvard and perhaps America's most gifted social historian, has for the first time undertaken a biographical exploration. The result is a brilliant short study not only of Al Smith as a personality but also of his relation to the broad sweep of events of which he was a part.

Al Smith lives in many memories, but until now he has never really come alive in the historians' pages. For the first time we have in Professor Handlin's pungent chapters a clearly etched picture of Al Smith.

Earlier books in this series—Edmund Morgan on John Winthrop, John Blum on Woodrow Wilson, Richard Leopold on Elihu Root—have set their subject in focus by illuminating the flashpoints of their careers. Handlin has brought these techniques to the service of his subject with special skill.

Al Smith possessed above all else a practical intelligence which responded naturally to the stress of events and the felt needs of his environment—whether the East Side, the city of New York, the State or the Nation. While distrusting idealists, the progressive movement and fair-weather reformers, his own achievements in New York State were in themselves a remarkable chronicle of reform as well as a harbinger of broader changes in the Nation at large. In his administration in New York and in the Wisconsin State government of the twenties, are previewed most of the reform impulses which remade America and the contours of its national politics in the thirties.

Smith was able to make progress without sacrificing his conviction that partisanship and political compromise are both essential ingredients of American politics. Moreover, he had an unusual capacity to face and absorb facts and to mobilize talents from the professions.

Yet the last half of this volume casts up two shadows which fall like films between the object and its full comprehension. The first was Smith's disillusion in the election of 1928—an election which, perhaps even more than the author indicates, was one of the most decisive emotional experiences of 20th century America. Handlin alludes to the changes which were set in motion in urban America during this election, especially in eastern cities with a large immigrant vote.

But in a measure we often forget that it was the campaign of 1928, even more than the election of 1932, which brought the inner transformation of the Democratic Party. It was Roosevelt who brought fulfillment after his election to many of the hopes generated in 1928, but it was Al Smith who raised the banner, stated the issues, rallied new enthusiasms.

Professor Handlin raises the question—which he only answers very cautiously—whether the many-sided set of factors contributing to Smith's defeat in 1928 could be reproduced in our own time. This reader wishes that he might have spelled out more clearly how decisive he feels that the abnormal revolt against Smith in 1928 was, for this is one of Handlin's areas of special competence.

The other shadow was the growing friction and distrust between Smith and Roosevelt. Already in the aftermath of the election of 1928, in which F. D. R. triumphed as Governor while Smith went to defeat in the Nation, the legendary tradition of the Irishman "whose songs are all sad and whose fights are all gay" was belied. For 4 years Smith and F. D. R. had an uneasy truce, but soon after the election of 1932 their differences became an almost unbridgeable chasm.

Just as Smith was peculiarly a man who thrived on the specific challenges of politics and administration, so Roosevelt found the office of the Presidency an enormous stimulus to constructive leadership and new ideas. Yet when Smith was isolated from the actual stream of politics, he could no longer be a truly effective public figure. Their worlds of thought and action became more and more remote from each other.

During much of the thirties, a decade for which F. D. R. was superbly trained by the wide dimensions of his curiosity and early public service, Smith was confined in political frustration in the miniature world he had known in New York City and Albany. He had, as Professor Handlin sadly notes, lost touch with his audience and "wandered into the isolation of the actor with no stage."

Yet this period of exile cannot detract from the vivid energy of Al Smith, his political gifts, his authentic grasp of human problems, his sense of performance which contributed so much to modern America's self-discovery. To Professor Handlin we owe a debt of gratitude for permitting us to recapture the whole Al Smith.

SUPREME COURT AND GAMBLERS' EXPENSES

Mr. PROXMIRE. Mr. President, since the decision of the Supreme Court on March 17 that certain expenditures of gamblers could be deducted for income-tax purposes as ordinary business expenses, there has been a flood of editorials condemning the decisions. Many of them mistakenly take the position that the Supreme Court was wrong in its decision, and that the blame should fall on the Court for the ridiculous policy of allowing deductions for illegal expenditures.

That of course is not the case. The Court pointed out that Congress could make the expenditures nondeductible, but that the only reasonable inference from the law was that Congress had not done so. The Court invited, even challenged, the Congress to do it. That is precisely what S. 3535, the bill I introduced on March 21, is designed to do.

An editorial in the Milwaukee Journal of last Thursday, March 27, very accurately assesses what the Supreme Court said in its decision and makes it very clear that it is the law that needs to be changed.

Mr. President, I ask unanimous consent that the editorial, entitled "Legal—and Ridiculous," appear in the RECORD at this point in my remarks.

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

LEGAL—AND RIDICULOUS

As the Toledo Blade has aptly remarked, foolish law is apt to make for foolish justice. It was referring to the recent holding of the United States Supreme Court that an Illinois bookmaker's office rent, payroll, and so forth, are "ordinary and necessary expenses," deductible for Federal income-tax purposes.

The decision has been greeted generally around the country with exasperation and ridicule. Yet the Court arrived at it perfectly logically and inescapably, in the present condition of national legislative policy.

Although most States outlaw gambling, Federal law does not. Quite oppositely, in fact, a Congress scrounging for revenue has levied an excise tax on it for the last 7 years. The Court simply took this to be "recognition of a gambling enterprise as a business"—and a business is entitled to expense deductions.

Some who have been the loudest critics of the Court for "usurping" and "legislating" in other recent decisions are scorning it in this case, too, precisely because it did not legislate. If the Court does not find a state of affairs to be unconstitutional, or invalid for some other legal reason, any disapproval it may feel on other grounds is supposed to be immaterial, and so it was.

If the result seems immoral, and frustrating to all the States that hold gambling a crime, then it is the law, not the Court, that is immoral and disruptive. The decision may be salutary, in fact, if it helps show up that character of Congressional policy.

MISLEADING ADVERTISING BY SAVINGS ASSOCIATION OPERATING IN MARYLAND

Mr. BEALL. Mr. President, there has been called to my attention the misleading advertising of a so-called savings association operating in my State of Maryland and in the suburbs of metropolitan Washington.

If their advertising is misleading, is it not reasonable to question their whole operation? This is a matter which should be looked into immediately, if we are to take proper steps to safeguard the hard-earned savings of our citizens.

Here are the facts:

The company calls itself the Family Savings and Home Loan Association, and it has offices in Baltimore, Silver Spring, Suitland, Hagerstown, Cumberland, Elkton, and Frederick, Md. It boldly advertises payment of 4½ percent on savings, which is of course above the current rate, but when one reads the fine print he learns that they pay 3½ percent in cash and credit 1 percent on insurance. Personally, I would like to know the value of that so-called insurance.

The company also boldly advertises that savings accounts are insured up to $10,000. That magic figure of $10,000 is

no doubt borrowed from the legitimate advertising of Federal savings and loan associations, whose accounts are insured by an agency of the Federal Government. But let us see who insures the savings handed over to the Family Savings and Loan Association. The accounts are insured by another company which calls itself the American Indemnity Co., and so far as I know, this American Indemnity Co. has no office in the United States. Certainly it is not licensed to do business in Maryland or in the District of Columbia. Its brochure shows three addresses, 1 in Panama, 1 in Canada, and 1 in England.

This so-called savings association claims to be a member of an organization called American Council of Independent Savings and Loan Associations. I cannot find anyone who has ever before heard of this organization.

From this evidence, it seems to me that this might be a company taking advantage of the public. Therefore, I am today asking the Committee on Banking and Currency, of which I am a member, to look into this matter and take appropriate steps.

I ask to have printed in the RECORD the text of the brochure of the American Indemnity Co. and also the text of the brochure of the Family Savings and Loan Association.

I wish also to have inserted in the RECORD, as a part of my remarks, a newspaper article which appeared in the New York Times on March 21.

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

QUESTIONS AND ANSWERS ABOUT COMMERCIAL INSURANCE OF SAVINGS-SHARE-ACCOUNTS—THE AMERICAN INDEMNITY CO., INC.

1. Question. What is the American Indemnity Co., Inc.?

Answer. It is a corporation especially created to guarantee the safety of savings associations up to $10,000 for each savings-share-account.

2. Question. What is a commercially insured association?

Answer. Any savings and loan or building and loan association, cooperative bank or homestead association which has been approved for insurance by a commercial insurance carrier.

3. Question. Can insurance protection be terminated without notice to all members?

Answer. No. The insurance contract provides that notice must be given to all members in the association before the insurance can be terminated.

4. Question. Is there any cost to the individual member for insurance protection?

Answer. No. There is no direct cost to the individual, since the premium is paid by the association.

5. Question. What security is afforded *savings placed* in a commercially insured association?

Answer. Savings are protected by:

(1) The security found in sound first-mortgage loans on homes, United States Government bonds, and other assets.

(2) Sound, progressive operating policies administered by experienced, local management.

(3) Periodic reports, examinations, and audits.

(4) Insurance against loss afforded by sound insurance principles.

6. Question. Does the insurance contract assure the safety of savings regardless of the cause or type of loss?

Answer. Yes.

7. Question. What types of accounts are insured?

Answer. Generally, all forms of savings-share accounts are insured against loss up to $10,000 for each account.

8. Question. What is meant by commercial insurance protection up to $10,000 for each account?

Answer. The true ownership of the savings-share accounts is insured. An individual may have only one account insured up to $10,000 in a single institution. However, two or more persons may have individual insured accounts of $10,000 each and in addition may have an insured joint account with right of survivorship.

9. Question. Are two joint share accounts of $10,000 each in the same association, one account in the name of John Doe and Mary Doe and the other in the name of Mary Doe and John Doe both insured?

Answer. No, since the same persons own both accounts in the same right or capacity.

10. Question. Would the following types of share accounts in the same institution be insured to the maximum of $10,000 each?

Sinking Fund—X Corporation.

Roofing Fund—X Corporation.

Answer. No. Since the X Corporation is the owner of both accounts, the maximum insurance protection would be $10,000, and not $10,000 for each account.

11. Question. If a trustee maintains several trust accounts in the same institution, each for a different individual, will each share account be protected against loss up to $10,000?

Answer. Yes. If the trust accounts are bona fide, each beneficiary would be separately insured up to the $10,000 limit. Such insurance is separate from, and in addition to, that covering other accounts maintained in the names of owners of trust funds, or in the names of beneficiaries of trust estates.

12. Question. May one person have share accounts in more than one federally or commercially insured association and receive insurance protection on each account?

Answer Yes. Savings in each federally or commericially insured institution will be protected up to the $10,000 limit.

13. Question. Must a commercially insured association be closed before the American Indemnity Co. acts to protect the people who have placed their money in it?

Answer. No. The American Indemnity Co. may make loans to, purchase the assets of, or make contributions to prevent default or to restore the association in default to normal operation.

14. Question. When a commercially insured association is closed, how do the people get their money?

Answer. As promptly as possible, the American Indemnity Co. generally makes full payment in cash to all members of the association.

15. Question. In the event a commercially insured institution is closed, what happens to the uninsured portion of an account (the amount in excess of $10,000)?

Answer. The owner of the share account will share proportionately in the proceeds from the liquidation of the assets of the institution.

16. Question. Are these steps in liquidation essentially similar to those followed in the liquidation of a federally insured association?

Answer. Yes. The procedures and policies of the American Indemnity Co. are intended to be essentially similar to those of the Federal Savings and Loan Insurance Corporation.

Savings-share accounts of this association are commercially insured by the American Indemnity Co., Inc., 115 Leadenhall Street, London, E. C., England; 133 Richmond Street West, Toronto, Canada; 33 Central Avenue, Panama, Republic of Panama.

General counsel: I. I. Bolotin, Esq., 1010 Vermont Avenue NW., Washington, D. C.

THE FAMILY SAVINGS ASSOCIATION—THE FAMILY SAVINGS & HOME LOAN ASSOCIATION, INC.—BALTIMORE, MD.; CUMBERLAND, MD.; ELKTON, MD.; FREDERICK, MD.; HAGERSTOWN, MD.; SILVER SPRING, MD.; SUITLAND, MD.

Current dividend 4½ percent per annum compounded quarterly, or the family savings plan—savings with automatic life and disability insurance. Savings-share accounts insured commercially up to $10,000.

FOR YOUR INFORMATION

The Family Savings & Home Loan Association, Inc., was formed to promote family financial security, to provide financial advice and guidance, to encourage thrift, and to effect sound financing of individual home ownership.

Our association has been growing at an unprecedented rate to meet the needs of Maryland families. Local offices serve Baltimore, Cumberland, Elkton, Frederick, Hagerstown, Silver Spring, and Suitland, and fiscal agents have been appointed in many communities throughout the State. Lifelong residents of these communities, experienced in their work and familiar with the needs and aims of their neighbors, manage the local offices and serve local needs. The local operations of these offices are supervised by a board of directors composed of business and professional men who are prominent in newspaper publishing, national manufacturing, international labor organizations, real-estate development, investment counseling, education, and law.

Since World War II, the savings-and-loan industry has been the source of profitable investments yielding increasing dividends to its members. The underlying investments are the homes owned by more than 60 percent of America's families.

It is the established policy of our association to have our dividend rates reflect these increasing yields. Accordingly, the returns to our members, by reason of current mortgage rates, the productivity of investments, and low operating expenses, exceed those earned by most other kinds of savings investments. As a consequence, our association is enjoying a steady growth, month by month, in both the number of our members and the volume of their savings. Currently, our assets are growing at the rate of a million dollars annually.

The program of our association is designed to meet the needs of our members for financial guidance. Our members receive counsel on the management of debt, the budgeting of current and lifelong expenses, insurance, investments, and retirement.

To assure our members maximum protection in family emergencies, our association is among the first of financial institutions to offer a savings plan that includes automatic life and disability insurance. Under the family-savings plan each addition to a member's savings-share account is automatically matched by an equal amount of life insurance and an equal amount of disability insurance. Savings of $25, for example, added to a balance of $650, assures our member and his family of $675 of life insurance and $675 of disability insurance in addition to his savings of $675.

Like Federal credit unions, our association's operations, loans, and investments are based on conservative practices. Complete insurance is required on all loans to guard against economic risks, to make repayments certain, and to protect effectively our association's future.

WHY YOU SHOULD SAVE YOUR MONEY IN OUR ASSOCIATION NOW

Superior yield: Your savings earn a maximum return—among the highest in the East—4½ percent, compounded quarterly.

Superior safety: You save with safety. Our loans are secured principally by metropolitan and suburban real estate throughout the State of Maryland. And each loan is comprehensively insured against the risks of

loss or damage. Our savings-share accounts are insured commercially to $10,000.

Superior diversity: Local loans are made selectively in communities which are enjoying steady commercial and industrial development and extraordinary population growth.

Superior liquidity: Monthly repayment of short- as well as long-term loans, together with special investments and high reserves, assure a maximum of liquidity.

SAVE WITH SAFETY FOR YOUR FAMILY'S FUTURE

How your family's savings earn 4½ percent:

Loans are made only to responsible people for valid purposes. Our loans, amply secured by sound collateral and comprehensively insured, are subject to competent examination and periodic reevaluation. Local real-estate investments that are stable and profitable yield substantial returns. Our dividends conservatively reflect these yields. Our short-term loans, repaid monthly in accordance with closely supervised schedules, keep our funds constantly productive and assure liquidity.

Based on conservative principles, our long-term loans are made to correspond with ability to pay and individual family needs. For both short- and long-term loans, our underlying security are homes owned by local members which are fully insured against the risks of loss or damage.

Fundamentally, current interest rates, our low operating expenses, and the productivity of selected investments provide us with a rate of return which exceeds those earned by most other kinds of savings investments.

Why your family's savings grow:

Dividends are paid on dividends, so that, as added to your savings, they compound. Four and one-half percent compounded quarterly truly accelerates the growth of your savings. Indeed, $1,000 compounded quarterly at 4½ percent for 10 years yield an average annual return of more than 5.6 percent. Savings, therefore, double themselves in less than 16 years. Regular saving, of course, maximizes this growth.

What if your family's savings are needed:

If funds are needed, you may take advantage of our counseling services, and you may exercise your right to borrow against your family's savings without disrupting your savings program.

Withdrawals, of course, may always be made at your convenience, personally or by mail.

When does your family receive its emergency protection:

At once, and automatically thereafter, if you elect the family-savings plan. By means of your savings, your family is protected against the risks of death, disability, and personal disasters. As you save, automatically your life and disability protection increases.

THE FAMILY SAVINGS PLAN—AN OPTIONAL PROGRAM WHICH PROVIDES TRIPLE PROTECTION FOR YOUR FAMILY

The family savings plan, a unique program to triple your family's protection through liberal dividends and automatic life and disability insurance. Your family's security requires this protection of savings and insurance.

Liberal dividends: Every dollar added to your family's savings-share account earns dividends for you at our current rate of 4½ percent per year. However, under the family savings plan, you receive cash dividends of 3½ percent per year, compounded and credited quarterly, to make your savings grow faster, and the additional 1 percent per year earned by your savings is the full cost of your life and disability insurance. This insurance automatically terminates at age 55 in respect of total and permanent disability benefits and at age 65 in respect of death benefits.

Automatic life insurance: Automatically, with each addition, the balance in your family's savings-share account is matched by an equal amount of insurance on your life up to age 65. As you add to your savings, you automatically add to your family's life-insurance protection.

Automatic disability protection: In addition, in the event of total and permanent disability before the age of 55, your family's lost income will be replaced by insurance benefits equal to the amount you have in your share-account under the family savings plan.

Maximum savings benefits: Regular saving helps your family both to meet its needs and to satisfy its wants. Funds are always available for emergencies, opportunities, advancement, and pleasure. The family savings plan effectively assures your family the full benefits of regular saving.

Convenience and protection: Even in times of need, when protection is most desired, you need not make withdrawals and reduce your insurance. Under the family savings plan, you may conveniently borrow against your account, using only your passbook as collateral.

Triple security: The family savings plan is designed to afford your family extra protection when it is needed most. Upon death or disability, the balance in your account is automatically doubled. Under the family savings plan, $2,500, for example, is automatically increased to $5,000. At times when the family's income has been reduced or interrupted these addtional funds are made available to meet your family's needs.

It's all automatic: Under the family savings plan, your insurance grows automatically with your savings. Premiums, at a rate not to exceed 1 percent per year, are paid by the association for you from dividends earned by your savings * * * at no out-of-pocket expense to you nor any cash burden on your family's current budget.

THE FAMILY SAVINGS ASSOCIATION—COMPARE SERVICE—SAVE WHERE SERVICE MEETS YOUR FAMILY NEEDS

Save conveniently by mail.

No notice required for withdrawals.

No minimum balance required to earn dividends, or to open your share account.

Special dividend of $1 is credited to new accounts.

Our experience is at your family's service for counsel on financial matters. Our advice and counsel are directed to the management of family debt, the budgeting of current and lifelong expenses, adequate insurance programs, family investments and retirement plans.

Funds are made available on terms appropriate to financial ability and need for home ownership, construction, or modernization.

Emergency family protection is earned without extra cost through automatic life and disability insurance.

Family credit is established for you by our record of your prudent savings.

Personal loans are granted secured only by your family's savings without disrupting your family's savings program.

RULES AND PROCEDURES

1. Dividends are declared and credited quarterly. Dividends are thereby compounded.

2. Dividends are credited from the 1st of the month on payments received by the 10th.

3. Loans are made on mortgages, improved real estate, and pledged savings-share accounts.

4. Loans require comprehensive insurance against risks of loss or damage.

5. Loans require only small monthly repayments. No commission and no minimum expense are required.

6. Interest is charged only on the actual balance of the loan each month.

7. Payments are due monthly without notice.

8. The association must be notified promptly of any change in address.

9. Your passbook should always accompany payments or withdrawals whether made in person or by mail.

A State-chartered institution, our association achieves maximum security through prudent management and comprehensive insurance against risks of loss or damage. Our savings-share accounts are insured commercially to $10,000.

THE FAMILY SAVINGS AND HOME LOAN ASSOCIATION, INC.

Offices: 640 Frederick Road, Baltimore, Md.; 16 North Liberty Street, Cumberland, Md.; 127 North Street, Elkton, Md.; 27 North Court Street, Frederick, Md.; 6 East Washington Street, Hagerstown, Md.; 8431 Georgia Avenue, Silver Spring, Md.; 4653 Huron Avenue, Suitland, Md.

[From the New York Times, of March 21, 1958]

PUBLIC IS CAUTIONED ON SAVINGS CLAIMS

The Better Business Bureau of New York City cautioned the public yesterday against putting funds in out-of-State savings and loan associations that advertise higher-than-usual dividend rates and represent their accounts as commercially insured to $10,000.

In Washington Representative ABRAHAM J. MULTER, Democrat of Brooklyn, said an amendment would be offered to the pending Financial Institutions Act to compel such savings and loan associations to disclose fully the nature of such claims in their advertising.

Hugh R. Jackson, president of the Better Business Bureau, said that savers in about 3,700 recognized savings and loan associations throughout the country had insurance coverage on savings accounts up to $10,000 through the Federal Savings and Loan Insurance Corporation, a Federal Government instrumentality. Commercially insured savings and loan associations, he said, do not have this insurance.

Some Utah, Maryland, and Arizona savings and loan associations, a bureau spokesman said, have advertised commercially insured accounts, adding that companies insuring some of these accounts have been based in Tangiers and Morocco.

STAY IN REDUCTION OF SUPPORT PRICES—VETO MESSAGE (S. DOC. NO. 85)

Mr. MANSFIELD. Mr. President, I ask that the veto message of the President on Senate Joint Resolution 162 be laid before the Senate.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair) laid before the Senate the following message from the President of the United States, which was read and, with the accompanying joint resolution, was ordered to lie on the table and to be printed:

To the Senate:

I return herewith, without my approval, Senate Joint Resolution 162. I have given earnest consideration to the many representations made to me both for and against it. It is my judgment that to approve this resolution would be ill advised, from the standpoint both of the Nation and of our farm families as well. It is regrettable that for the second time in 2 years the Congress has sent me a farm bill which I cannot in good conscience approve.

Specifically, the resolution would have such consequences as these:

First. It would pile up more farm products in Government warehouses.

Second. It would restrict the growth of markets.

Third. It would postpone the day when agriculture can be released from the straitjacket of controls.

Fourth. It would bypass the problems of the small operator who produces so little for sale that price supports have scant meaning.

Fifth. It would hold up the needed transition to modern parity and would in fact disregard the parity principle.

Sixth. It would be unfair to those winter-wheat growers who signed up under the 1958 acreage-reserve program with the understanding that the price supports which had then been announced would be the effective rates.

This resolution would fix farm price supports and farm acreage allotments at not less than existing levels. The true need is to relate both price supports and acreage allotments to growing market opportunities.

With regard to Government controls, what the farm economy needs is a thaw rather than a freeze.

Improvements have been made in farm legislation in recent years. The keys to these improvements have been expansion of markets and greater opportunity for our farm people to exercise their own sound judgment.

Fears were expressed by some that farm prices might collapse when high rigid price supports were abandoned. These fears did not materialize. Instead, farm prices rose. This month the index of prices received by farmers is 9 percent above the level that prevailed in June of 1955 when high rigid price supports were last generally in effect. The parity ratio now stands at 87, up 6 points from a year ago.

Most of agriculture is without production controls and without price support. This is generally true of meat animals, poultry, and fruits and vegetables.

There is impressive evidence that farmers stand to profit from less rather than more governmental intervention. Unsupported prices of cattle and hogs are unusually strong.

Despite these bright spots, many farm problems remain to be solved. The price-cost squeeze continues to harass our farm people. Production restrictions impose a severe burden. Many of our farmers—those on farms not large enough to be profitable—are earning incomes which are below any generally accepted standard.

Cotton, wheat, corn, and other basic crops have major problems. Progress in solving the problems of these crops cannot be made by going backward. We must continue in the direction which the Congress set in 1954 and endorsed in 1956—changes in the direction of greater opportunity for adjustments made necessary by our ever-changing agriculture.

I said, prior to the passage of this resolution, that what it proposed would be a turn of 180° in the wrong direction. After reviewing the resolution in its final form, I adhere to this conviction.

For the 1957 crop, prices were supported, product by product, in accordance with a complex set of legislative and administrative considerations. The same was true in the establishment of acreage allotments. To carry these forward unaltered, despite changes in demand, in supply, and in surplus stocks would be contrary to sound legislative procedures and would completely disregard economic fact.

Now, I want to turn to the progress that has been made through programs already in effect. In recent years a many-sided attack on farm problems has been launched. Substantial gains have been achieved:

Through the rural development program to help those at the low end of the income scale.

Through market-making exports which last year reached an alltime high.

Through providing needed credit to family farms.

Through sharing our abundance with the needy at home and abroad.

Through market development in cooperation with producer organizations and the food trade.

Through surplus reduction, which has cut down our stocks by more than a billion dollars.

Through stepped-up research to find new uses for farm products.

Through special programs to increase milk consumption.

Through expanded long-range conservation measures.

While it is necessary to reject the freeze embodied in this resolution, the Congress and the executive branch can be helpful in other ways.

A five-point program should be undertaken, involving various separate but related actions. Some of these are the responsibiilty of the Congress and some are administrative. Some call for legislation, while ample authority already exists for others.

1. The old basic law should be revised. On January 16, 1958, I sent to the Congress a special message on agriculture which recommended needed changes. Many of the problems will be alleviated if the Congress will act on these proposals in this session:

Authority to increase acreage allotments up to 50 percent, and to widen the range within which price supports may be provided.

Elimination of acreage allotments for corn, permitting all corn farmers to plant in accordance with their best management decisions, so that price supports would apply to all corn rather than, as the freeze bill would have it, to only about 1 acre in 7 in the commercial corn area.

Abolishment of escalator clauses in the law because these rigid provisions keep farm people continually under the shadow of price-depressing surpluses.

Extension of the Agricultural Trade Development and Assistance Act, with substantial increased authority to move surplus stocks abroad.

Shifting the price supports for cotton to the average of the crop, the same as for all other farm products.

There is opportunity to make these needed changes before fall seeding time if the matter is undertaken promptly.

2. When these necessary legislative changes have been made, 1959 acreage allotments will be established at levels as high or higher than those prevailing in 1958. Certain statutory provisions which place a floor under acreage allotments for cotton and rice are scheduled to expire after the 1958 crop. Producers face sharp acreage reductions unless the law is changed. When the Secretary of Agriculture has been given the necessary authority to adjust price supports and acreage allotments he will set 1959 allotments at levels at least as high as those in use this year. For cotton and rice these allotments will be substantially above the levels which would otherwise prevail.

3. When necessary new authorization is provided in keeping with my legislative recommendations, the special export programs for our surplus crops will be enlarged. Opportunities exist to export, both for dollars and through special programs, large quantities of our staple commodities.

Wheat is becoming better known to consumers abroad. Market development and promotional activities have made more people acquainted with the merits of our many export products. These commodities can alleviate hunger and need, and should be so used.

4. Dairy products acquired under the price-support operation will be used outside the regular domestic commercial market. These products will not be offered for sale in such markets during the remainder of 1958 at less than 90 percent of parity. While freezing supports would not be a useful step, we seek to help the dairy industry in other ways.

To strengthen markets, the butter, cheese, and dry milk acquired under price support will be donated to the school-lunch program, to charitable institutions, and to needy persons. Exports will be made when this can appropriately be done.

Such inventory management will serve to bolster the market.

Meanwhile, the administration will continue to support the special school milk and armed services milk programs. We will also support as a further aid to dairy farmers, the accelerated brucellosis control program. Stepped up promotional activity will increase consumption.

Every constructive step available to us will be taken to increase the use of our wholesome dairy products.

5. An export program for cotton, corn, and other feed grains, similar to the present export program on wheat, will be put into effect. This can be done without legislation. The effect of this program will be to move these products directly from commercial markets to the export trade without running them through the Commodity Credit Corporation. Under the wheat-export program farmers have obtained broader markets and substantial price benefits in the market place. Marketing efficiency has been promoted and the amount of wheat which has moved into Government channels has been reduced. The new program for cotton and feed grains is expected to have similar effects.

To meet the rapidly changing conditions in agriculture, farmers must be able to make their own management decisions on their own farms. They must not have their production and prices frozen in an outmoded pattern. They must not be made the captives of a restricted history; they must be given freedom to build a brighter future. This can be done if farmers and those who serve them will team up in support of sound legislative and administrative action.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *March 31, 1958.*

Mr. ELLENDER. Mr. President, I cannot say that I am very much surprised at the veto message which has just been submitted to the Senate, although I had hoped the President would sign this very mild joint resolution.

The hard facts are that our country is in the midst of a recession. Business, industry, and labor are today feeling the impact of an economic distress which has stalked our agriculture for the past 4 or 5 years.

The resolution which the President has seen fit to veto was reported by the Senate Committee on Agriculture and Forestry solely and simply because we believe it offered a mild form of relief to our farmers who have already suffered disastrous declines in their incomes.

I note in his veto message that the President takes the position that because farm prices rose slightly during the past month, the outlook for future farm income is bright. I would remind the President that the slight rise to which he has referred was due first and foremost to weather conditions. For example, an analysis of the price rise indicates that strawberries accounted for 15 percent of the increase; Irish potatoes, 20 percent; and eggs, 12 percent. In other words, price increases for these three commodities—strawberries, potatoes, and eggs—made up 47 percent of the entire rise in the parity ratio. These commodities, however, make up less than 10 percent of total cash receipts from farm marketings. Of course, the reason for higher prices for these three commodities is the shortage in supply. In the case of strawberries, these prices are for the new crop which is just beginning to come in, while in the case of potatoes, the fact that storage stocks are down 20 percent below March 1 figures coupled with weather damage to the new crop of potatoes is responsible. The increase in egg prices was caused by generally unfavorable weather conditions in Northern and Eastern States.

Increase in the prices of meat animals accounted for 28 percent of the total increase in parity ratio. The fact is that slaughter at federally inspected plants of cattle during this period decreased 19 percent; slaughter of calves dropped 4 percent; hogs, 16 percent; and sheep, 14 percent. These figures show the principal reason for the increase in prices of meat animals. Meat animals account for about 29 percent of total cash income from farm marketings.

The facts available indicate that price rises reported in this latest release are the result of shortages of supplies, and not the result of expanded markets for these commodities.

In addition, it is inconceivable to me that any action directed towards lowering of price supports in any way could be based on increased prices occurring in only 1 month under the stress of unusual shortages of supplies.

Even a hasty reading of the Presidents veto message shows that the administration has definitely made up its mind to beat down farm prices even below the levels of this year, but above and beyond that is the fact that the President has done again almost the same thing he did in 1956.

Senators will recall that in 1956, Congress passed and sent to the White House, a stop-gap farm bill which would have supported farm prices for the basic commodities at 90 percent of parity for 1 year only. The President vetoed this act, and in his veto message made much of the fact that the legislation involved an abandonment of the administration's flexible price-support program. Yet, in almost the same breath, he, himself, abandoned the sliding scale, and in an unprecedented move announced an arbitrary high-level price support for the basics—a rigid price support—a 1-year price support, and—I might add—an election year price support.

In this veto message, the President has, in a sense, done almost the same thing.

He has vetoed the bill which froze acreage allotments for 1959 at the 1957 levels. At the same time, he has held out a "carrot" to Congress and said that if we give Mr. Benson the authority he wants to fix support levels at between 60 and 90 percent of parity, he, the President, will see that, and I quote:

> Nineteen fifty-nine acreage allotments will be established at levels as high or higher than those prevailing in 1958.

In other words, Mr. President, if Congress freezes acreage, it is terrible, but if the administration freezes acreage, it is constructive.

Now, Mr. President, as to price supports, the Chief Executive almost ignores these. He speaks in glittering generalities of the prosperity farmers will enjoy if only Congress makes it possible for price supports to be further lowered. Therefore, Mr. President, we can only assume that the President wants lower prices.

Now, let us take him at his own word. Let us assume that he gets what he wants. He has promised to give farmers at least the same acreage in 1959 as they had in 1958. Yet, he also says that price supports should be reduced.

Given the same acreage and a lowered price support, it is obvious that farm income will be further reduced. Therefore, I am drawn inevitably to the sad conclusion that this administration doesn't want to bolster farm prices—that it wants only to see farm prices further depressed.

The President said in his veto message that the price of meat animals, for example, has remained reasonably stable and that since the price of meat is not supported, the experience of the livestock industry offers support for his position that price supports depress, rather than assist, farm income. The President should know that the price of grain is supported. This factor alone has its stabilizing mark on the meat industry. In addition, the price of meat is receiving support under the program of Government purchases. As the record will show, when the price of pork or beef, for example, sag, the Department of Agriculture undertakes direct purchases in order to bolster the price of meat.

In addition, as I have already stated, cattle marketings are much lighter this year due to the fact that ranchers are now restocking depleted herds—herds that were previously liquidated because of weather conditions. Now with the end of drought conditions along the Great Western Plains, the grass is beginning to grow again, and ranchers are once more able to use lands which lately were unusable. This is another good reason why the price of meat products has been firm—there has been a scarcity of good beef.

There are two other points in the veto message which are of great importance. The first is the contention that lower farm prices mean lower consumer prices. This is not so. The record demonstrates that even while farm prices have been declining, food prices have been soaring to an alltime high. The share of the consumer's dollar received by farmers for a representative number of food items has been declining from around 51 cents in 1948 to 40 cents today.

The second point is somewhat more difficult to explain, and evidently the President either did not receive an explanation, or saw fit to ignore it. I refer to the fact that the bill he has vetoed has been described as a freeze. The bill was not a freeze, in the sense that it froze price supports and acreage at 1957 levels. It merely provided that price supports and acreage could not drop below 1957 levels. In other words, all the bill did was place a floor beneath price supports and acreage.

I am most hopeful, Mr. President, that over the Easter recess, while Members of the Senate and the other body are at home, their constituents will discuss with them the President's action. I am sure that if this is done, it will be possible to override the President's veto. At any rate, I think the effort should be made.

The President is wrong; the Congress is right.

At this time, Mr. President, I ask unanimous consent that a memorandum I have prepared, dealing with the President's veto message, be incorporated in the RECORD at this point.

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

MEMORANDUM

Today the President returned Senate Joint Resolution 162 to the Senate with a veto. He states that the resolution had many unfavorable points which compelled him to exercise his veto.

Specifically he stated that:

1. It would pile up more farm products in Government warehouses. My comment is that this short-term legislation could not

possibly have had any direct affect on increasing the amount of products that the Government would have to purchase. In the case of dairy products, the Department of Agriculture, in its Dairy Situation release of February 1958, indicated that even with lower price supports production would increase. Therefore, Senate Joint Resolution 162 would have no impact here. Further, other than seasonal changes, there will be no reduction in the price of milk at retail.

In the case of wheat the outlook for total planting as of March 18 was estimated by the Department of Agriculture at 56.5 million acres or 6.6 million acres more than that seeded for last year's harvest, and production was estimated at 1,077 million bushels or 130 million bushels over last year. Price supports for wheat at the lower level were announced last year.

2. The President says that slightly higher prices will restrict the growth of markets. Everybody knows that the demand for farm products is inelastic and that increased consumption will come only as a result of a greater than proportionate reduction in prices. By reducing the price of wheat 22 cents a bushel, it will result in little, if any, increase in consumption of wheat, and I say here and now that there will be no reduction in the retail price of bread or other wheat products.

3. The President states that agriculture is now in straitjacket controls. Of course we have controls. These are primarily acreage controls, and while acreage restrictions have been cumbersome in some instances, they were necessary if prices were to be supported. Furthermore, a reduction in prices as suggested by the President will not remove acreage controls.

4. I do not agree that price supports for small operators have scant meaning. These price supports have many times been the difference between starvation and continued existence for small operators.

5. Of course, transition to modern parity would have been held up but this would have been only for 1 year at the most.

6. While it is true that winter wheat growers, who signed up under the 1958 acreage reserve program, did so with the understanding that price supports would be at $1.78, it was also true that these winter wheat producers would have benefited in the marketing of their crop by the increase in price supports.

7. It is true that agricultural programs need revising, but less of the same program is not the answer, and a 1-year freeze in price supports and acreage allotments would have little effect on the long-time outlook for agriculture. The President states that the farm economy needs a thaw rather than a freeze. What he means is that farm prices should be lower than they presently are and that farmers should be satisfied with sustenance living while all sorts of devices are being advocated to bolster the national economy.

8. The President states that improvements in farm legislation have occurred and have resulted in expansion of markets and greater opportunity for farm people to exercise their own sound judgment. He should know that the expansion of markets has been the result of expanded exports at prices which have been lower than domestic prices. And, in my humble judgment, farm people have always exercised their own sound judgment.

9. The President emphasizes the fact that farm prices are higher today than they were last month or even a year ago. What he did not say was that 47 percent of the increase in the parity ratio this month was due to increased prices for strawberries, potatoes, and eggs, which constitute less than 10 percent of total cash receipts from farm markets. And, as I said before, higher prices were caused by shortages rather than expanded markets.

The President states that one of the biggest problems in farming is the price-cost squeeze which harasses our farm people. To my knowledge neither the President nor the Secretary of Agriculture has ever proposed any method whatsoever of coping with this extremely serious problem. Their only recommendation has been to lower farm prices.

10. The President states "that a five-point program should be undertaken." First, the President requests authority to increase acreage allotments up to 50 percent and to widen the range of price supports. What the President really wants is lower price supports and he throws in the sop of increased allotments in order to make it attractive. He knows absolutely and unequivocably that acreage allotments cannot be increased by 50 percent without piling up surpluses such as this country has never known.

Second, he asks for elimination of acreage allotments for corn; third, for abolishment of the escalator clause; fourth, for the extension of Public Law 480; and fifth, a shift in price supports for cotton to the average of the crop. It is the intention of our committee to consider all of these points as well as many others in the farm program which we hope to design within the next 2 months. The Secretary of Agriculture well knows that both Agriculture Committees of Congress are studying the overall farm program. This had nothing to do with Senate Joint Resolution 162.

11. At this point, the President tries to make a deal with Congress. He says that if we make these changes than he will establish acreage allotments as high or higher than those prevailing in 1958. He says to producers, "If you take a lower price, I will let you plant as much in 1959 as you did this year."

12. In the case of dairy products, he says that lower prices are better for farmers and if you take these lower prices, we will help you other ways. We will donate the surplus we take in because of increased production at lower prices to schools, charitable institutions, and to needy persons, and that we will export what we cannot use at home.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, the message from the President of the United States will lie on the table and will be printed.

Mr. HUMPHREY. Mr. President, I shall not object to having the veto message lie on the table and printed in the RECORD; but I do object to the message.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to let the people of the United States know that I am disappointed and hurt because of the veto by the President of the farm joint resolution.

I believe that if Mr. Benson knew a Jimson weed from a cotton stalk and if he knew some of the other commodities as well as he knows wool at the present time, he would take the same position in regard to the other commodities that he probably takes in regard to wool and the support of wool prices.

If the President would only leave the golf links long enough to go into the cottonfields and mix and mingle with the farmers there; if he would also mix and mingle a little with the dairymen and would find out firsthand, from them, what the conditions are, and if he would only go to the tobacco farms and would see what the conditions there are, I believe that today he would feel about the way the farmers and the other people of South Carolina feel.

The farmers and the other people of South Carolina are distressed and worried because the cotton gins are closing throughout the cotton regions; I will vouch for that. They are closing in other States, too; I know that, for I have also been there. The crossroads stores also are closing, and there is serious unemployment. In fact, the number of persons unemployed as of today, almost equals the number of persons who have left the farms, so I am informed. Almost 6 million persons have left the farms during this administration, and today approximately 6 million persons are unemployed because they cannot find jobs.

Mr. President, the Legislature of South Carolina is worried about this situation. I hold in my hand two concurrent resolutions, which I send to the desk and ask to have printed in the RECORD.

Mr. President, listen to the first of the concurrent resolutions:

To memorialize the President of the United States and the Congress to set aside the week of March 31 to April 5 as that time when all citizens will be urged to purchase their needs in order to restore the confidence of the American public in their economic development.

The other concurrent resolution reads in part as follows:

To memorialize the Congress of the United States to enact legislation looking to the cancellation of all income taxes for a period of from 3 to 4 months of the next tax year.

These two concurrent resolutions were passed by the House and Senate of the South Carolina Legislature; and I wish to have them printed in the RECORD at the request of myself and the junior Senator from South Carolina [Mr. THURMOND].

There being no objection, the concurrent resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on the Judiciary:

"Concurrent resolution to memorialize the President of the United States and the Congress to set aside the week of March 31 to April 5 as that time when all citizens will be urged to purchase their needs in order to restore the confidence of the American public in their economic stability

"Whereas the United States is experiencing a business recession which threatens to affect adversely the economic stabilization of the country; and

"Whereas the general assembly believes that this is an unfortunate state of mind with which the citizens have permitted themselves to become imbued; and

"Whereas the general assembly believes that the continuing of prosperous business conditions is absolutely certain if the confidence of the public in the soundness of American economy can be restored; and

"Whereas the general assembly believes that if the President of the United States and the Congress will set aside a week during which the public will be urged to make every reasonable expenditure for necessities of the home and business within their financial means, that the greatest possible stimulus to business will result and the lagging confidence of the American public will be restored: Now, therefore, be it

"*Resolved by the senate (the house of representatives concurring)*, That the President of the United States and the Congress be memorialized to set aside the week of March 31 to April 5 as a time when the American public will be urged to purchase all of the necessities commensurate with their financial means in order to stimulate business and restore the confidence of the American public in its economy; be it further

"*Resolved*, That the President of the United States be memorialized to influence the newspapers and radio commentators against giving adverse publicity to our lagging economy and that they be urged to point out that the only thing that is needed to stem the tide is confidence and the abolition of fear; be it further

"*Resolved*, That copies of this resolution be forwarded to the President of the United States, to the Clerk of each House in the Congress of the United States, to each United States Senator from South Carolina, and to each Member of the House of Representatives from South Carolina in the Congress of the United States."

To the Committee on Finance:

"Concurrent resolution memorializing the Congress of the United States to enact legislation looking to the cancellation of all income taxes for a period of from 3 to 4 months of the next tax year

"Whereas the United States and the world are experiencing a business recession which threatens to effect adversely the economic stabilization of the entire country; and

"Whereas the general assembly believes that the continuing of prosperous business conditions is absolutely certain if the confidence of the American people can be maintained in the soundness of the business economy; and

"Whereas the general assembly believes that the means to this end are found in the placing of more available cash in the hands of the public with which to purchase the articles offered for sale; and

"Whereas, the general assembly believes that the most efficacious method of accomplishing this end and to place more cash in the hands of the public is by the reducing of taxes; and

"Whereas the general assembly believes that the most direct road to this end is through the cancellation of all income taxes due the Federal Government and scheduled to be withheld by employers for a period of from 3 to 4 months during the next taxable year. Now, therefore, be it

"*Resolved by the senate (the house of representatives concurring)*, That the Congress of the United States is hereby memorialized to enact suitable legislation looking to the cancellation of income taxes due the Federal Government for a period of from 3 to 4 months during the next taxable year; be it further

"*Resolved*, That copies of this resolution be forwarded to the President of the United States, to the Clerks of both Houses of the Congress of the United States, to each United States Senator from South Carolina and to each Member of the House of Representatives in the Congress of the United States from South Carolina."

Mr. PROXMIRE. Mr. President, this is the final day before the cut in dairy farmers' prices which has been ordered by the Secretary of Agriculture is scheduled to go into effect.

I have in my hand the veto message of the President of the United States.

Mr. President, I am sure the motives of the President are excellent. I have always assumed that to be true. I am sure the President always has been patriotic, and his motives are moral and decent. He is, of course, interested in the welfare of farmers. But the President of the United States is just plain wrong. He is ill advised. He is mistaken.

There are two items, however, which I should like to bring to the attention of the Senate. First, is the fact that all the President really recommends for the long term is the kind of program he previously recommended in the Presidential message delivered to the Senate in January. It is a program which would seek to return price supports to 60 percent of parity. Second, the message has been written in a complete vacuum, without any recognition of the fact that we are in a recession—in an economic slump—which seems to be getting worse instead of better.

I can think of nothing more unwise, Mr. President, than to further slash the purchasing power of farmers at the very time when we are all so tremendously concerned about restoring and increasing purchasing power in order to evade the disaster of a major depression.

Farmers represent a vital segment of our economy—far out of proportion to the number of people actually engaged in farming. Their major expenditures are not for personal consumption, but for production supplies and equipment.

United States agriculture is the largest user of petroleum in the world. American farmers buy 14.8 billion gallons per year—more than any one of the three United States military services. This is more than any other American industry.

American farmers use up more finished steel each year than is required for all the new passenger cars constructed in any year except 1955. The total consumption of steel by American farmers was 6½ million tons in 1957.

American farmers buy enough rubber to put tires on nearly six million cars a year—320 million pounds last year.

American farmers buy 25 billion kilowatt-hours of electricity—more than the combined cities of Chicago, Detroit, Houston, Baltimore, and Boston.

American farmers produce 65 percent of all the raw materials used in the United States. More than one-third of all employment stems from agriculture—on farms, in producing supplies, services, and equipment for farms, and in processing and marketing farm products.

Farmers net incomes have been driven down by 20 percent in the past 5 years. I can think of nothing more senseless and unfair, Mr. President, than to continue the cruel squeeze on our farmers at the very time that we are taking action in many other sectors of our economy to rebuild confidence, restore purchasing power, and expand the buying power of our people.

A POLITICAL PROMISE TO AMERICAN FARMERS—SPOKEN AND BROKEN

Mr. YARBOROUGH. Mr. President, when the President followed the advice of Agriculture Secretary Ezra Taft Benson and vetoed the measure to freeze crop price supports for just a year it was another blow to the farm families who already are receiving too little for the food they raise. A recent hearing before a House Appropriations Subcommittee showed that of every food dollar the housewife spends, only 40 cents goes to the farmer and 60 cents goes to the middlemen. I certainly have no quarrel with the middlemen for receiving a fair return on their investment. But I question a system where the man who produces the food gets far less for his work and his investment than the man in the middle of the line. Statistics show that the profits of some major chains have increased over 200 percent in the last 5 years, while the farmers' share of the food dollar has declined.

Mr. President, as President Eisenhower made his decision on our bill to hold price supports on farm products at their current level, I regret that he failed to follow his own promise to the farm people. All of us must recall his famous campaign speech to farmers at the plowing contest at Kasson, Minn., on September 6, 1952, in which he said:

> And here, without any "ifs" or "buts" I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. * * * All I know of farmers convinces me that they would rather earn their fair share than to have it as a Government handout. And a fair share is not merely 90 percent of parity—it is full parity.

For the sake of the farm families and the good of the general economy of this Nation, I wish that the President, without any "ifs" or "buts," had taken the same stand that he pledged to take. It is tragic at this critical point, that he turned his back on the American farmer, and created additional unemployment when over 5 million men and women are hunting jobs. It was the small farmers of the United States, and not merely a candidate for office, who were plowed under by a promise at Kasson.

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

Mr. YARBOROUGH. I yield.

Mr. HUMPHREY. I just heard the distinguished Senator from Texas refer to a speech delivered in Minnesota. He also said it was made by a candidate for office. I was wondering who the candidate was, in light of the veto message we received this morning. The veto message has no similarity whatever to the speech which was delivered in Minnesota. What was the candidate's name?

Mr. YARBOROUGH. In response to the inquiry of the distinguished Senator from Minnesota, I was trying to draw a comparison between the candidate of 1952 and the officeholder of 1958. Of course I was referring to the present occupant of the Presidency. I was regretting that he should listen to his advisers instead of listening to a playback of a speech he made in Minnesota. I wish someone had made a tape recording of his speech so that it could be played back to him.

I served under the President in the European theater during the war. I admire him as a great leader, and also personally. I cannot understand why he lets his super advisers screen him so much from the people.

When I knew him he was always informed of what was going on at the front. I wish he knew what was going on at

the economic front in this country. I served as a staff officer of an infantry division, and I always found that he knew what was going on. If he knew what was going on at the economic front, we would have had his signature of approval instead of his veto.

Mr. COOPER. Mr. President, I, too, regret that the President has seen fit to veto Senate Joint Resolution 162, to maintain farm price supports this year at not less than the 1957 level. Nevertheless, I think it is unfortunate that some of those who supported the resolution have taken this occasion to ascribe to the President ulterior motives against the interest of the farm population of the United States.

I think it well that I make my own position clear now. When the matter next comes before the Senate I expect to vote as I did originally—that is, to override the veto. However, I think it unfortunate that the discussion of this farm measure, commenced as one in the interest of farmers and nonpolitical, has deteriorated into a political issue.

At the time the two measures were before the Senate, one of these resolutions would have maintained supports for dairy products. A few minutes after the first joint resolution, freezing support prices on all agricultural products had been passed, the opposing side saw fit to approve, and I believe defeat, the similar resolution which would have maintained existing support prices on dairy products.

Mr. President, I did not rise to discuss that issue. I shall probably do that later, when the matter comes before the Senate.

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

Mr. COOPER. I yield to the Senator from Utah.

Mr. WATKINS. Mr. President, I wish to express my full agreement with what the Senator from Kentucky has said about the farm measure and the veto of the President. I firmly believe the President and Secretary Benson are on sound ground, and that in the long run the veto will prove to be a wise one, indeed, and in the interest of the farmers.

I wish to point out millions of farmers in the United States who produce cattle and sheep for food and also produce fruits and vegetables, do not receive any help whatsoever under legislation providing price supports, and they will be pleased not to have a continuation against them of as much discrimination as there has been in the past.

Mr. COOPER. Perhaps the Senator did not hear my remarks in their entirety. What I was saying was that I regretted the disposition of some Members of the Senate to ascribe to the President, because of his veto, a purpose to drive down farmers' incomes.

I said that on my own behalf, I regretted the veto message had been sent to the Congress, and that I intended to maintain the position I had taken when the bill was before the Senate. I said further, that if a vote was taken, I would vote to override the veto.

Mr. WATKINS. Mr. President, I only heard a portion of the Senator's statement, and I thought that was the position he took.

Mr. COOPER. I understand.

Mr. WATKINS. With the explanation just made by the Senator from Kentucky in mind my position then is contrary to the position taken by the Senator from Kentucky. I intend to vote as I voted before. I shall vote to sustain the veto.

The PRESIDING OFFICER. The Chair is compelled to inform the Senator from Kentucky that 3 minutes have expired.

Mr. COOPER. Mr. President, I ask unanimous consent that I may proceed for an additional 3 minutes.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Senator from Kentucky may be permitted 3 more minutes and that I may ask him a question.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the Senator from Kentucky is recognized for 3 additional minutes.

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

Mr. COOPER. I yield.

Mr. ELLENDER. I notice in the President's veto message he states:

> We must continue in the direction which the Congress set in 1954 and endorsed in 1956—changes in the direction of greater opportunity for adjustments made necessary by our ever-changing agriculture.

We followed the President's suggestion, as well as the recommendation of Secretary Benson, in 1956. Now we are being asked to change it all; the administration wants to further depreciate prices by lowering the minimum support level from 75 percent of parity to 60 percent of parity, is that not true?

Mr. COOPER. That is substantially correct. I will say to my friend from Louisiana that what I have said had no reference to his statement or his position. I have always found the Senator to be objective and fair in every matter. He always speaks his convictions, honestly and without bias.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, notified the Senate that Mr. DAVIS of Tennessee had been appointed a manager on the part of the House at the conference of the two Houses on the bill (H. R. 9821) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways, vice Mr. JONES of Alabama, excused.

The message announced that the House had passed, without amendment, the bill (S. 3262) to authorize certain activities by the Armed Forces in support of the VIII Olympic Winter Games, and for other purposes.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 9655. An act to permit articles imported from foreign countries for the purpose of exhibition at the Oregon State Centennial Exposition and International Trade Fair to be held at Portland, Oreg., to be admitted without payment of tariff, and for other purposes;

H. R. 9917. An act to continue the temporary suspension of duty on certain alumina and bauxite;

H. R. 10112. An act to make permanent the existing privilege of free importation of guar seed;

H. R. 11019. An act to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair, to be held at Louisville, Ky., to be admitted without payment of tariff, and for other purposes;

H. R. 11346. An act to amend title II of the Social Security Act to include Massachusetts among the States which are permitted to divide their retirement systems into two parts so as to obtain social security coverage, under State agreement, for only those State and local employees who desire such coverage;

H. R. 11407. An act to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders;

H. J. Res. 451. Joint resolution authorizing the 101st Airborne Division Association to erect a memorial in the District of Columbia; and

H. J. Res. 556. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the California International Trade Fair and Industrial Exposition, Los Angeles, Calif., to be admitted without payment of tariff, and for other purposes.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 233) favoring Congressional recognition of the National Railroad Museum to be located at Green Bay, Wis., in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

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

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

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

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

H. R. 5822. An act to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment; and

H. R. 8268. An act to amend section 512 of the Internal Revenue Code of 1954.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

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

H. R. 9655. An act to permit articles imported from foreign countries for the purpose of exhibition at the Oregon State Centennial Exposition and International Trade Fair to be held at Portland, Oreg., to be admitted without payment of tariff, and for other purposes;

H. R. 9917. An act to continue the temporary suspension of duty on certain alumina and bauxite;

H. R. 10112. An act to make permanent the existing privilege of free importation of guar seed;

H. R. 11019. An act to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair, to be held at Louisville, Ky., to be admitted without payment of tariff, and for other purposes;

H. R. 11346. An act to amend title II of the Social Security Act to include Massachusetts among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage;

H. R. 11407. An act to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders; and

H. J. Res. 556. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the California International Trade Fair and Industrial Exposition, Los Angeles, Calif., to be admitted without payment of tariff, and for other purposes; to the Committee on Finance.

H. R. 11574. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes; and

H. R. 11645. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1959, and for other purposes; to the Committee on Appropriations.

H. J. Res. 451. Joint resolution authorizing the 101st Airborne Division Association to erect a memorial in the District of Columbia; to the Committee on Rules and Administration.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 233) favoring Congressional recognition of the National Railroad Museum to be located at Green Bay, Wis., was referred to the Committee on Rules and Administration, as follows:

Whereas the American railroad has been of incalculable importance to the growth and development of our Nation in time of peace and a major factor in her defense in time of war; and

Whereas there has been established at Green Bay, Wis., the National Railroad Museum whose purpose is to afford recognition in perpetuity to the role of the American railroad in our Nation's early history by preserving the railroad rolling stock and other memorabilia of the age of steam; and

Whereas the city of Green Bay has donated a site for the buildings and exhibits to be erected as part of the National Railroad Museum, and the State Historical Society of Wisconsin, an official State agency, has undertaken the responsibility of developing and operating the National Railroad Museum; and

Whereas there has been donated or pledged to the National Railroad Museum early and rare steam locomotives, other rolling stock, printed material, photographs, broadsides and ephemera, including the Carl R. Gray, Jr., collection, thus insuring its place as a center for the preservation of significant physical evidence of American railroading's early history; and

Whereas the National Railroad Museum, as an educational institution of major significance to all Americans in its portrayal of the development of the American railroad and the lives of the inventors, managers, investors and workers who created the ties of steel that bind our country together, is of national interest: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby recognizes the National Railroad Museum as a memorial to the individuals who built and ran our early American railroads and as a fitting and valuable institution for the collection and preservation of the memorabilia of the age of steam locomotion; and be it further

Resolved, That the United States shall be put to no expense by the approval of this concurrent resolution.

MISTAKES OF MR. WARREN OLNEY III

Mr. O'MAHONEY. Mr. President, I rise to a question of personal privilege, and to call to the attention of the Senate a passage contained in an address delivered by Warren Olney III, then Assistant Attorney General of the United States, to the conference of barristers of the State bar of California, at Monterey, Calif., on October 3, 1957. The address was inserted in the CONGRESSIONAL RECORD of Monday, March 24, 1958 by the junior Senator from California [Mr. KUCHEL], commencing on page 5090. The address contains a remarkable paragraph—remarkable in the unwarranted inference it seems to impart, and remarkable in the lack of knowledge it displays. On page 5092 of the CONGRESSIONAL RECORD of that date Mr. Olney is quoted as follows in reference to sections 332 and 334 of title 10, United States Code, the statutes relied upon by President Eisenhower as authority for calling out the troops at Little Rock, Ark.:

There is nothing old about this statute and nothing new about its principle. The statutes to which I have just referred were revised and reenacted as recently as 1956. It is not without interest to note that the subcommittee of the Senate that approved this language was headed by Senator JOHN L. MCCLELLAN, of Arkansas, while the chairman of the full committee which unanimously approved its passage was presided over by Senator JAMES O. EASTLAND, of Mississippi. It passed both Houses without objection.

This paragraph is so at variance with fact, and is so filled with indefensible innuendo as to call into question the motive of the individual who made it.

In the first place, the enactment in 1956 to which Mr. Olney referred was, in fact, the codification of all of the military laws existing as of a given time. As any person learned in the law knows, codification does not amount to approval of any law. A codification only sets forth in one document all the existing law on a given subject without any change in substance—I repeat: without any change in substance—of such law. Therefore, contrary to the inference inherent in the Olney statement that codification meant that any member of the committee approved of this law, it meant only that we were willing to assemble all the law into one document. The chairman of the subcommittee and the chairman of the full committee, with the concurrence of the other members of the committee, only approved and reported the codification, regardless of the law contained therein, and that is perfectly consistent with the purpose of any codification.

The only other alternative would have been to delete from the codification sections 332 and 334 of title 10 of the United States Code, referred to by Mr. Olney, in which case they still would have been the law, uncodified. The Judiciary Committee had no authority whatsoever, in any way, to change the substance of any section or of any law contained in the codification of 1956, and, therefore, whether or not any given Senator agreed with the basic law involved in the codification was of no import. He was bound to accept existing law in a proper codification. We all know that if there is to be any change in substantive law, it must be done by Congress through the committee having jurisdiction—in this case the Armed Services Committee.

In order that the nature of a codification may be determined definitely, without reliance upon my interpretation thereof or the interpretation of Mr. Olney, I submit the legal definition of the word "codification" which appears in Black's Law Dictionary, third edition, and is as follows:

Codification. Process of collecting and arranging the laws of a country or State into a code, i. e., into a complete system of positive law, scientifically ordered, and promulgated by legislative authority.

In case there are those who may be curious as to why I rise to make this statement in regard to Mr. Olney's address, I wish to state that I do so because I was a member of the subcommittee handling the codification to which Mr. Olney referred. It is true that the Senator from Arkansas [Mr. MCCLELLAN] was the chairman of that subcommittee and the Senator from Mississippi [Mr. EASTLAND] the chairman of the full committee. However, as a member of the standing Subcommittee on Revision and Codification of the Committee on the Judiciary, I was the acting chairman of that subcommittee during the consideration of this codification and, as such, conducted the hearings and processed the legislation during its consideration by the subcommittee, the full committee, and on the Senate floor. This was at the express request of the Senator from Arkansas, who was so busy with the Committee on Government Operations that he could not give time and attention to this bill.

The Senator from Arkansas asked me to serve as acting chairman, and he naturally, under the circumstances, conferred upon me the full and absolute duties of chairman. There was no understanding, no restriction, and no suggestion of any attempt to control the action of the acting chairman. I say this because I want it clearly understood that what was done in that subcommittee by the chairman of the subcommittee was done by me and not by the Senator from Arkansas [Mr. MCCLELLAN]; neither was it done in any way by the chairman of the full committee, the Senator from Mississippi [Mr. EASTLAND]. I was as free to act with respect to any suggestions coming from the chairman of the full committee as I was with respect to

suggestions coming from the Senator from Arkansas.

During the entire period of our consideration, no question was ever raised by any person as to whether or not the sections referred to by Mr. Olney were improper for codification. This is true, so far as I know, of the action on the House side.

In order to set the record straight, I should like to relate in detail the history of this legislation and my participation in the consideration of the codification.

The sections to which Mr. Olney referred are a portion of H. R. 7049 of the 84th Congress, a bill to revise, codify, and enact into law title 10 of the United States Code, entitled "Armed Forces," and title 32 of the United States Code, entitled "National Guard." This bill passed the House on August 1, 1955, and was referred to the Senate Judiciary Committee on August 2, 1955. Subsequent thereto, in the second session of the 84th Congress, notice was published in the CONGRESSIONAL RECORD of March 7, 1956, by the chairman of the subcommittee on Revision and Codification [Mr. MCCLELLAN] advising any and all interested parties of the consideration of this proposed legislation by the subcommittee. A copy of that notice is as follows:

NOTICE CONCERNING H. R. 7049, AN ACT TO REVISE, CODIFY, AND ENACT INTO LAW TITLE 10 OF THE UNITED STATES CODE, ENTITLED "ARMED FORCES," AND TITLE 32 OF THE UNITED STATES CODE, ENTITLED "NATIONAL GUARD"

Mr. MCCLELLAN. Mr. President, on behalf of the standing subcommittee on Revision and Codification of the Committee on the Judiciary, I desire to give notice that the subcommittee now has under consideration H. R. 7049, 84th Congress, 1st session, and the accompanying report thereon, House Report No. 970, regarding the revision and codification of laws relating to Armed Forces, having passed the House of Representatives on August 1, 1955. Such revision deals with title 10, United States Code, entitled "Armed Forces," and title 32, United States Code, entitled "National Guard."

The purpose of this notice is to advise any and all interested parties of the consideration of this legislation by the subcommittee and that the subcommittee desires to have any statements or comments relating to the proposed legislation. The subcommittee realizes that the enactment of such a codification is a project of great magnitude and that a codification is limited to the revision and codification of existing law only, so that there will be no change in the statutes under discussion as they now exist. The statements or comments requested are for the purpose of allowing any and all persons to express a view as to whether or not in the proposed legislation, H. R. 7049, there has been a change in existing law.

The subcommittee desires that such statements or comments be forwarded to the Subcommittee on Revision and Codification of the Committee on the Judiciary, room 424, Senate Office Building, Washington, D. C., on or before March 28, 1956.

The subcommittee consists of the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Maryland [Mr. BUTLER], and myself, as chairman.

I desire particularly to call attention to the fact that throughout the entire processing of this legislation, time and time again, reference was made to the fact that the codification was limited to existing law exclusively and was in no sense the enactment of anything new or substantively different from existing law. I again call attention to the statement in the notice:

The subcommittee realizes that the enactment of such a codification is a project of great magnitude and that a codification is limited to the revision and codification of existing law only, so that there will be no change in the statutes under discussion as they now exist.

Let me add that it would have been impossible to amend the laws, as I have said before, without having had any proposed amendments sent to the committee having jurisdiction over the specific laws and the specific matters to which they referred. The bill came to the Judiciary Committee solely because it related to codification of the law, a matter under the jurisdiction of that committee.

Subsequent to the above-mentioned notice, the chairman of the subcommittee again published a notice in the CONGRESSIONAL RECORD, on May 28, 1956, setting the date for a hearing on this proposed legislation. This notice is as follows:

NOTICE OF HEARING ON H. R. 7049, CODIFICATION AND ENACTMENT INTO LAW OF TITLE 10, UNITED STATES CODE, ENTITLED "ARMED FORCES," AND TITLE 32, UNITED STATES CODE, ENTITLED "NATIONAL GUARD"

Mr. MCCLELLAN. Mr. President, on behalf of the Standing Subcommittee on Revision and Codification of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 1, 1956, at 10:30 a. m., in Room 424, Senate Office Building, on H. R. 7049, to revise, codify, and enact into law, title 10 of the United States Code, entitled "Armed Forces," and title 32 of the United States Code, entitled "National Guard." At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from Wyoming [Mr. O'MAHONEY]; the Senator from Maryland [Mr. BUTLER], and myself, chairman.

At that point, as acting chairman of the subcommittee, I took over, presided at the hearing on June 1, 1956, and processed this measure throughout its life in the committee and in the Senate.

On June 22, 1956, as acting chairman of the subcommittee, I reported the bill, with amendments, to the full committee. On July 9, 1956, the full committee ordered the bill reported to the Senate. As acting chairman of the subcommittee, I reported the bill to the Senate. Such reporting appears in the CONGRESSIONAL RECORD, volume 102, part 9, page 12063.

On July 23, 1956, the bill was debated on the floor of the Senate. As acting chairman of the subcommittee in charge of the bill, and as the Senator who reported the bill to the Senate, I handled the bill on the floor of the Senate. My remarks in regard to the bill appear in the CONGRESSIONAL RECORD, volume 102, part 10, page 13944. In order to show that at all times no member of the committee or the Senate ever had reason to consider this codification or the sections referred to by Mr. Olney as anything other than a codification of existing law, I quote a portion of that statement:

Mr. President, I wish it clearly understood that no change of substantive law is included in this measure. It is a codification—that is to say, a restatement—of all the Armed Forces statutes, beginning with the earliest enactments the committee could find, and extending to modern times. No new law has been written into this measure; it is simply a restatement of existing law, with the elimination of laws which have become obsolete because the conditions to which they applied no longer exist, and changes of words made necessary in order to make the meaning clear.

As an added safeguard, section 49 of the bill specifically states that it is the legislative purpose of the bill to restate the existing law without changing it in substance. So this provision by its terms and its necessary interpretation makes it impossible to construe anything in this measure as a substantive change of law.

It expresses the well-established principle of statutory interpretation that a codification bill is a continuation of the source law, without substantive change, except where Congress clearly shows intent to do otherwise. The committee report reaffirms the fact that no substantive change is intended.

It should be absolutely and unequivocally clear at this point that no member of the subcommittee, no member of the committee, or no Member of the Senate gave any approval to any substantive law contained in the codification as might be inferred from the inaccurate and irresponsible statement of Mr. Olney. There was approval of gathering together, into one title the laws relating to the armed services. But as to any approval, inferential or otherwise, of the merits of any particular substantive law contained in the codification, the answer is "no."

In addition to all the foregoing, any person who would have taken the time to peruse the Senate committee report in regard to this bill, which is Senate Report No. 2484, 84th Congress, 2d session, would have found the following statement on page 15 of that report:

On October 23, 1950, the Office of the Secretary of Defense directed the preparation of a four-part title. It assigned to the Joint Army-Air Force Statutory Revision Group, with such help as the Navy group could spare, the responsibility for preparing the general subtitle in addition to the subtitles relating to the Army and Air Force. The directive made it clear that the proposed title was to restate existing law without substantive change.

Again, on page 19 of that report, it is stated:

The object of the new titles has been to restate existing law, not to make new law. Consistently with the general plan of the United States Code, the pertinent provisions of law have been freely reworded and rearranged, subject to every precaution against disturbing existing rights, privileges, duties, or functions. Adherence to the substance of existing law, however, has not always meant adherence to the letter of the statute. Where court decisions, opinions of officials such as the Attorney General or the Comptroller General, executive orders, regulations, or well-established administrative practice have established authoritative interpretations clarifying ambiguities in the law, the text has been reworded to express those interpretations. These changes have been explained in the applicable revision notes.

Again referring to the hearings in regard to this bill, let me quote the statement of Mr. Mansfield D. Sprague, General Counsel of the Department of Defense, who testified before the Subcommittee. He testified as follows:

I will not attempt to explore with you the many technical aspects of H. R. 7049. My main purpose is to give you the fullest possible assurance that the act does no more than restate the substance of existing law. It prunes away the dead law, it rearranges the live law, and it clarifies language, but its passage will only enact new substantive law.

Again, as appears on page 6 of the printed hearings, I addressed questions to Mr. Sprague; and the following are the questions and his answers:

May I ask you, Mr. Sprague, whether it is clear, you want to make it clear that you have satisfied yourselves that in the preparation of this codification the strictest care has been given to prevent the appearance anywhere in the document of new law?

Mr. SPRAGUE. Yes, sir.

Senator O'MAHONEY. This is strictly a codification of existing law; no changes have been made?

Mr. SPRAGUE. That is my opinion, sir.

Senator O'MAHONEY. And you have taken the necessary steps to satisfy yourselves that that is the case?

Mr. SPRAGUE. I have discussed it on many occasions with Dr. Dickerson. He has brought to my attention a number of questions that have come up. I have considered them myself and the previous General Counsels of the Department of Defense, Mr. Hensel and Governor Brucker, who is now Secretary of the Army, did likewise in the original codification which was submitted to the House of Representatives. I believe I can state for them also that it was their opinion as General Counsels of the Department of Defense, as it is mine, that the present act which is before you works no substantive change in the law.

Furthermore, let me call attention to another passage in the hearings, which should have been evident to anyone who took the time to study this matter. On page 5 of the hearing appears a letter from Charles E. Wilson, then Secretary of Defense, to the Senator from Mississippi [Mr. EASTLAND], the chairman of the committee, which stated in part as follows:

The act is purely a codification act since it makes no substantive change in existing law.

There is on file with the committee a memorandum of the work of the Ad Hoc Committee on Codification, of the Department of Defense; and it shows in detail how the sections referred to were dealt with by that committee. One paragraph from that memorandum which I deem to be in line with my remarks is as follows:

In making such changes in language the codifiers were careful not to disturb sensitive phrases and terms of art. For example, such phrases as "unlawful obstructions, combinations, or assemblages" and "by the ordinary course of judicial proceedings" were left intact. In short, the goal was to produce the clearest and simplest statement that could be made without making even a slight change in substance.

This clearly shows that there can be no inference that the bill referred to by Mr. Olney was anything other than a codification of existing law.

The legislation in 1956 referred to by Mr. Olney, therefore, was a codification or gathering together in one place of existing law on the subject matter, and was not in any sense an expression of approval of the substantive law contained in any title, subtitle, chapter, or section of the entire codification. That was not the prerogative of the Committee.

It appears that, aside from Senators and Representatives involved in this codification, persons outside the Congress were aware that this matter was a codification, and a codification only, and that there was no change in the substantive law, nor was any change intended.

It is amazing, to me, that a responsible official of the United States Government could not have the same perception as to the mechanics of a codification as did every other person I know of who was connected with this matter. To say or infer that a Senator or anyone who passed on this legislation approved of the substantive law contained therein, is, in its most favorable light, an expression of a complete lack of knowledge and understanding of the subject.

I cannot understand how any person having any knowledge of the process by which this codification was handled or having any knowledge of laws and court decisions dealing with codification can make a statement which directly leads to the inferential conclusion that any Senator approved of the basic law contained in a codification, when the absolute fact is that the substantive law is of no concern to any Senator but that he is only concerned with the fact that the codification correctly states existing law.

I dislike to feel obliged to challenge the accuracy of statements made by officials of the United States Government, but in this instance the inaccuracies are so pronounced and the inferences so unjustified that I feel it my duty to clarify immediately any misleading statements in regard to this subject.

Mr. President, let me say that I know that the junior Senator from California [Mr. KUCHEL] is absent from the Senate today. On last Friday I telephoned him, when my attention was called to the statement made by Mr. Olney; and at that time I advised the Senator from California that I would make this statement today in the Senate.

PROCEDURE DURING MORNING HOUR

Mr. WILEY. Mr. President, I am sure the visitors in the gallery who have been patiently listening for the past 2 hours wonder what goes on in the Senate. They wonder, first of all, because they cannot hear very well. On several occasions I have tried to have installed in the Senate apparatus to enable the visitors in the gallery to hear what is said on the floor of the Senate.

Of course, during the morning hour anything from soup to nuts can be placed in the RECORD, and that has occurred today. In view of the fact that this is an election year, such procedure is easy to understand.

Mr. President——

The PRESIDING OFFICER (Mr. SCOTT in the chair). The Senator from Wisconsin.

RELATIONS WITH SOUTH AMERICA

Mr. WILEY. Mr. President, earlier today the distinguished Senator from Florida [Mr. SMATHERS] and the distinguished Senator from New Mexico addressed the Senate on the subject of the relations between the United States and South America.

This morning it was my privilege to hear, in the Foreign Relations Committee, a very remarkable report on the relations of the United States with South America. The report was made by Mr. Rubottom, Assistant Secretary of State for Inter-American Affairs.

In the course of his statement, Mr. Rubottom said:

In the last few years there have been some significant and encouraging developments. The trend are toward constitutionality and political democracy, all of them taking form without intervention or prodding from the outside. The Organization of American States has established a system of cooperatiton for security and welfare that strengthens our faith in multilateral organs. We have seen it solve some difficult hemisphere political problems. The American Republics also seek mutually acceptable solutions to their common economic problems, as was demonstrated by the Economic Conference of the Organization of American States which met in Buenos Aires last August. At that Conference the Ministers of Finance or Economy of the American Republics defined more sharply the problems, discussed possible solutions, and made assignments for further studies designed to develop formulas and policies to permit expansion of their economic development. In the matter of security, our military relations with Latin America fall within the framework of the Inter-American Treaty of Reciprocal Assistance, signed at Rio de Janeiro, in 1947, which establishes the principle that an attack by any state against an American state shall be considered as an attack against all the American states.

A little later he said:

Latin America is still in the midst of an economic and social revolution. Despite its large population and the availability of extensive natural resources, most Latin American nations are unable to finance this progress from their own financial resources. While relying mainly on private enterprise, the United States recognizes that there is at present a gap in their requirements which needs to be filled if the obstacles to economic progress, which apply in varying degrees to most countries of the area, are to be overcome. There are deficits in the production of food and fuel; there are shortages of power and transportation facilities; health and education facilities are often inadequate; there is a shortage of administrative and managerial personnel, and excessive economic nationalism and rigid social systems are all too prevalent in some places. There is need for sound long-term official loans in many sectors, and we have told the peoples of Latin America that we shall do our best through the Export-Import Bank to satisfy their needs for sound development where capital is not available on reasonable terms from private sources or from the IBRD. The new Development Loan Fund is open to Latin America, and a number of proposals are now under

study. In addition, we are making local currency loans from the proceeds of the sale of United States surplus agricultural commodities.

Mr. President, at this point let me say that the economic and social revolution in South America is one thing President Eisenhower has not been blamed for up to date. Of course, the fact that coffee prices have dropped so greatly is another thing President Eisenhower has not been blamed for up to date. But there is no telling what is coming next from our ambitious friends.

All of us are aware that at the present time there is an overproduction of automobiles. That is another thing President Eisenhower has not been blamed for, up to date, but the election will not take plaee until November.

Of course, inasmuch as this is an election year, there are a few matters President Eisenhower is not blamed for by some persons. Efforts to blame the President are always provoked by discussions such as the one which occurred a few minutes ago on the floor of the Senate.

Let me say that there are a number of other matters which, thus far, the President has not been blamed for, but be patient.

VETO OF THE FARM JOINT RESOLUTION

I voted for the farm joint resolution, and I shall vote not to sustain the position of the President in vetoing the resolution. However, I must report that prices have risen, and I must report that I have heard from many farmers in my State who have at least sufficient charity to say that they think there may be two sides to the farm question; that the matter of overproduction of agricultural commodities is like the overproduction of automobiles, for which the President has not been blamed up to date.

The situation was well analyzed earlier today in the Senate by the Senator from New York. The problem is one of prices and consumption. The milk produced in Wisconsin for about 7 cents a quart is sold to consumers for 21 cents a quart. In the city of Washington, D. C., milk is sold for 27 cents a quart. The cost of distribution is responsible for the difference between the 7 cents and the 21 or 27 cents. That is why the farmer does not receive an equitable share of the consumer's dollar. I suppose that some would be tempted to say that the President was also to blame for that, for the high wages and the high costs of distribution.

Mr. President, I think it is about time—and I may say that the letters I receive reflect it—that attempts to blame the Chief Executive for economic ills, should stop. The President was elected by the people of the United States as Chief Executive and not as a legislator, and the attempts to blame him for the recession are not being received favorably. In that connection, I am reminded of attempts made the other day to "jump on" several Senators in one of the committees. We remember that attempts were made, a few years ago, to "jump on" Senator Taft, of Ohio. But what did labor do at that time, Mr. President? Labor gave Senator Taft the biggest majority he ever received. Trying to escape our own responsibility by blaming the other fellow, is an old game, and the American public is awake to that game.

Too many folks are trying "to make hay" for themselves with this technique. Publicity seeking has become a disease.

LATIN AMERICAN RELATIONS

Mr. President, I read further from the address by Mr. Rubottom:

1. MILITARY PROGRAM

It is important to remember that we have as much of a stake in the defense of Latin America as the Latin Americans themselves. The area is an important source of supply for materials of strategic and critical importance. It is essential also that the productive facilities, representing in part a heavy United States investment, and that the ocean routes over which ships carrying the commodities pass, be defended and protected. The objective of the military portion of our mutual defense program is to cooperate with our Latin American neighbors and orient our mutual military preparations toward the common defense of this hemisphere.

Our cooperation consists principally in making available suitable military equipment and training to specific units designated for hemispheric defense tasks in the 12 countries with which we have Mutual Defense Assistance Agreements. For fiscal year 1959 we propose that the Congress appropriate $54 million for this purpose. This may be compared with approximately $1 billion which the Latin American countries themselves spent last year for their military defense establishments.

2. BILATERAL TECHNICAL COOPERATION PROGRAM

The bilateral technical cooperation programs are essentially designed to demonstrate improved techniques and, through training therein, to assist Latin American countries to acquire the skilled local personnel essential to their economic development. They have been based on a common understanding reached by the two governments concerned that the technical cooperation provided was needed and justified on grounds of mutual self-interest.

Our bilateral technical cooperation programs are related to host country efforts in the fields of agriculture, education, health and sanitation, industry and mining, transportation and communications, labor, public administration, housing, and community development. They are designed to provide for the training of technicians and for demonstration projects directed at the practical solution of basic problems obstructing economic progress.

3. UNITED STATES CONTRIBUTION TO THE TECHNICAL COOPERATION PROGRAM OF THE OAS

As you know, over the years we have developed a mutually beneficial multilateral relationship with our neighbors to the south through the Organization of American States. This inter-American relationship has served as a model for the United Nations and other regional groups and points up the willingness in this hemisphere to share in and solve problems peacefully. Perhaps at no time in our history has it been more important for the United States to encourage the nations of the Western Hemisphere to continue their effective participation in the Organization of American States.

This body conducts a small multilateral technical cooperation program which the United States supports on a voluntary basis in conjunction with all of the other American Republics. This technical cooperation program is unlike the United States bilateral and U. N. programs, which provide technical assistance to individual countries, in that it consists entirely of regional training activities at regional training centers. The OAS technical assistance funds are used to support special training staffs and to provide fellowships for trainees from all of the countries of Latin America to attend the centers, which have been established in conjunction with existing educational facilities, or to attend special seminars, workshops, et cetera.

Mr. WILEY. Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

RESEARCH BY UNIVERSITY OF WISCONSIN SETS OUTSTANDING STANDARD FOR AMERICA

Mr. WILEY. Mr. President I desire to speak for a few minutes in regard to educational research by the University of Wisconsin which sets an outstanding example for America.

Before doing so I may say that an answer to the Kremlin was given at 1 o'clock today by the President, and by British Prime Minister Macmillan, and by the Premier of France; defining our joint position in relation to the proposition of the Kremlin. I suppose their statement will be published in the newspapers this evening. There is no question that the President and the executive branch of our Government have been negotiating and seeking, through every possible avenue, to find a basis of understanding that can be enforced. However, as was stated recently in an article published in one of the magazines, the United States had 52 agreements with the Kremlin, but the Kremlin violated 50 of them. We do not want merely an agreement? Some time ago the Kaiser said a treaty was but a scrap of paper. The Kremlin has demonstrated that it agrees with the Kaiser's statement.

That is not the American way. When we make an agreement, we keep it. We have found, from our experience with Khrushchev, that the Kremlin does not keep its agreements. The percentage of agreements broken by the Kremlin is 50 out of 52.

If anyone wants to get the low down on the matter of agreements broken by Russia, I invite him to read the article appearing in this month's Reader's Digest on the history of our dealings and the dealings of other countries with the Bolsheviks and Communists. They and we have definitely come to put no faith in what the Soviets say.

What does that have to do with the situation in America today? It has this to do with it: We are not going to have another Pearl Harbor. We are not going to be sucked into complacency. Instead of having 2 years to get prepared, we must have our intercontinental missiles ready to go into action in 15 minutes. When we talk about negotiating, let us make sure that whatever is negotiated can be enforced and the agreement kept.

Mr. President, on March 14, I pointed out in the CONGRESSIONAL RECORD the significance of a most constructive Citizens' Conference on Educational Research which had been held on the University of Wisconsin campus.

This citizens' conference represented the sort of grassroots leadership in the field of education which is so essential if America is to strengthen its primary, secondary, and higher education to meet the challenges of the atomic-space age.

I have been pleased to receive from Dean Lindley J. Stiles, of the school of education, of the university, the text of the remarks which were delivered at the citizens' conference. Included among these remarks was a fine address by Gov. Vernon W. Thompson.

There was an excellent statement by State Superintendent of Public Instruction George E. Watson. Helpful comments were made by Mr. Helge Holst, treasurer of the Arthur D. Little, Inc., on what research means to American industry and its challenge to education.

Since space is limited, however, so far as reprinting is concerned, I should like to call the attention of my colleagues to but a few excerpts of some of the other very important presentations made at the conference. Were it possible to reprint in entirety all of the remarks, I should gladly do so because each of the talks proved so very constructive. There follow, however, a few of the portions of several of the statements. The first was a message from Secretary of Health, Education, and Welfare, Marion B. Folsom, commending the conference.

The second was the welcome address of President E. B. Fred, of the University of Wisconsin. The third was the fine statement by the dean of the graduate school, Dr. Conrad Elvehjem, who is to be the next president of this great institution.

And finally, there are included excerpts from Dean Stiles' statement.

I believe that these abridged portions will, despite the limitation of their brevity, provide helpful background tools in our future consideration of aid-to-education legislation.

I ask unanimous consent that these comments be printed at this point in the body of the RECORD.

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

MESSAGE FROM SECRETARY MARION B. FOLSOM TO THE PEOPLE OF WISCONSIN, PRESENTED BY DR. HERBERT S. CONRAD, DIRECTOR, RESEARCH AND STATISTICAL BRANCH, UNITED STATES OFFICE OF EDUCATION, WASHINGTON, D. C.

Your statewide Citizens' Conference on Educational Research, opening today on the University of Wisconsin campus, provides another example of the leadership for which the university and the other sponsoring organizations are well known. It is also an evidence of the kind and degree of public interest that is needed to fulfill our hopes for the future of American education.

On behalf of the Department of Health, Education, and Welfare and the Office of Education, let me say that your imagination and vision in developing such a conference is very heartening. The initial success of the cooperative research program through which the Office of Education works with institutions of higher learning and State educational agencies has illustrated that a constructive partnership approach to the problems of research can be made by all levels. The University of Wisconsin has been among the Nation's foremost in recognizing the potential of this new program, and as an active participant has put forth consistently high-quality effort.

Commissioner Derthick joins me in wishing you great success in this unique undertaking.

EXCERPTS OF WELCOME PRESENTED BY DR. E. B. FRED, PRESIDENT, THE UNIVERSITY OF WISCONSIN

It is a pleasure for me to welcome you to the university.

The welfare of education in this State, at all levels, is a primary concern of this university. And the university's traditional method of solving problems in all fields is through research.

Your presence here today indicates that you are aware of the many challenges which face this State in providing the quality and types of education which will best prepare our children for good and productive lives. I need not review those challenges.

It might be well, however, to list some of the factors which will help us meet them:

First, the deep and abiding faith which the people of this State have in the value of education. Wisconsin citizens have developed and supported an educational system which ranks high in the Nation.

Second, our State's willingness to experiment. Wisconsin welcomes change and progress. Although our people respect the traditional, they have the courage to pioneer, and they have experienced the benefits of research in many fields.

Third, our State has made its university one of the Nation's great research centers. And the university, in turn, has concentrated much of its research on studies aimed at solving problems of our State.

United States Commissioner Lawrence G. Derthick recently cited the University of Wisconsin as a leading institution in research upon educational problems, and praised the corps of Wisconsin research workers now engaged in these studies. The nature and some of the results of this research will be exhibited to you during the day.

EXCERPTS OF ADDRESS PRESENTED BY DR. CONRAD ELVEHJEM, DEAN, GRADUATE SCHOOL, THE UNIVERSITY OF WISCONSIN—WHAT RESEARCH HAS DONE FOR WISCONSIN

Our civilization is built on observations or research activities by certain individuals. Crawford H. Greenewalt, president of E. I. du Pont de Nemours & Co., emphasized this in the following words: "Behind every advance—is a germ of creation growing in the mind of some lone individual—whose dreams waken him in the night while others lie contentedly asleep." We, then, are the beneficiaries of the dreams of these men and women.

Secondly, we must remember that research knows no boundaries. All of us living in the State of Wisconsin have been beneficiaries of dreams from all parts of the world. Furthermore, the contributions made by outstanding research workers in the State have benefited people in many parts of the world. This does not mean that the State of Wisconsin should not carry its fair share of research in all areas. Furthermore, we benefit at least temporarily by pioneering activities resulting from research.

With present specialization we need to select a certain percentage of our total population to spend full time on research, and this program must be supported by the rest of our citizens. Today we look to the universities with their faculties and graduate students as the main source of basic research. This has not always been true, since we can look back in history and find many developments which took place outside the university walls. We need then organized research with specialization in many different areas. In spite of the great benefits that have come from research in many different disciplines, it is apparent that the activity is rather recent, and that research has not always been as popular as it is today. I was greatly impressed by a statement I saw a short time ago, namely, "Try to find the word research in the 30 pages on universities in the 1910 edition of the Encyclopedia Britannica."

Let us return to Wisconsin, and since the university is considered the research arm of the State we might reflect briefly on the development of research in our own university. In the early days, research by our faculty was done in extra hours and it remained some time before research was specifically recognized in the budget. Development of research at Wisconsin followed two lines of evolution. One was the German concept of the university research, that is, careful and thorough investigation, which was transmitted to the American universities largely through research at the Johns Hopkins University which was opened in 1876. The other line of development followed research in agriculture and engineering and developed through the land-grant program. The former program was closely integrated with the graduate school and depended upon the use of graduate students for conducting some of the work. The second program followed more along the lines of hiring full time, mature individuals for conducting the research, together with some help from technical employees. At Wisconsin these two developments may be directly linked to specific names. In 1890, one of the professors in the college of agriculture, S. M. Babcock, announced the invention of a simple, quick and accurate device to determine the butterfat content of milk. The immeasurable value of the Babcock milk test to the dairy industry and Babcock's refusal to patent the process won for him and the university wide acclaim. However, this work clearly demonstrated that a university professor could produce something of immediate practical value, but did not dim his scientific curiosity or his emphasis on basic research. A few years later, in 1892, Richard T. Ely was invited to come to the university from Johns Hopkins which at that time was the leading graduate school in the United States. He came to Wisconsin to organize the school of economics, history, and political science, which was the beginning of a strong program in social sciences so well known at Wisconsin.

To be sure, research in agriculture was given greatest consideration by our State legislature, and in 1881 the State legislature appropriated $4,000 for the use of the professor of agriculture to carry on experiments on the cultivation of amber and other varieties of sugarcane. But, for us today, I think it is perhaps more significant to emphasize that an earlier grant for research was the act of the State legislature in 1876 which set aside from tax levies for the university a sum of $3,000 per annum for the support of astronomical work and instruction. Even more important was the fact that this led directly to the gift of C. C. Washburn for the construction of the observatory completed in 1882. Today, 75 years later, a new observatory is being constructed, but again from gift funds. I am sure that Dean Stiles will have more to say regarding the proper use of tax money for the stimulation of gift money for research in certain areas.

The fact that the early economy of this State was based on agriculture and that both W. H. Henry, who was dean of the college of agriculture from 1880 to 1907, and H. L. Russell, who was dean from 1907 to 1930, were interested in research, a program of experimental work in this area was started which grew beyond all expectations. Henry was trained in the fundamentals of botany and Russell in bacteriology, but both saw many possibilities in the application of basic knowledge. In the early development of agricultural work we find the following statement: "The confidence of the farmers in the scientific investigations was not unlimited

when Henry succeeded in getting the Wisconsin station established by State action in 1883, but antiscientific attitudes were rare among farm leaders." The oldest organized program for the support of research came shortly thereafter in the name of the Hatch Act of 1887 which established agricultural experiment stations and authorized the use of Federal funds to promote scientific investigations and experiments respecting the principles and applications of agricultural science. Dean Russell was not only interested in research himself, but he made it a point to add to the staff individuals who were to become leaders in research. In 1919, after he had been dean 12 years, he wrote, "There has been a significant improvement in the character of research in this station in the last 10 years. More and more of our work is partaking of a fundamental character and one in which a better training of investigators is required for its prosecution."

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I have time here to mention only a few basic developments in agriculture. The methods developed by Professor Truog in soils gave us a method for determining the fertility and the proper conditions for growing crops at an increased efficiency. The development of hybrid corn, hybrid oats, and so on has added millions of dollars to the income of farmers in this State and many other areas. For example, not a single variety of wheat produced in 1900 is still in production today.

Contributions of Wisconsin plant pathologists to the prevention of plant disease is known the world round. The early work on the "yellows" in cabbage which was overcome by the breeding of disease resistant cabbage through the application of basic genetics. Later wilt resistant peas were developed through the cooperative efforts of plant pathology, genetics and agronomy. Finally disease resistance was linked with the presence or absence of specific chemical compounds in the plant.

Our entomologists have made important contributions to the protection of our plants and crops from insects. In 1954 it was estimated that the damage due to insects in the United States was $2 billion, only slightly less than $2.8 billion from plant diseases. The early work of H. L. Russell on gaseous fermentation and the bacteriology of canning gave us the background to our modern canning industry.

A new era in the field of nutrition was developed by the early workers at Wisconsin and this laid the background for the discovery of vitamins. Scientists at Wisconsin have had a hand in work on every one of the known vitamins and all the mineral elements, both macro and micro, which are essential in nutrition.

* * * * *

In Wisconsin and in many other parts of the United States, it is hard to separate research and agriculture and medicine. The work on vitamins and minerals has practically eliminated deficiency diseases in this country. Fortunately, many of these diseases were never rampant in Wisconsin because of our improved farming and diversified agriculture. Many types of infectious diseases have also disappeared, but again the story of success is closely linked to Wisconsin and the cooperative efforts of agriculture and medicine. Dr. E. A. Birge, later to become president of the university, pioneered in the field of bacteriology and these early studies were expanded by Russell, Frost and Hastings. Their work led to the tuberculin test in cattle and later the elimination of this source of infection for human beings. The results of this work are now available to all; and thousands of lives were saved in Wisconsin because of this pioneering effort.

Even extensive developments in antibiotics are linked to Wisconsin. Although penicillin was discovered in England and new strains of mold for the production of penicillin were found in other laboratories, the tremendous increase in production so urgently needed during the war came out of developments made by our botanists and biochemists. The use of antibiotics in medicine is familiar to all of you.

* * * * *

Deficiency diseases and infectious diseases have been conquered to a large extent, but unfortunately we cannot say the same about the degenerative diseases and mental diseases, but again pioneering work in Wisconsin led to programs which are now extensively used in handling these diseases. The techniques used today in the diagnosis of heart abnormalities are based on the early work of Meek and Eyster in cardiac physiology. The most fruitful approaches to mental health depend upon the early experiences of Loevenhart, Lorenz and Bleckwenn of our medical school. These drugs were not called tranquilizers at that time but had the same physiological effect.

We could go and mention the work of Irving, VanHise and Leith in geology which was so important in the exploration of iron and copper ores and later led to the sound approach to world mineral resources. In the field of engineering we had the early work of Hart and Parr on internal combustion engines which was the background for our present day automobile. Unfortunately, these men made their commercial development in Iowa rather than Wisconsin. Similarly, Burgess pioneered in chemical engineering or electro-chemistry but left the University to develop his well-known battery company. One cannot refer to engineering at Wisconsin without mentioning the work of Professor Bennett in electrical engineering and E. M. Terry in physics which led to the first broadcasting station in the country, now known as WHA. As we look into these contributions, the significance multiplies with the mention of each piece of work.

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I was asked to talk on what research has done and not to make predictions for the future. However, I might be permitted to make one comment, namely, that professional teachers are probably like our family physicians in that they are too busy with their daily problems and with the students with whom they deal to give much attention to formal research. Both groups may make significant observations, but they do not have time to communicate their findings, that is, to weigh the evidence and present unbiased conclusions. This is perhaps a fortunate situation and I hope we will always have a true teacher and a family physician. But they must always be alert to new findings and the application of these findings. However, I also hope that along with these very important individuals we will have those who devote themselves to pure research, whether it be in medicine or education, and I am happy to know that the theme of this program today involves the methods of finding these individuals and supporting them properly so that they may make these very important and urgent observations.

EXCERPTS OF ADDRESS PRESENTED BY DR. LINDLEY J. STILES, DEAN, SCHOOL OF EDUCATION, THE UNIVERSITY OF WISCONSIN—WHAT RESEARCH CAN DO FOR EDUCATION

As a direct result of research now under way knowledge is being put to work to improve schools and the learning of Wisconsin's boys and girls.

1. Over 200 highly gifted students have been identified in Wisconsin elementary and high schools. Recommendations have been made to their parents and teachers regarding educational programs they should follow to develop their talents to a maximum.

2. We have learned that children in schools in reorganized districts learn more than do those of comparable ability in small school districts. Already this knowledge is helping communities make decisions regarding patterns of school-district organizations.

3. The fact has been established that the beliefs of rural people about what makes a good school are highly related to the kind of neighborhood in which they live. Those in communities composed largely of the same national religious backgrounds are more like to oppose educational improvements. New school ideas flourish more easily in mixed groups. Such knowledge is a valuable guide to school boards and administrators, as well as to lay citizens, who seek to bring about educational change.

4. It is known that students who have had the benefit of organized guidance services in elementary and high schools are more likely to attend and complete programs of post-high-school education; progress faster in employment during the 5 years following high school graduation; make greater scholastic achievement in college; make sounder and more lasting vocational choices; recognize their strengths and weaknesses better and seek to improve themselves; and that they find greater satisfaction in their work.

5. Reliable knowledge about developing good handwriting has been established. For example, the long-followed practice of placing big pencils in little hands has been proven to be wrong.

6. Selected students of outstanding intellectual abilities can move to college early, at the end of the sophomore year in high school, with profit to their educational development and without loss to their social adjustment.

7. Our knowledge about the physical growth, strength, and dexterity of mentally retarded children as compared to normal boys and girls is much expanded. We now are beginning to doubt the belief that the very bright child is also physically larger than his classmates.

8. Programs and techniques for research on problems of mentally retarded children are being strengthened.

These are samples of the knowledge that is being identified to help improve schools. They are cited to strengthen our faith in the value of educational research.

Continuing research efforts promise to find answers to such important questions as:

1. What are further strengths of reorganized districts? Do young people who attend high schools in such districts achieve greater scholastic success in college? Is school achievement in basic subject fields, such as science, mathematics, foreign language, history, and English superior in schools in reorganized districts? Do the added costs to rural communities of these districts coincide with increases in academic achievement in high school and greater success in college and work careers? Is there a difference in the social-behavior patterns of boys and girls in reorganized and nonreorganized school communities?

2. What levels of intelligence and academic ability are needed for profitable study of such fields as science, mathematics, and foreign language?

3. Have we underestimated the ability and industry of high-school students in the past and present practice of limiting to four courses the number of solid subjects studied at a given time in high school? To what extent can we increase the number of subjects to provide many with more education during their high-school years?

4. What study skills and habits are needed for successful college work? Are these different from those emphasized in high schools?

5. What adjustments can be made in high-school programs, in different-sized schools, to permit greater numbers of students of high

intellectual ability to accelerate their educational programs by taking advanced courses for college credit while still in high school?

6. How can institutions of higher learning conserve the intellectual talents of many good students who withdraw from college? Why do almost half of the top quarter of students who enter college not complete their programs? Is the quality of teaching provided undergraduate students a factor in student success in college?

7. How can students be helped to acquire, at all levels of the school system, knowledge and skills in various subject fields more rapidly and with greater permanence?

8. How should science and mathematics courses be reorganized to accommodate the new knowledge that must be mastered in high school to facilitate successful college study? How can high school and college courses in these fields be coordinated to conserve the time of students and to improve the efficiency of educational programs?

9. What needs to be done to persuade the best students to choose to teach? How can school systems recognize and reward excellence in teaching so that the best teachers will continue to teach?

10. How can programs of preparation for teaching be strengthened to guarantee that teachers are: First of all, the best examples of educated people; secondly, that they have developed sound and thorough scholarship in the subject field to be taught; and, equally important, that they have developed skill in the art of teaching?

11. How can programs of education for the mentally retarded be made more efficient? To what extent can money be saved by expanding in local communities programs of education for the handicapped who otherwise would have to be institutionalized?

These are suggestions of many basic and critical educational problems confronting our schools that will be solved only through research. Many other complex questions could be listed. Some everyday school issues, such as the best time to change from manuscript to cursive handwriting or the desirability of grouping gifted students separately, which evoke heated arguments among teachers and laymen, would better be treated by systematic research. As long as those in charge of schools must operate in the dark without the benefits of established educational truths, communities can expect only makeshift, trial-and-error approaches to improve schools. Such practices, at best, are costly—in money, time, and educational development for children.

ECONOMIC CONDITIONS

Mr. SMATHERS. Mr. President, this morning on several occasions we have heard reference made to the fact that we are in some kind of recession and rapidly moving toward a depression. I think it is rather obvious that the country is seeing, in addition to many other factors, what has come to be known as a very substantial buyers' strike. That conclusion is reasonable, because, when we look at bank-deposit statistics today, we find there is on deposit $6½ billion dollars more than there was 1 year ago.

Furthermore, we find approximately 2 million more individual bank deposits than there were a year ago.

We find that the personal incomes of those who are working have not in any substantial measure decreased. What has happened is that the people who have money are saving it. They are not spending it, because they are uncertain about what is going to happen in the future. So we see we have a buyers' strike.

Many programs have been recommended to induce people to buy. Some economists believe—I certainly do—that we must initiate a program to bring about a lowering of prices so as to induce people to buy. I have heard some labor economists state that they thought the answer was in bringing about an increase in wages. From the studies I have made, I do not believe that would afford a solution to this particular problem. It would not be the answer because there is no evidence whatsoever that anyone whose income has been increased by reason of a higher wage would buy so-called consumers' or hard-goods items now on the shelves and accumulating in plants and stores.

Moreover, if there should be an increase in wages, the cost of living would increase for everyone, because, as we all know, the cost of the increase in wages would be passed on to consumers, with the result that the situation in which we find ourselves would be worsened rather than helped.

From listening to witnesses who have appeared before the transportation subcommittee, it occurs to me that the removal of the 3 percent excise tax on freight would be the best way to bring about a lowering of prices and to create an incentive for people to buy. If we eliminated the 3-percent excise tax, it would, in fact, increase the purchasing power of the people of the Nation, because by reducing the cost of articles each citizen would be able to purchase more of the things he needed or wanted.

I do not believe we realize how restrictive the 3 percent excise tax has been on business. I have an illustration before me which I should like to read for the information of the Senate, and I hope Senators who are not present and who will look at the RECORD will read this particular illustration, and discover what has happened as a result of the 3 percent tax on freight. The tax on the transportation of goods pyramids and results in an inflation of prices and a false value, and the illustration shows why it is important to get rid of that tax.

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

Mr. SMATHERS. I am happy to yield to the Senator from Wyoming.

Mr. BARRETT. At the outset I wish to indicate that I agree with a good many of the statements the distinguished Senator from Florida has made, particularly with reference to the repeal of the transportation tax on persons and property.

I note the Senator has stated that savings accounts are in a higher amount now than they have been in a long while. People have money in banks. Our employment figures are probably the highest since wartime. While it is true that there are some 5 million people unemployed—and we regret that very much, and we are taking steps to provide employment for them—I am immediately concerned with one statement made by the distinguished Senator to the effect that we are rapidly approaching the point of a depression, and not a recession.

I should like to ask the Senator from Florida if he does not agree with me that confidence is the one thing which would cause people who have large saving accounts to use the money to expand industry and provide jobs, and if it would not be a better policy to preach optimism rather than to predict a depression.

Mr. SMATHERS. I would certainly agree with the able Senator that what we lack today is confidence, and when I say "we," I speak of the general public. I think if somehow confidence could be reestablished in every one of us, people would buy. I refer to confidence in the future, confidence that the Government will protect the interests of everyone, confidence that there will be a restrengthening of our economy. If confidence were restored, yes, people would begin to buy and make plans for expansion of plants. That is the kind of spirit we need. I agree with the Senator on that point.

Mr. BARRETT. I am glad to hear the distinguished Senator say that. It seems to me that instead of making statements such as the Senator made a moment ago—rather unguardedly, I hope—namely, that we are approaching a depression, the Senator should be satisfied with saying that we must take steps to remedy the situation presently existing. Even in the past 5 years there have been times when a good many of our people were unemployed, which condition was corrected in a reasonably short time; and we hope it will be this time.

Mr. SMATHERS. I thank the Senator from Wyoming. I must say we cannot be sure of the steps we need to take to correct the situation until we know what the situation really is. There is no sense in indulging in some of the programs we have undertaken and are contemplating unless we are proceeding to a better point from an existing point. The point from which we are now proceeding, and which we hope we will quickly leave, is the point and—I do not wish to make the Senator unhappy—but I must say a point of depression.

I agree we must turn our eyes forward. We must look upward. We must not rake through the ashes of past mistakes. But we must realize that we are in a serious condition. Realizing we are in a serious condition, then we must take constructive action to relieve it.

We are now considering what we must do. We are considering the need for eliminating some of the taxes, which will help lift us from the generally depressed condition in which our economy finds itself.

I am not trying to assess blame against anyone. I merely say I think we all realize the conditions which exist today.

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

Mr. SMATHERS. I yield.

Mr. BARRETT. I am certainly not accusing the Senator of assessing any blame. The Senator has taken steps to help the small-business community of this country, and I believe therein lies the possibility of giving employment to

most of those who are unemployed at the present time.

In order to accomplish our purpose, we must instill confidence on the part of the small-business industries; we must make the small-business men feel that the economy of the country is sound, and that there is nothing to lead us to believe there is a depression ahead in the foreseeable future.

Mr. SMATHERS. One of the great inequities, so far as the small-business man is concerned, is the 3 percent excise tax on freight to which I have referred, because the small-business man does not have sufficient capital to permit him to purchase for himself a whole fleet of trucks, to carry his goods to the market, thereby avoiding the payment of the 3-percent tax. The small-business man has to ship his goods over the lines of the ordinary common carrier. When the small-business man makes a shipment, he must pay the 3-percent tax on the goods. When the goods go to the distributor, a 3-percent tax is applied again.

Immediately, the small-business man is placed in a position where he cannot compete in the face of the very discriminatory, inequitable, 3 percent excise tax.

Mr. BARRETT. I may say to my distinguished colleague, the tax is a terrific burden upon the people who live in my section of the country, far away from the large industrial centers. We hope the first item taken up in the line of a tax reduction will be the repeal of the transportation tax.

Mr. SMATHERS. I thank the Senator. I should like to give a couple of illustrations with regard to the 3 percent excise tax on freight.

As I say, I hope Senators and others will read the RECORD tomorrow and understand the situation.

Mr. HUMPHREY. Mr. President, will the Senator yield at this point?

Mr. SMATHERS. I am happy to yield to the able Senator from Minnesota.

Mr. HUMPHREY. I think every Member of the Senate owes a debt of appreciation and obligation to the distinguished junior Senator from Florida for the hard work and long hours he has devoted to solving the problems of transportation. I know hearings were held until late in the night because many of the transportation services are in difficulty. All of us respect the Senator's judgment, his observations, and his conclusions.

I desire to associate myself with the Senator's recommendations relating to the 3 percent transportation tax and its repeal. I also wish to associate myself with the remarks the Senator is making relating to our economy and the action which needs to be taken to give it a vitality so urgently needed.

Mr. SMATHERS. I am grateful to the Senator from Minnesota for his customary generosity toward me and other Senators. I must say, in all candor, while I thank the Senator and immodestly admit we have been working very hard, I observe present in the Chamber the able Senator from Kansas [Mr. SCHOEPPEL], who has loyally sat with us during the past 11 weeks and listened to the various witnesses not only from the transportation industry but also from the field of economics and the financial world, who have testified about how best to help our economy through aid to transportation. I am grateful to the Senator for the wonderful work he has been doing.

Mr. President, in order to give some idea of how the 3 percent excise tax pyramids upon itself—not representing simply one item of 3 percent, but a growth and a continuation of growth, which actually inflates the price of most items people buy—let me start out with the wood chips from the mill to the pulp plant. A 3 percent excise tax is applicable to that transaction. From the pulp plant to the spinning plant another 3 percent excise tax applies. From the spinning plant to the weaving plant another 3 percent excise tax is applied. From the weaving plant to the sewing plant another 3 percent excise tax is applied. From the sewing plant to the retailer another 3 percent excise tax is applied; and then, if the retailer decides he wants to ship the goods somewhere, of course another 3 percent excise tax is applied.

There are at least 5 separate assessments of a 3 percent tax on the freight for what really is 1 article.

With respect to scrap metal, from the assembly plant to the baling plant a 3 percent excise tax is applied. From the baling plant to the steel plant a 3 percent excise tax is applied. From the steel plant to the refrigerator manufacturer another 3 percent tax is applied. From the refrigerator manufacturer to the wholesale distributor another 3 percent excise tax is applied. From the distributor to the retailer another 3 percent excise tax is applied. So it will be seen that five separate and distinct items of a 3 percent tax are finally assessed against the cost of a refrigerator to the consumer.

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

Mr. SMATHERS. I am happy to yield to my friend from Oregon.

Mr. NEUBERGER. I wish to echo what our friend, the Senator from Minnesota [Mr. HUMPHREY], said about the contribution being made by the Senator from Florida and his colleagues who serve on the Surface Transportation Subcommittee. I think their hearings are vital not only to the railroad industry but to all transportation in general, and, of course, to our country. If we do not have solvent and successful transportation facilities, then our Nation will be weak, indeed, not only economically, but from the standpoint of national defense.

I help to represent a State in the Senate which, during the past 6 months, has either had the highest rate of unemployment in the Nation or the second highest rate of unemployment. A great deal of such unemployment has been in the railroad industry. There are men on the extra board of the great railroads which serve the State of Oregon, men who have been awaiting employment for months and months, on lines such as the Southern Pacific, the Union Pacific, and the northern lines which come into Oregon over the route of the Spokane, Portland & Seattle, and so forth. All of those men are looking hopefully to the subcommittee headed by the distinguished Senator from Florida to work out some solution which will help America's railroads not only to be more efficient and more effective, but also to be solvent financially.

I am particularly grateful to the Senator from Florida for emphasizing the discriminatory features of the transportation tax. I think we in the Pacific Northwest, the region in our country which is farthest distant from major American markets, bear the brunt of the transportation discrimination. A State such as the State of Wyoming, which, the able Senator from Wyoming helps represent, is also discriminated against, but is discriminated against to a lesser degree than the State of Oregon, for example, because of the 800 miles which separates Wyoming from Oregon on the main line of the Union Pacific.

We have a country in which the population is disproportionately located. Most American consumers live in a relatively small area around Pittsburgh. Therefore, the people who grow the citrus fruits in Florida, the people who raise beef in Wyoming, the peope who raise grain in Kansas, or those who produce lumber in Oregon to serve the consumers must bear the brunt of the 3 percent transportation tax, which sets on their shoulders as the old man of the sea sat on the shoulders of Sindbad the Sailor.

It does not seem to me that the distinguished Senator from Florida is rendering a great contribution by stressing the facts with relation to this tax. It is my hope that when there is a suitable time, and an appropriate hour comes, the Senator and his colleagues on the Surface Transportation Subcommittee will take the lead in this Chamber in introducing an amendment which will call for repeal of the very unwise and unsound form of taxation we are presently discussing.

Mr. SMATHERS. I am very grateful to the Senator from Oregon. I know of his longtime interest in the matter. I recall the Senator from Oregon wrote for Coronet magazine a very fine article, in which he pointed out how the 3 percent excise tax on freight was particularly discriminatory against his State and people of the Far West. Of course, the same principle which the Senator enunciated so clearly in the article applies to the South. We have long felt the discriminatory effect of the tax.

Considering the matter today not with respect to railroads and not with respect to sections, but simply with respect to something which would be, let us say, in effect a good vitamin B shot to the economy of the Nation, I can think of nothing better than a repeal of this tax. It would not result in any type of inflation, because in fact there would be nothing added to the bank deposits. It would not add to money which actually might be hoarded. The result would simply be that the price of goods could come down. At the same time the price of goods came down there would not be a reduction in profit to the manufacturer or the farmer. Neither would there be a lessening of profits for merchants or for anybody else. It would have the effect of reducing the price of

everything, without actually costing those who transport and those who manufacture any money. Of course it would cost the Government some money. It has been estimated that elimination of the 3 percent excise tax would cost the Government in the neighborhood of $429 million.

In my judgment the removal of this particular tax would so stimulate business activity that we would find that all that money would come back to the Government in the form of increased personal income taxes and in the form of increased corporate-tax payments to the Treasury. I do not believe that the net result to the Treasury would be a loss. The tax should be removed.

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

Mr. SMATHERS. I yield.

Mr. BARRETT. I wish to associate myself with the statements made by the distinguished junior Senator from Oregon [Mr. NEUBERGER], and I wish to commend the distinguished Senator from Florida [Mr. SMATHERS] for his fine work in this field.

There is no doubt that the States which are farther away from the large industrial centers are the ones which are most discriminated against because of the transportation tax.

The tax was instituted as a wartime measure, and the impression was left at the time that, of course, it would be repealed when the war was over.

It seems to me that we should call attention at this particular time to the fact that while the products of the West and the products of the South pay a disproportionate tax to reach the large centers, at the same time, the small business enterprises in areas farther away from the large industrial centers are also penalized, because they pay not only the 3-percent tax on the final product which is sold by the small-business operators, but they also pay a pyramid of additional 3 percent transportation taxes which are imposed on the product in the various stages of manufacture or processing.

On the whole, the tax certainly works against small business. I believe that the removal of this tax is a measure of relief which should be afforded to small business.

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

Mr. SMATHERS. I yield.

Mr. NEUBERGER. I agree so thoroughly with what the Senator from Florida has said that, several weeks ago, one of the main reasons why I voted against two very worthwhile proposals to reduce personal income taxes was that I felt that the first tax to be repealed should be the unfair transportation tax which the Senator from Florida is criticizing so ably today.

This tax enters into the cost of every glass of orange juice from Florida, every pot roast from Wyoming, and every table and chair from Oregon forest products.

Mr. SMATHERS. I thank the Senator.

To give one further illustration as to how the tax pyramids, consider the case of cotton. From the ginning point to the warehousing point there is a 3-percent tax. In the beginning, from the cotton field to the first point of processing, the cotton travels free from this tax, under the agricultural exemption. Once it reaches the ginning point, it is processed, and the tax is applied. From the ginning point to the warehousing point there is a tax of 3 percent. From the warehousing point to the spinning mill there is a tax of 3 percent. From the spinning mill to the weaving mill there is a tax of 3 percent. From the weaving mill to the bleachery there is a tax of 3 percent. From the bleachery to the sewing plant there is a tax of 3 percent. From the sewing plant to the retailer, there is a 3-percent tax. There are 6 separate 3-percent taxes on this particular item, each one increasing the cost. The freight cost becomes greater and greater as the goods are manufactured or processed.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a list of the pyramiding 3-percent taxes which I am discussing.

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

EXAMPLES OF THE COMPOUNDING OF THE FEDERAL EXCISE TRANSPORTATION TAX ON VARIOUS WIDELY USED ARTICLES

Wood chips, mill to pulp plant: 3 percent excise tax.

Woodpulp, pulp plant to spinning plant: 3 percent excise tax.

Rayon thread, spinning plant to weaving plant: 3 percent excise tax.

Cloth, weaving plant to sewing plant: 3 percent excise tax.

Clothing, sewing plant to retailer: 3 percent excise tax.

Scrap metal, assembly point to baling plant: 3 percent excise tax.

Scrap metal, bailing plant to steel plant: 3 percent excise tax.

Sheet steel, steel plant to refrigerator manufacturer: 3 percent excise tax.

Refrigerators, manufacturer to wholesale distributor: 3 percent excise tax.

Refrigerator, distributor to retailer: 3 percent excise tax.

Wet phosphate rock, mine to drying plant: 3 percent excise tax.

Dry phosphate rock, drying plant to processing plant: 3 percent excise tax.

Elemental phosphorous, processor to pharmaceutical manufacturer: 3 percent excise tax.

Phosphoric acid (for example), manufacturer to sirup producer: 3 percent excise tax.

Sirup, producer to distributor: 3 percent excise tax.

Sirup, distributor to soft drink bottler: 3 percent excise tax.

Bauxite ore, port or mine to reduction plant: 3 percent excise tax.

Aluminum sheets, reduction plant to fabricator: 3 percent tax.

Window frames (for example), fabricator to wholesaler: 3 percent excise tax.

Window frames (for example), wholesaler to retailer: 3 percent excise tax.

Pulpwood, assembly point to paperboard mill: 3 percent excise tax.

Paperboard, mill to converter: 3 percent excise tax.

Paper cartons, converter to cereal manufacturer (for example): 3 percent excise tax.

Wet phosphate rock, mine to drying plant: 3 percent excise tax.

Dry phosphate rock, drying plant to acidulating plant: 3 percent excise tax.

Superphosphate, acidulating plant to fertilizer mixing plant: 3 percent excise tax.

Fertilizer, mixing plant to distributor: 3 percent excise tax.

Cotton, ginning point to warehousing point: 3 percent excise tax.

Cotton, warehousing point to spinning mill: 3 percent excise tax.

Thread, spinning mill to weaving mill: 3 percent excise tax.

Cloth, weaving mill to bleachery: 3 percent excise tax.

Cloth, bleaching to sewing plant: 3 percent excise tax.

Clothing, sewing plant to retailer: 3 percent excise tax.

Iron ore, port or mine to steel mill: 3 percent excise tax.

Steel, mill to agricultural implement factory: 3 percent excise tax.

Agricultural implements, factory to distributor: 3 percent excise tax.

Agricultural implements, distributor to retailer: 3 percent excise tax.

Mr. SMATHERS. One further word. We shall have considerable difficulty getting this tax removed, not because everyone does not believe it should be removed, but because of the procedure involved. The Surface Transportation Subcommittee has already submitted an amendment, which is now before the Finance Committee of the Senate, to an excise tax bill pending before that committee, eliminating the 3-percent excise tax on freight and the 10-percent excise tax on passenger traffic. The difficulty is that, while everyone is in favor of removing the tax, everyone wishes some other excise tax to be removed at the same time. Some wish to remove the cabaret excise tax. Others wish to remove the tax on baby oil. Others wish to remove the excise tax on automobiles, saying that that is the area in which relief is primarily needed.

But if we examine every one of the excise taxes, we cannot find one of them which has such a broad application as the 3-percent transportation tax. It reaches into every crossroads and every town, and affects every human being in every town. The 3-percent excise tax on transportation applies to baby food, farmers' products, and everything the laborer eats, buys, or wears. Whether one is a professional man, an educator, or is engaged in some other occupation, he is affected by the 3-percent excise transportation tax. There is not a single one of the 178 million people in the United States who does not directly feel the bad effect of the 3-percent excise transportation tax.

I am in favor of removing some other taxes. Nevertheless, I know that it will not be the disposition of the committee to recommend removal of all the excise taxes at this time. I hope, when we consider the subject, we shall see that the excise tax on transportation is in a little different category from other excise taxes.

If we wish to stimulate the economy and, in effect, lower the purchase price of the various articles on the shelves of dealers, and the prices of articles yet to be made; if we want to give a sensible stimulus to the business community and our general economy, I highly recommend that the transportation excise tax be the first one to be eliminated.

Mr. SCHOEPPEL. Mr. President, I concur 100 percent in the remarks of the distinguished junior Senator from

Florida on the floor this afternoon with reference to the 3-percent transportation tax. As he has pointed out, it is one of the taxes which should be eliminated, because it is a cumulative tax.

Mr. HUMPHREY. Mr. President, during my remarks relating to the distinguished Senator from Florida, I certainly wished to include reference to his devoted and dedicated service in the field of transportation.

Mr. BEALL. Mr. President, I wish to concur in the remarks made by the distinguished Senator from Florida. I, too, feel that nothing will do more to stimulate business than to remove this very vicious and objectionable tax. It was put on first during World War II in order to discourage purchases and to discourage travel. Certainly for the same reason it was levied it should now be taken off, in order to encourage business, particularly transportation. I certainly hope that Congress will bring about its removal.

Mr. SMATHERS subsequently said: Mr. President, earlier today I was engaged in a discussion with respect to the elimination of the 3 percent transportation tax. At that time I forgot to put into the RECORD as a part of my remarks two letters which I received, one from the National Association of Home Builders, the other from the National Retail Lumber Dealers Association, both of which urge the removal of the 3 percent transportation tax. I should like to have incorporated in the RECORD along with those letters an article which appeared in Sunday's Washington Post by Mr. J. A. Livingston, entitled "Price Cuts Needed, Not Wage Boosts."

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

NATIONAL ASSOCIATION OF HOME BUILDERS,
Washington, D. C., March 2, 1958.

The Honorable GEORGE A. SMATHERS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SMATHERS: This association is strongly in support of those measures needed to meet and to counteract the current recession in business which has affected areas of the country. As you know, there are many actions which we believe can be taken in the housing field. Equally helpful, however, are actions which can be taken by the Congress or the administration in related fields which will be of assistance to home building and other industries and small businesses. Accordingly, we support your action in sponsoring a measure to remove the transportation excise tax of 3 percent on freight and 10 percent on passengers.

Naturally we are primarily interested in the removal of the excise tax upon freight transportation. Home building is a large-scale user of a vast number of construction materials and household goods which are each subjected to this transportation tax at successive stages of production from raw materials to finished products. We appreciate your interest in this matter and will be interested in the progress of the bill toward enactment.

Sincerely,

NELS G. SEVERIN,
President.

NATIONAL RETAIL LUMBER DEALERS ASSOCIATION,
Washington, D. C., March 28, 1958.

Hon. GEORGE A. SMATHERS,
United States Senate,
Washington, D. C.

DEAR SENATOR SMATHERS: I have read with a great deal of interest that you and other Senators have introduced legislation which, if enacted into law, would repeal the excise tax on transportation of property.

As president of the National Retail Lumber Dealers Association, and on behalf of the 30,000 retail lumber and building material dealers of the Nation, I want to commend you for sponsoring this legislation.

This tax was a wartime measure designed to discourage the use of our transportation facilities. The reason for the tax no longer exists.

In fact, our major railroads are fighting to remain solvent and everything possible should be done to assume the continuation of an adequate transportation system.

The 3 percent excise tax on the transportation of property falls heavily upon the shipment of lumber, building materials, and other products sold by the average retail lumber and building material dealer.

This tax is necessarily reflected in the cost of everything that goes into the new house and all other construction, without adding to the value of the structure.

Such a tax penalizes the long-haul shipper and pyramids at each step of manufacture and distribution.

Much of our lumber must be shipped from the Northwest and South to markets a great distance from the area of production.

Because the tax is a fixed percentage tax on freight charges, the recent freight rate increases granted to the railroads automatically increased the tax on freight.

This tax affects every consumer, his home, his food, and everything that he wears or uses.

The tax is not only discriminatory as between different areas of the country, but as between large and small shippers. Many smaller shippers must depend on public transportation systems entirely.

Repeal of the excise tax on transportation of property at this time will, I feel confident, provide a stimulus to the economy, and increase the revenue of the railroads at a time when additional revenue is badly needed to provide a sound and healthy transportation system.

I sincerely hope that your efforts to repeal this burdensome tax will meet with success in the present session of the Congress.

Very truly yours,

JAMES C. O'MALLEY,
President.

[From the Washington Post and Times Herald]

PRICE CUTS NEEDED, NOT WAGE BOOSTS

(By J. A. Livingston)

In a recent issue, Barron's magazine tries to slay the myth that this recession is different, that prices will continue to go up while employment and production go down. Says Barron's: Prices have been going down, even though the cost-of-living index doesn't show it.

Automobile dealers are granting bigger trade-ins on old cars or cutting down profit margins on new cars. Steel companies are nibbling away at prices. Maybe list prices stay put, but charges for extras are reduced or even overlooked.

In retailing, discount houses cut costs to consumers. The decision of General Electric to abandon fair-trade pricing on small appliances recognized the fact that price maintenance had broken down.

Barron's notes that the cost-of-living items which have moved most stubbornly upward are services—electricity, gas, telephone, haircuts, beauty treatments, laundry. These are items not susceptible to price flexibility, to bargaining between vendor and customer. Inference: The cost of living ultimately will reflect downward pressures.

HOUSEWIVES HAVE THEIR INDEX

A realistic point: When consumers begin to cut their purchases, when business failures rise, when retailers and wholesalers scrounge for business, the pressure to increase sales, to offer inducements to buyers increases. So, even though quotations don't formally drop—as did copper, lead, and zinc—costs do.

But housewifely grumbles about the high cost of living are also an index. Living expenses are still about at the top. And this top has been reached when personal income has been on a decline for 6 months. As expenses remain high, the capacity of people to buy has diminished.

Walter Reuther, the indefatigable and imaginative president of the United Auto Workers, has his own way of dealing with the squeeze on consumer buying power: Boost wages; put more money in workers' pockets, notably auto workers. But members of the UAW who are not on the job won't be helped by a pay boost.

PRICE CUTS HELP EVERYONE

Purchasing power can be increased by price reductions as well as by wage increases. Price reductions help everybody—the man who is on unemployment benefits, the man who is on a 4-day week, and bank clerks, schoolteachers, farmers, and textile workers.

If ever there was a time to give two hackneyed phrases—labor statesmanship on the one hand and industrial statesmanship on the other—the dignity of deed, that time is now. A recession is supposed to bring price adjustments. But prices stay rigid when labor demands too much, when managers of corporations set prices to net a predetermined profit, which, during a slump in business, doesn't materialize. So they want to raise prices some more in a hopeless climb against diminishing sales and returns.

WHAT STATESMANSHIP REQUIRES

It is the responsibility of industrial statesmen and union statesmen now not to boost wages. Industrialists can justify resistance to wage boosts with price cuts. The auto industry, for example, would like the Federal Government to eliminate the $150 to $300 manufacturers' excise tax on cars. The industry could make a stronger case by helping itself. By cutting prices. In good times, executives boast about their rugged initiative. In a slump, this rugged initiative seems to give way to appeals to the Government for maternal aid and comfort, such as, "Please take away our taxes."

The wage negotiations now under way between the auto industry and the auto union will indicate just how much statesmanship sits on both sides of the bargaining table. A wage pattern is at stake. The custom of union leaders is to vie with one another—Who can be tops? Who can extract the biggest raise? But it's equally important to see who can be sensible.

July 1 is a critical date. As a result of a 3-year contract, wages in the steel industry are due to go up a minimum of 7 cents an hour. There will be other fringe benefits, too. And officials of the steel industry are not averse to indicating privately that they would like to raise prices to cover the cost of the increase to David J. McDonald's United Steelworkers.

A price rise in steel would be unwise at this phase of the recession. Steel companies now making money operating at 50 percent capacity could absorb the boost. After all, demand won't stay down indefinitely. And, if the rise can't be absorbed, then let the industry hark back to 1948. United

States Steel Corp. granted a wage rise voluntarily to the late Philip Murray as head of the USW, because steelworkers' wages had lagged behind mining and autos. The industry could suggest a voluntary moratorium on the automatic wage boost. "Long-term wage contracts," said Reuther, "should be living documents to meet changed conditions."

Meanwhile, the crocuses have begun to fight through this winter of discontent. Machine tool orders rose slightly in January and then again in February. Orders for structural steel were up 14 percent in February over January. Steel production still exceeds incoming orders, but, at the same time, consumption—the chewing up of steel—is thought to exceed production (deliveries to steel users.)

President Eisenhower feels that we're now going through the worst of the recession. If he's wrong, he has company—me.

SHIRLEY LEEKE KILPATRICK—VETO MESSAGE (S. DOC. NO. 84)

The PRESIDING OFFICER (Mr. SCOTT in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary, and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, S. 2110, for the relief of Shirley Leeke Kilpatrick.

On March 24, 1958, subsequent to the passage of this measure by the Congress, an adjustment of status to that of a lawful permanent resident of the United States was granted the beneficiary by the Immigration and Naturalization Service pursuant to section 245 of the Immigration and Nationality Act. S. 2110 is therefore unnecessary.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *March 31, 1958.*

THE IMPORTANT ROLE OF RADIO IN THE PRESERVATION OF FREE SPEECH AND FREE ENTERPRISE

Mr. SCHOEPPEL. Mr. President, on March 27 I brought to the attention of the Senate the important role that radio plays in the preservation of free speech and the American system of free enterprise. I referred to the recent reports that had been published about the possible curtailment of the American radio broadcasting network, and expressed the hope that it would be able to continue its radio network operations.

In my remarks I referred to the radio networks which are operated in conjunction with television and noted that these radio operations were being maintained although they were unprofitable.

Inadvertently, I failed to mention the Mutual Broadcasting System, the largest in the United States in point of number of affiliates. Mutual has served the Nation faithfully and well in all areas of broadcasting. In the area of news relating to public affairs it has done an outstanding job.

The remarks I offered concerning the other networks apply in full measure to the Mutual Broadcasting Co.

STAY IN REDUCTION OF SUPPORT PRICES—VETO MESSAGE

Mr. HUMPHREY. Mr. President, I should like to address myself briefly to the veto message of the President on Senate Joint Resolution 162, the joint resolution passed by the Senate by an overwhelming vote, and also passed by the House of Representatives.

It should also be noted that a substantial majority of the Republican Party caucus in the Senate also urged the President to sign the joint resolution, as did an overwhelming majority—I believe it was 42—of the majority party in the Senate.

It is very unfortunate, indeed, that the President found it necessary from his point of view, and obviously on the basis of the advice he received, to veto this first agricultural antirecession measure.

Senate Joint Resolution 162 was designed for 2 purposes and passed on the basis of those 2 purposes. First, it was designed to prevent further price declines and further income declines in agriculture. It was designed to maintain Government protections at the 1957 levels.

In view of the announced reductions in Government price supports for 1958, it was understandable why an overwhelming majority in Congress took the action it did in asking that price supports, insofar as Government activity is concerned, be maintained at the 1957 level.

The second purpose was to afford Congress the time needed to perfect long-term, long-range basic agricultural legislation. Those of us on the Committee on Agriculture and Forestry who have that responsibility, at least initially, did not want to have to work under the gun, so to speak, with the economic gun loaded and pointed at us, ready to go off any minute. We preferred to be able to work after more mediation and deliberation and consideration.

Therefore, the joint resolution was passed by Congress. However, the action of the President of the United States throws the entire agricultural economic picture into a whirl and into utter confusion.

I predict that prices paid to farmers for their commodities will go down as the result of the veto. I predict that the farmer will suffer economic loss because of the veto. I predict that the family farm and the family farm system will suffer economic tragedy because of this kind of negative action.

I further predict that corporate farming will expand, that the growth of large commercial corporate farms will be expedited and intensified. I do not believe that is good for America. The kind of negative policy which is embraced in the veto message will lead to that kind of development on our agricultural front, namely, the expansion and extension of corporate agriculture. That will be done to the detriment of our American social and political systems.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Is it not also true that the people who live on the farms will anticipate from the veto message that the administration intends to lower supports?

Mr. HUMPHREY. The Senator is correct. As the Senator knows, the President reiterates his recommendation of lowering price support levels and broadening flexibility from the present 75 to 90 percent, to the level of 60 to 90 percent. In fact, he is recommending, in some instances, the full scale, from 0 to 90 percent.

The Senator from South Carolina further knows that the President asks that the escalator clauses, which are built into the present farm laws, whereby when surpluses are removed, prices tend to increase be eliminated.

Therefore, I can say that the veto message will result in lower prices for farmers for the commodities they produce, and that there will be no saving—not so much as one cent in saving—for the consumer in the food market. Food prices have been going up despite the fact that farm prices have been coming down. Recently, over the week-end, we heard some so-called good news with reference to an increase of farm prices.

What did they consist of? They consisted of certain types of citrus fruits. Those prices rose because of an act of nature, a calamity, which struck the producers and caused a shortage of citrus fruits. Because of the shortage of citrus fruits, and because of the frost, and because of the losses to the citrus producers, citrus prices went up well above 100 percent of parity in some instances. I trust that that is not the administration's program. I trust that the administration is not endorsing a type of farm program in America which is based on calamities.

What else caused the price rise for farmers? Potatoes are up to 125 percent of parity. That is again because of a short supply, brought about by unfavorable weather conditions. We can go down the whole list of products from fresh vegetables and citrus fruits to potatoes, and find that that is what has basically raised the parity price structure.

Mr. JOHNSTON of South Carolina. I ask the Senator not to forget cotton.

Mr. HUMPHREY. The Senator calls our attention to a certain type of cotton, of which there is a desperate shortage, and that again has resulted in higher prices.

The Senator from Minnesota has pointed out that an abundant supply of agricultural commodities is the consumer's best protection. I wish to warn consumers that the administration's program will take the consumers of America to the proverbial economic cleaners. The administration's program results in surpluses for agriculture, and also results, because of uncontrolled production and because of unplanned methods in agriculture and because of a failure of a plan, in higher prices to consumers.

I notice that the administration has tried to give the poor dairy farmer a little more hope. They have said to the dairy farmer, "We are going to reduce

your milk price from $3.25 to $3 a hundredweight. We are going to reduce your dairy income, but we are not going to sell any butter we take into Government storage in the domestic market for anything less than 90 percent of parity."

What a sop. What hypocrisy.

What surpluses we have of dairy products are needed for the school-lunch program, for our welfare programs, and for our overseas programs. As a matter of fact, until only a few days ago the butter program had been stopped. It was only after one of the Members of the Senate vigorously questioned it in the Senate that the Secretary of Agriculture restored butter to the surplus list available for welfare agencies.

In the veto message the President says:

> Dairy products acquired under the price-support operation will be used outside the regular domestic commercial market. These products will not be offered for sale in such markets during the remainder of 1958 at less than 90 percent of parity.

First of all, the administration justified its reduction of dairy price supports on the ground that such reduction would eliminate surpluses. If that is true, how is the administration going to maintain any stocks and not ultimately sell in the commercial market except at 90 percent of parity?

We cannot have it both ways, even though, apparently, the administration desires to have it so. I say that anyone who will make an objective, careful analysis of the message will see that it is filled with political and economic booby traps.

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

Mr. HUMPHREY. I yield.

Mr. YARBOROUGH. In line with what the Senator from Minnesota has said about the booby traps in the Presidential veto message concerning the farm price-supports bill, I call attention to the paragraph near the bottom of the page in which the President says:

> Substantial gains have been achieved: Through the rural development program to help those at the low end of the income scale.

In view of the fact that the administration's policies are driving 50,000 farm families off the farms and into the ranks of the unemployed in the cities, and in view of the recommendations of the Committee for Economic Development that there be eliminated from farm life 1,225,000 of only 4 million farm families remaining, does the Senator from Minnesota think it is a correct statement that through the rural development program those who are at the low end of the income scale have been or will be helped?

Mr. HUMPHREY. I certainly do not. I say most authoritatively and most respectfully to the Senator from Texas that when the Committee on Agriculture and Forestry asked the Department of Agriculture for its evidence on the accomplishments of the so-called rural development program, the committee waited, waited, and waited, and finally received nothing but generalized reports offering no evidence of any real results to farmers. The results of the rural development program are so pusillanimous, so limited, and so inadequate, that it is ridiculous to think it can save farmers from immediate economic hardship.

Mr. YARBOROUGH. Was that wait during the period last summer while the Senator from Minnesota was seeking to examine the Secretary of Agriculture before the Committee on Agriculture and Forestry, and while the Secretary of Agriculture was spending 100 days in the Rocky Mountains, inspecting the national forests?

Mr. HUMPHREY. No; that was another one of his absences from the Department. The latest report was sought during the time the Secretary was present in Washington. There is very little difference, I may say, between what happens when the Secretary is present and when he is not present. The policies are pretty well set, and the program of the administration is carried out according to those policies.

There is one other point to which I wish to call the attention of my colleagues. I was particularly pleased to notice, when I read the message, that the President has indicated that there will be special export subsidy programs for cotton, corn, and other feed grains, similar to the present export program on wheat. This can be done without legislation, says the President's message. I quote further:

> The effect of this program will be to move these products directly from commercial markets to the export trade without running them through the Commodity Credit Corporation. Under the wheat export program farmers have obtained broader markets and substantial price benefits in the market place. Marketing efficiency has been promoted and the amount of wheat which has moved into Government channels has been reduced. The new program for cotton and feed grains is expected to have similar effects.

I say to the administration that this is a heartening statement—but certainly belated. I thoroughly support point 5 of the President's veto message. Not only do I support it today, on this date of March 31, 1958; I supported it last year, and I supported it the year before. We have been waiting for 2 years for the administration to say something like this.

It was 2 years ago that the junior Senator from Minnesota rose in this Chamber and urged the Department of Agriculture to enter into an export subsidy program for wheat, and not to rely upon the Commodity Credit Corporation to do all the business. I then said that the Commodity Credit Corporation should supplement private industry and the private grain trade, and that it should not be permitted to supplant the private grain trade. As a result of the efforts of the Senator from North Dakota [Mr. YOUNG], the Senator from South Carolina [Mr. JOHNSTON], and other Senators, including myself, it was possible to shake the Department of Agriculture loose from its sterile, inflexible, unproductive position, and finally to enter into a wheat export program which has worked.

We have been pleading for almost 2 years for the same kind of program for cotton and feed grains. I must say that it is indeed music to my ears, and it causeth great rejoicing throughout the land that, at long last, the administration, in submitting the veto message, which will damage American agriculture, has included at least one faint ray of hope, namely, that the Government expects to enter upon a seasoned, tried, and tested program of export for cotton, corn, and feed grains. I assure the administration of my wholehearted support of such efforts. I hope the President's expression will be more than simply a statement. I trust he will communicate his will and his wishes to the Department of Agriculture. I trust that the Department will move with alacrity, and will not permit any more of the foot-dragging which has gone on for many months in moving feed grains and cotton, especially the short staple cotton, which are in our reserves.

I regret that the President of the United States has seen fit to veto the joint resolution. Other Senators have expressed themselves and will express themselves on the subject. I only hope we shall be able to override the veto. But, be that as it may, the responsibility lies squarely on the Department of Agriculture and the White House for striking down the first antirecession measure, the first effective step which was taken to stop the decline in agriculture. The measure was struck down by the White House. Let the American people know that.

Mr. and Mrs. Consumer, when your food prices go up, as they will, and when you see farm prices go down, as they will, let it be understood where the responsibility lies. Some of us tried desperately, without regard to party—Senators on the other side of the aisle and on this side of the aisle—to stop this disastrous decline before it got out of control.

Mr. YOUNG rose.

Mr. HUMPHREY. Mr. President, without losing my right to the floor, I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Mr. President, I express my deep regret that the President saw fit to veto the farm price support freeze measure. Second, I take exception to some of the reasons set forth for vetoing the proposed legislation. For example, the first reason given is:

> It would pile up more farm products in Government warehouses.

The resolution did not affect price supports for feed grains at all, with the exception of grain sorghums. It would have raised the price supports on grain sorghums 2 cents a hundred pounds, which is very insignificant. The only grain which would have been affected to any appreciable degree would have been wheat. The price supports for wheat would have been raised from $1.78 a bushel, as announced by Secretary of Agriculture Benson last June, to $2 a bushel, which was the price President Eisenhower himself established in 1954, when he vetoed the farm bill of that year.

Let me give the figures on wheat production since 1954.

In 1954, the production of wheat was 984 million bushels; in 1955, 935 million

bushels; in 1956, 1,004,000,000 bushels; in 1957, 947 million bushels.

This year, after the Secretary of Agriculture had announced a drop of 22 cents a bushel below the support price of last year, lo and behold the forecast now is for 1,077,000,000 bushels of wheat, despite the fact that millions of acres have gone into the acreage reserve part of the Soil Bank program.

Does that prove that lower price supports will reduce production? Certainly it proves exactly the opposite. If the Senator from Minnesota will permit me to do so, I shall discuss one or two more items.

I read from the veto message quote:

> It would bypass the problems of the small operator who produces so little for sale that price supports have scant meaning to him.

Mr. President, no farmers have more at stake in regard to price supports than do the small farm producers of the Nation. Everyone—with the exception of Secretary Benson—seems to know that.

The big producers do not need any price-support program at all. But if we have only big producers and their kind of efficient production, we will have a different kind of America than the America we know today. We shall no longer have need of all the small towns and cities that are scattered throughout the Nation.

Mr. HUMPHREY. Then will the Senator from North Dakota agree with me that the effect of the veto will be to make it very difficult for family farmers to make a good living, and to make it easier for commercial, large corporate agriculture to grow and to expand?

Mr. YOUNG. Yes, that will be the result; more small farmers will go broke, and more big operators will have a chance to increase their holdings. That is exactly what will happen.

I read further from the President's veto message:

> 5. It would hold up the needed transition to modern parity and would in fact disregard the parity principle.

The President discusses the modern parity formula. I would be perfectly happy to have substituted for the old 1910–14 base period the 1947–49 base period for determining parity in the so-called modernized parity formula. The 1947–49 base period is the one that labor and industry use. But the Secretary of Agriculture will not do that. That would mean an increase of a few pennies in the price supports for agricultural commodities. That would make the formula a fairer one and more nearly reflect the cost of operation. But the Secretary of Agriculture will not accept it. It seems that all he is interested in is a lower price for farm commodities.

Mr. HUMPHREY. Mr. President, no Member of this body, so far as I know, is more interested in the agricultural situation, particularly in the production of cereal grains, than is the Senator from North Dakota [Mr. YOUNG]. As I understand what he has stated, for the index for labor and industry, the base period is 1947–49; but for purposes of the so-called modern parity formula for the farmer, which is nothing more than an index figure, the Secretary of Agriculture is unwilling to use the same base period that industry and labor use, but he seeks to use another base period, which will mean less protection and less opportunity for a fair price for the agricultural commodity producers. Is that a correct interpretation of what the Senator from North Dakota has said?

Mr. YOUNG. That is correct.

Mr. President, I read further from the President's veto message:

> 6. It would be unfair to those winter wheat growers who signed up under the 1958 acreage reserve program with the understanding that the price supports which had then been announced would be the effective rates.

I do not know why the President made such a statement, unless he was trying to divide the winter wheat producers from the spring wheat producers, in an effort to create some animosity between them. All the wheat producers have signed up for the acreage reserve in both the winter wheat and spring wheat areas.

If the Secretary of Agriculture wants to reopen those contracts, he can do so. But the spring wheat producers have signed up, too. So that part of the veto message makes no sense.

I read further from the President's veto message:

> There is impressive evidence that farmers stand to profit from less rather than more governmental intervention. Unsupported prices of cattle and hogs are unusually strong.

Here and in other parts of the veto message the President tried to point out that there are unsupported farm commodities that do not profit by price supports for agricultural commodities. Last year and the year before the Secretary of Agriculture gave a support price of $1.50, or approximately that, to those who complied with the allotments for corn, and a price of $1.25 to noncompliers. The reason for the price of $1.25 to the noncompliers was that the cheap corn would be translated into more beef and hog surpluses, and thus would have an adverse effect upon the prices of beef and hogs. The Secretary of Agriculture admitted that was the reason. That was the only justifiable reason he could have had for doing so.

But in the veto message which has been received today, the President takes just the opposite viewpoint, and again tries to set the producers of cattle and hogs against the producers of feed grains. Of course, the message was written by Secretary Benson.

Mr. HUMPHREY. Is it not true that all the evidence presented before the Senate Committee on Agriculture and Forestry, in the case of beef cattle and hogs and feed grains, has been to the effect that when there is a reasonable support price or a reasonable price for feed grains, that has a tendency to hold up the prices of cattle and pork products?

Mr. YOUNG. That is correct.

I do not think anyone in the agricultural field is naive enough to believe that all the cheap grain now available will not be translated very soon into an oversupply of beef and pork, and thus will depress the prices of beef and pork products. I think everyone, even including the Secretary of Agriculture, knows that. Yet the statement I read a moment ago has been included in the President's veto message. I cannot understand it.

Mr. President, I thank the Senator from Minnesota for his courtesy in yielding to me.

Mr. HUMPHREY. Mr. President, I was very happy to yield to the Senator from North Dakota. As I said earlier, and without regard to partisanship—for the Senator from North Dakota is a very true and a very effective Republican—he is, above all, a friend of his constituents, the people of North Dakota; and he is a dedicated exponent of equality of treatment for agriculture. I am proud to stand with him and to associate myself with his sincere and determined efforts in behalf of the agricultural community.

Mr. YOUNG. Mr. President, will the Senator from Minnesota yield further to me?

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Does the Senator from Minnesota yield to the Senator from North Dakota?

Mr. HUMPHREY. I am happy to yield.

Mr. YOUNG. I greatly appreciate what the Senator from Minnesota has said. Perhaps if I gave a little of my background, it will be easier to understand the position I have taken. All of my life I have farmed, and I am deeply concerned about the plight of agriculture. I think I know the life the farmer lives, his adversities and all. So long as I serve in the Senate, the interests of the farmers will come first with me, and the interests of the Republican Party will come second. If I think the Republican party is wrong, I will rise on this floor and say so, regardless of whom it may hurt.

Mr. HUMPHREY. Mr. President, again the Senator from North Dakota demonstrates his integrity and courage.

Mr. President, at this time I wish to address myself to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

CONSERVATION: A CHALLENGE AND A REEMPLOYMENT OPPORTUNITY

Mr. HUMPHREY. Mr. President, 50 years ago this spring the first great nationwide step was taken toward the conservation of our soil, water, and forest resources. That was when President Theodore Roosevelt convened the famous governors' conference on conservation. Out of this landmark conference came the first impetus to the drive to set aside and preserve for future generations great segments of the Nation's heritage of natural resources.

Twenty-five years ago today—on March 31, 1933—another conservation-minded President, the great Franklin Delano Roosevelt, put into motion the first major, national effort toward applying conservation management practices to these nationally owned lands and also to private lands which had been permitted to deteriorate for generations. That major effort was the magnificent and now well renowned Civilian Conservation Corps, which not only provided steady outdoor work opportunities for about 300,000 young men and underemployed woodsmen each year

for 8 years, but also took the Nation in a giant stride forward in conservation practices. Some conservationists believe that in those 8 years of the CCC, America's conservation projects were advanced by 20 years or more, because of the concentration of money, intelligence, and young muscle on the problems of erosion, deforestation, and silting.

Then came the war in Europe and Asia, our gradual rearmament, and the draft, which put many hundreds of thousands of our young men into military service. By 1941, the CCC was no longer finding enough young men to man the corps, and the Nation turned its efforts toward expenditure of its resources in the primary task of winning World War II.

For almost two decades, since the onset of World War II, Americans have been preoccupied—first with winning the war, and later with winning the peace, establishing world order, and assisting war-torn nations to improve their economies. More recently the threat of nuclear holocaust, missiles, and earth satellites have absorbed increasing amounts of attention—and funds. Meanwhile we have seriously neglected the basic problem of conserving our American lands and waters which nourish us, clothe and shelter our civilization, and provide healthful outdoor recreation.

It is time now that we take a new look at America's conservation effort. Yes, we might call this a delayed but urgently needed inventory.

Enough years have passed since the CCC—Civilian Conservation Corps—and other conservation programs of the 1930's, to measure their value in saving and rebuilding both resources and men. Even in those difficult days, all of us were aware of the great improvements that were created in reforestation, soil-erosion control, park improvements, acquisition and development of wildlife lands, and other conservation measures. Now—20 years later—the little trees planted by the CCC boys on cutover forest lands are developing into thrifty young forests on hundreds of thousands of acres, producing valuable crops of pulpwood, lumber, and other forest products. On once-eroding farmland many gullies have been replaced by sparkling farm ponds and gracefully sweeping strip-cropping and contour cultivation.

Over some parts of America the landscape was greatly improved. Man proved that he could live and draw sustenance from the earth without destroying it. Some of the overgrazed rangelands of the West and some of the Dust Bowl areas were converted back into abundant grasslands through measures undertaken during the New Deal. Such conservation practices as range reseeding, gully stabilization, reforestation, and dozens of others were demonstrated to be sound investments in resource conservation.

More recently we have found ways to hold floodwaters near the headwaters of our rivers, and to convert them from a menace during rainy periods into an asset during droughts.

We have mastered enough of the principles of wildlife habitat development so that future generations will have these natural gifts preserved for their enjoyment.

It is tragic that the good start made on all these conservation measures during the 1930's had to be shelved with the coming of World War II and put on a maintenance basis—in fact, a standby basis—before the gains could be consolidated. Though no dollar-and-cents evaluation of the values of these programs has been made, few who have seen young growing forests and stabilized soils where erosion once stole fertile lands question that the money spent was a profitable, hardheaded national investment.

Good as this start was, by far the biggest job in conservation lies ahead of us. Our expanding population will need far more food, fiber, shelter, water, and recreation from the same acreages of forest, cropland, and watersheds than we have always had. It is not enough just to repair past damage to our basic resources. Rather, we must invest in the conservation practices which will provide raw materials for future generations. Further damages and losses from the resource abuses that cause forest fires, floods, and duststorms must not be tolerated.

The lessons of the CCC and other conservation programs have taught us a great deal. Research and experimentation have taught us more about how to control erosion, improve low-grade forests for quality timber production, revegetate blowing Dust Bowl soils, improve deteriorated rangelands, stabilize eroding streambanks, and many others less dramatic but equally important. We need but the vision and the will to do the job.

The Federal agencies concerned with resource management have in recent years maintained up-to-date summaries of the detail and the dimensions of the conservation problem, and this information is readily available to the President of the United States and his Bureau of the Budget. Some of this information I have requested and received from the several conservation agencies of the executive department.

Investments in conservation programs in the United States may roughly be divided into three major groups for purposes of forward planning: First, those which provide direct future financial returns in the form of increased yields of timber, forage, and other reasonable products; second, those which are designed to prevent future soil and water losses and flood damage and to restore damaged lands to full productivity; and, third, those which will conserve and make more abundant our outdoor recreational and wildlife resources so important to our physical, mental, and spiritual health as a Nation. A grouping of this sort sets in perspective the several parts of the total conservation job.

A most important category may be found in forestry. Here the application of more intensive management will yield larger total volumes of timber in the future of higher quality and better size than might be expected if natural forces were allowed to proceed untended.

Another category exists in the revegetation and improvement of our vast western range lands. Productivity of the ranges can be greatly increased by removal of poisonous and other low-value vegetation and replacement with forage grasses and browse plants of higher palatability and nutrition for livestock grazing. Both of these—forestry and range revegetation—clearly fall into the class of profitable capital investments which will yield favorable returns on the expenditures allocated to these practices, and they will assure abundant supplies of timber and grassland for posterity.

Another group of conservation measures is that including soil conservation and erosion control practices on farmlands and the watershed areas in which they are situated. These measures are designed to repair the damages created by past mismanagement, to prevent future damages from floods and siltation of our streams, reservoirs, and harbors, and to assure that future generations of Americans will inherit productive, rather than eroded, croplands.

And finally we come to the kinds of conservation programs the benefits of which cannot be measured in terms of dollars and cents. But how very important it is to assure our people the health and happiness which only adequate outdoor recreational facilities can give us. Providing adequate recreational lands and facilities necessary for their enjoyment on our national parks, State parks, national and State wildlife refuges and fishing waters will mean investments in both improvements and extension of camping and other recreational grounds, and a considerable effort in the improvement and development of wildlife habitat and fishing grounds.

Expenditures for these purposes are necessary investments for our physical and mental health. Man cannot—in fact, does not—live by bread alone. Certainly the saying must apply to the great nonmaterial values derived from our outdoor recreational areas.

In such a program we can avoid the mistakes so well remembered from the 1930's. By devoting our emergency resources to projects that are positive and sound and have been carefully planned by conservation agencies, we can avoid the worse than unnecessary expenditures that came when, for example, unneeded roads and truck trails were built into valuable areas of wilderness. We have a much more widely understood appreciation of wilderness now than we had 30 or 20 years ago. The nationwide interest in and support of the wilderness bill have demonstrated this clearly. We know now that the wilderness which is still available for preservation has great positive values. We cannot afford to destroy it by making it the scene for needless roads and truck trails just for the sake of spending money and making work. The program I am here advocating avoids this as well as other mistakes recognized through experience. This is a positive program giving reality to much needed and carefully planned projects.

How much is there to be done? What is the backlog of vital conservation projects?

I have asked a group of independent professional people in the conservation movement to develop a careful series of

estimates of the total size and dimension of the conservation problem embracing these major categories. They have based their estimates on the latest surveys and information supplied me by the Federal agencies engaged in the separate resource fields, and upon their own studies over the past several years. We have determined the extent and size of each kind of conservation problem, and—by drawing from the experience of Federal agencies in estimating the unit costs of applying the various kinds of measures suggested to correct resource deterioration or improve resource productivity—I have suggested the dollar dimensions of the several conservation problems.

At the conclusion of a meeting of the executive committee of the Natural Resources Council of America called last week to discuss the need for acceleration of natural resources programs, the following national conservation organizations endorsed the objectives and principles of a concurrent resolution which I shall introduce in a few moments:

American Forestry Association: Kenneth Pomeroy and James Craig.

American Planning and Civic Association: Harlean James.

Citizens Committee on Natural Resources: Charles H. Stoddard and Spencer Smith, Jr.

Izaak Walton League: J. W. Penfold.

National Parks Association: Sigurd Olson and Fred M. Packard.

National Wildlife Federation: Stewart Brandborg.

Sport Fishing Institute: Richard Stroud.

Wilderness Society: Howard Zahniser.

Wildlife Management Institute: Ira N. Gabrielson and C. R. Gutermuth.

I should also like to point out that the total dimension of this program includes all of the work now being done by the conservation agencies with present appropriations—and at a scale far below that demanded by the situation.

I wish, Mr. President, to pay particular tribute to the wise leadership given by the distinguished senior Senator from New Mexico by the introduction of his bill S. 3450 on March 11. Included in the Senator's bill are increased authorizations for the National Park Service, the Bureau of Indian Affairs, the Soil Conservation Service, and the United States Forest Service bringing the total annual authorization to $333 million for the fiscal year ending July 1, 1959, and rising to a total annual authorization of $729 million by 1963.

This forward-looking public works program includes nearly all of the measures which are covered in these estimates and fits well within the total framework of the conservation objectives facing our whole Nation. In looking as far ahead as it is reasonably possible to look—and conservationists make this their first order of business—we have an opportunity to define more clearly what our conservation objectives are and where our present planning and programs fit into the task before us. I feel that it will be a help to the Congress in judging the adequacy of budgetary requests made by the administrative agencies in the future to have independent standards of comparison.

Mr. President, I should like to outline briefly the significant problems of basic resource conservation by each of the major categories: forest, western grass and range lands, soil and water conservation on farmland park and recreational area development, and fish and wildlife conservation.

FORESTRY

The United States Forest Service recently issued a comprehensive survey of our Nation's forest resources known as the Timber Resources Review, which sets forth not only the present condition of forests and forest lands but also an estimate of timber requirements of our future populations as far ahead as the year 2000. Because it takes several scores of years to grow merchantable timber, we must make decisions and investments in forestry now if the generations living at the end of the present century are to have adequate timber yields.

Briefly the Forest Service found that we shall need to increase our annual growth of timber from the present 14 billion cubic-foot level up to 21 billion cubic feet if all Americans are to have at least as much timber for housing and other needs in the year 2000 as we have today. It found that this would mean increasing the average growth per acre from 29 to 45 cubic feet—during the next 40 years—a feat easily possible by more intensive forestry practices because our present growth rate is considerably below capacity.

The Forest Service found that 275 million acres of growing forest are understocked or in otherwise poor condition for producing quality raw material; that 52 million acres of open land were in need of replanting if they were to produce useful timber crops; that 40 percent of our 675 million acres of forest land were inadequately protected from forest fires and in need of improved protection facilities. Some 30 million acres of range land within national forests are in need of range reseeding and soil conservation measures: Operation Outdoors has spelled out a program of wildlife habitat improvement and recreational area development needed to provide for rapidly increasing recreational demands. Several thousand miles of roads and trails are needed to improve access into many parts of the national forests not now open to development either for timber production or other uses. These timber access roads would, of course, not be built into wilderness areas. But we should make every effort to develop the forest lands more intensively everywhere else. Included with these need estimates are forest works on State forest and private lands cooperating with State forestry agencies.

Our independent calculation of the forestry program needs, based upon Forest Service data, has divided up the kinds of investments required into two categories. One will give a direct return, in the form of increased future timber and forage yields from the growth resulting from thinning, stand improvement cuttings and tree planting and improved forest range lands. The other investments will yield greater public benefits not directly measurable in dollars and cents—such as improved recreational facilities; wildlife habitat development; control of forest fires, insects and diseases which reduce losses; and soil and water conservation measures on forested watersheds. Clearly the first category is an investment which should be made even during periods of the fullest employment. It has been carefully estimated that $2 billion invested over a 10-year period in stand improvement practices on 140 million acres and the reforestation of 28 million acres will result in an increase in growth rates which would yield 5 percent on the capital allocated for this purpose. At the same time it would supply estimated increased timber requirements for the year 2000.

Millions of acres of lands within and adjacent to national forest areas primarily in the West are of value mainly for grazing purposes. Range revegetation and improvement measures on these lands will at least double the numbers of livestock now carried by these ranges and improve their utility as watershed lands. No exact cost-benefit evaluations have been made of these improvement expenditures, but preliminary indications indicate the need for an investment of nearly $200 million.

Our national and other public forests also provide vast recreational potentials as indicated by the more than 50 million visitors recorded in 1956. To provide recreational facilities and improvement of wildlife habitat and watershed protection, measures must be taken costing an estimated $350 million. These would include erosion-control measures on forested watersheds and construction of needed administrative buildings.

We can also include here beneficial and appropriate projects in our wilderness areas. Wilderness as we have come to appreciate it and as we seek to preserve it through the wilderness bill, for example, is not a negative thing to keep out of and away from. It is rather a resource of positive human values—to be preserved truly as wilderness but also to be used by human beings as wilderness for their health and well-being. As such it requires trails—foot trails, horseback trails and canoe portages. In some places simple sanitary installations are needed. In the northern rainy areas three-sided, open shelters—Adirondack shelters as they are sometimes called—can appropriately serve wilderness travelers. All these needs can be met in a way that does not damage the wilderness.

Such wilderness projects for providing trails, sanitary facilities, and open shelters in northern rainy regions are not only excellent emergency programs. They also can be pilot projects for the establishment of a continuing program to help encourage our citizens to know the benefits of wilderness experience.

Although acquisition of additional national forest land is not a major part of this forestry program, there are a few critical watershed areas in the eastern mountains and other in-holdings which should be acquired to accomplish the major objectives and efficient administration of our national forests. It is

estimated that an area of 10 million acres including both the Klamath and Menominee Indian Reservations now threatened by termination should be included in the national forest system. The cost of these purchases is estimated to be about $460 million and would be a direct capital investment.

The whole of the above program would be carried out through the Forest Service—a large part of which should include direct cooperation with the State forestry divisions through the cooperative Federal-State program in existence since 1924. Since part of this will involve private lands, the machinery of the soil conservation districts should be utilized to the fullest extent.

The total capital investment of forestry development and the other related forest land programs will reach an estimated $3.5 billion.

SOIL AND WATERSHED CONSERVATION

Those activities which are carried out by the Soil Conservation Service in cooperation with the Forest Service through the soil-conservation districts and under the Small Watershed Act are aimed toward preventing soil losses through antierosion measures and retardation of flood waters. The SCS has recently estimated that only one-third of the Nation's farmlands are protected by soil-conservation measures against erosion losses. No estimate has been made of the hundreds of thousands of miles of small streams and rivers where stream-bank erosion is dumping millions of tons of silt into our reservoirs, harbors, and navigable channels; nor have the more than 13 million acres of Dust Bowl lands in the Southwest which are blown away during recurring dry years been adequately considered. Several million acres in some of our Middle West farmlands have been strip mined for coal and left to erode without benefit of soil conservation and forestry programs. Croplands nearly everywhere are threatened by varying degrees of gullying.

Recent estimates by competent soil conservationists indicate that nearly 300 million acres of farmlands can be economically treated with soil-protection measures, and that another 10 million acres of drought-seared Dust Bowl land of Deserts on the March and Grapes of Wrath fame are in need of revegetation through planting of grasses and shelter belts. The large area of strip-mined lands is badly in need of vegetation and soil stabilization.

Progress under way on small watershed programs reveals that a cost of approximately $10 per acre is required to install such measures as the construction of small upstream flood-control impoundments, streambank stabilization, and gully control. Other practices are needed to control soil erosion and water runoff on crop and pasture lands; revegetation of 10 million acres of the Dust Bowl area must be accomplished to prevent recurring dust storms. Experience to date has demonstrated through cost-benefit analysis that decreased flood damage, decreased siltation, increased crop yields, and water storage for drought periods are all sufficient economic justification for public investments in soil and water conservation practices on private lands. Leveling of and planting vegetation on abandoned strip-mine areas has the double benefit of creating wildlife habitat and new recreational areas from wasteland.

The total investment needs in the soil and watershed programs for the next decade is estimated at nearly $5 million.

Because of the chronically critical nature of about 5 million acres of Dust Bowl lands, it is proposed that this area be acquired and incorporated into the public grazing districts. This will assure a continued grass cover so that the land can be leased to private ranchers for regulated grazing. Future dust storms can be prevented by a capital investment of $250 million.

This overall cost of the soil-conservation program, including land acquisition, is estimated to be nearly $5 billion.

I wish to emphasize that both soil-conservation works and forestry works can and should be carried out on Indian reservations, and the estimated needs for the Forest Service and Bureau of Indian Affairs includes such works.

WESTERN RANGE AND GRASSLANDS

The Bureau of Land Management in the Department of the Interior, which administers nearly 170 million acres of land in organized grazing districts, has estimated that nearly two-thirds of this tremendous land area is eroding more rapidly than present conservation measures are being applied. This huge area of more than 115 million acres is classed as "critical" to "severe" from an erosion standpoint. Furthermore it is producing but little forage for livestock, because pinon-juniper and cheat grass have taken over once formerly productive range. During the past 20 years conservation technicians have found methods to eliminate brush and reseed these lands to valuable forage grasses and install many types of soil conservation devices. Many more cattle and other livestock can be supported on these improved ranges after they have been given conservation treatment. The installation of water spreading devices to catch, hold and pay out scarce water in the plains increases yields of grass and forage and has the added advantage of retarding silt and preventing erosion.

The costs of range revegetation vary greatly, depending on the degree of past abuse to which the land has been subjected. Consequently any figure of the costs of these measures is necessarily a broad average based upon extensive experience and not necessarily applicable to particular situations. Recently it has been found that revegetation, the cost of bush clearing, reseeding, the installation of water spreading structures and impoundments comes to around $10 per acre. Although research data are skimpy, the minimum increase in forage which can be expected from investment in these practices is sufficient to double the carrying capacity and hence the number of cattle now carried over the western range.

The overall cost of range revegetation and other improvement measures on public land is estimated to be about $1 billion. Included in this figure are provisions for an expansion of fire protection on public lands in Alaska and the other territories.

PARKS AND RECREATIONAL LANDS

Our national parks with their forests, mountains, waters and wildlife are properties in which we all have an equal share as citizen-owners, and in which we take great national pride. Many of us have come to think of them as national museums of natural history. Nearly 50 million people visited them in 1957. We have, in addition to our 17 million acres of national parks, more than five million acres of State-owned parks visited by more millions every year. These unique natural creations are never used or developed in the sense that managed crop and forest are, but they can be abused by neglect. And more serious is the problem which these last bits of primitive America will be facing as our rapidly expanding population seeks its opportunity to visit them in the future. Provision must be made for many more campsites, with attendant sanitation and structural facilities.

Fortunately the National Park Service has embarked upon its Mission 66 program designed to assure opportunities for increasing numbers of park visitors. But even before the program is well underway, it is apparent that the sights must be raised and more effort expended. Likewise moneys must be made available to the States to refurbish and expand facilities in many State parks for the same reasons. The need estimates which I have made are based upon Mission 66 figures, but they are expanded somewhat to provide for a recreational demand which is growing more rapidly than even the most optimistic forecasters could foresee. It is not intended that monies provided will open up primitive and natural areas in the national parks. Serious consideration should also be given to funds for the purchase of three million more acres of recreational lands including sea and lakeshores and wooded areas, close to our major urban centers, to make it possible for millions who cannot afford to travel far to enjoy outdoor recreation within a short drive from home. If we do not reserve these lands now they will not be available at the time when they will be badly needed.

Another vitally important recreational need is the development of access and other facilities to our public reservoirs constructed with Federal funds. These access points will make possible greater use by sportsmen and the boating public.

The total developmental cost of the park and recreational area development program (not including that suggested for the national forests previously) will amount to more than $1 billion or $110 million per year. This does not include the purchase of three million acres for State and local park and natural areas which may cost approximately $300 million.

I add that this investment will be worth making. I underscore throughout my remarks the fact—a fact which all of us know but occasionally fail to take into consideration—of the tremendous population growth and economic demands upon the natural resources of our country.

FISH AND WILDLIFE HABITAT IMPROVEMENT

First thoughts of the out-of-doors usually turn to waterfowl, big game, and fishing. Only with experience do we begin to understand the role of trees, the soil, the lakes, and streams in the wildlife cycle. A healthy land of clean streams, growing forests, and conserved soils will in the normal course of events produce a variety of fish and wildlife. But birds and animals and fish are particular creatures, and they will become abundant only if we make a special effort to provide adequate food, nesting and hiding cover, water, and other elements of life. Our wildlife managers have found many new techniques which make it possible for wild creatures to flourish along with men.

Hunting and fishing are a big business in the United States. The Fish and Wildlife Service says that nearly 32 million of us enjoyed these sports in a recent year, and I will venture to guess that an even greater number of people set out on their vacations just in the hope of seeing a deer, a bear, or a flock of geese at sundown.

Real progress has been made in reserving strategic areas for waterfowl and some species of wildlife threatened with possible extinction. While encouraging progress has been made in developing a knowledge of wildlife management techniques through research, much more is unknown than is known. The challenge facing us now, however, is to put into practice the available techniques all over our country so that we shall have an abundance of wildlife not only for ourselves but for those who follow us. Let it not be said that this generation brought extinction to any more wild creatures. By embarking upon a well-designed program of expanded research and applied management, we can be sure of a greater abundance of wildlife than at any time in recent history—and one which, if he were alive, would make Daniel Boone rub his eyes. Not only must we apply these new techniques, but we must also continue to acquire additional strategic lands—particularly wetland areas for waterfowl which are threatened by drainage unless they are rapidly acquired.

Our National and State wildlife refuges and public hunting grounds are greatly in need of habitat development work, such as the creation of water areas and control structures, cover plantings, and other measures. About 13 million acres can be improved in this way for increased game and fish production at a cost of about $20 per acre. A large and underdeveloped opportunity in wildlife habitat improvement and fisheries management exists on private lands and public waters, most of which are included in soil-conservation districts, at an estimated cost of $200 million. Intensified research is essential to determine how fish and wildlife environment may be maintained in the face of increasing human impacts. Of utmost importance is a crash program in research to investigate effects and methods of control of pesticides on wildlife. Studies in fisheries management—both commercial and sport—are lagging badly. The minimal budget for fish and wildlife, including habitat development, research, and acquisition of five million acres of wetlands for waterfowl amounts to $650 million. The total investment needs here estimated amount to more than $11 billion, or almost $1,200,000,000 per year if spread out over the decade ahead, under normal conditions. I point out, however, that this figure includes only the priority needs which could be taken care of in a 10-year program. The minimum number of men who could be employed directly on all the programs is estimated to be 150,000 per year, mainly in small crews widely decentralized and in every State in the Union.

I am reliably informed by Mr. Mel Steen, director of the Nebraska Game, Forestation, and Parks Commission, who has canvassed conservation directors in the 48 States through the International Association of Fish, Game, and Conservation Commissioners, that the States have nearly $500 million worth of projects ready to carry out in all the activities described above.

Those are the projects to which State agencies are prepared to make contributions.

Following along the public-works proposals of the senior Senator from New Mexico [Mr. CHAVEZ], it appears that the best means for carrying out these conservation projects would be through the expansion of the action agencies programs now in the business, and who are doing some of this work with very limited budgets. I am told that the agencies could expand their work programs quite rapidly and could engage in direct force-account hiring with a minimum of contracting for the many types of activities which are called for.

I have not included in this estimate the very important need for water pollution control carried on by the United States Public Health Service. As Senator CHAVEZ's bill on public works has so clearly demonstrated, several hundred millions of dollars are needed for construction of sewage treatment plants. Future supplies of clean water can be assured only by a much greater expansion of this program.

I add, however, that that need is very evident, and I hope that the appropriate committees of Congress will not, in any way, underestimate or underemphasize the urgent need of comprehensive action in terms of the control of water pollution.

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

Mr. HUMPHREY. I am happy to yield. Earlier in my remarks, I outlined in some detail the splendid program which the Senator from New Mexico has placed before Congress in his proposed legislation.

Mr. CHAVEZ. Tomorrow morning at 10 o'clock, the House conferees will meet with the Senate conferees on the road bill, which will, in a small way at least, emphasize and try to provide for Indian roads, forest roads, national park roads, and such other roads as are needed.

The Senator from Minnesota cannot emphasize too strongly the matter of water pollution, which should be understood throughout the entire country. The elimination of water pollution is urgently needed.

I agree with everything the Senator from Minnesota is now stating.

Mr. HUMPHREY. I thank the Senator from New Mexico.

While some provisions for the expansion of research facilities are included in these estimates, no provision is made for an important accompanying effort in conservation education. No program of this Nation can be long sustained without a solid base in scientific research and public understanding.

In examining the total of this conservation program and comparing it with almost any other major investment category of Government or big business, it is amazingly small.

I have outlined a broad program which will continue for a period of 10 years.

I was truly astounded to find that this country can put its basic resources of soil, watersheds, forests, and recreational lands into a high state of productivity with the investment of slightly more than a billion dollars a year for 10 years.

When that cost is evaluated with the total cost of 1 year of the defense program, it can be seen that the amount will not be too heavy a drain upon the national economy. In 10 years, the program of conservation would actually update the entire conservation program. Much of the cost would be self-liquidating, and much would be repayable, through the production and sale of timber and other national resources. Over the course of 10 years, the cost would be only one-fifth of the cost of the defense program for 1 year.

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

Mr. HUMPHREY. I yield.

Mr. CHAVEZ. I do not believe it to be out of order to emphasize that point at this time. Last year the defense appropriation bill contained $38 billion—$8 billion more than the cost of operating all the other agencies of the the Government of the United States. So $1 billion would be insignificant compared with the cost of operating the Department of Defense as of now.

Mr. HUMPHREY. I thank the Senator from New Mexico, who has given so much of his time and effort to the matter of appropriations as well as to the matter of authorizations in the field of public works.

This figure is less than 3 percent of our current level of capital investment, which amounts to some $37 billion annually. It is the cheapest form of insurance we can buy to assure that our children's children will have fertile soil, abundant forests, adequate supplies of clear water, and pleasant, healthful outdoor recreation.

Mr. President, we cannot long allow our basic resources to be neglected without undermining the very foundations of our civilization. Most of the old Mediterranean cultures perished because their economies were very delicately balanced upon resource exploitation—not conservation. The lack of foresight and knowledge of the Greeks, Romans, and Phoenicians is evident enough in the dry bare hills surrounding much of the area which was once the garden and the

cradle of civilization. Water borne silt covers the irrigation works of the Tigris and Euphrates Rivers washed down from overgrazed watershed lands. Only a few remnant groves of the Cedars of Lebanon remain in the mountains where Solomon obtained great timbers for his mighty temple. Dust storms and muddy floods have buried Roman highways and aqueducts in north Africa and Asia Minor. The future of our American civilization—the posterity which belongs to our children and grandchildren and their children—will largely depend on the foresight we use today, the foresight in the protection of these great resources.

It is important to build great dams, highways, pollution-treatment plants, and irrigation works. We shall need them all far into the future—but they will only be useful so long as we protect, care for and nourish the basic soil, water, and forest resources which support our civilization.

Now, Mr. President, opportunity can be seized in the midst of adversity. Indeed, a calamity can be turned into victory by vigor and imagination.

We are in serious economic trouble. Many millions of our working people do not have jobs, and they cannot purchase goods and services without a paycheck.

To provide new jobs, and to stimulate our sagging economy, I have joined with other Members of the Senate in sponsoring measures to increase housing and hospital construction, sewerage works construction, and to accelerate the highway construction program. I have urged the administration to unfreeze the funds already provided by Congress for military construction, for schools, and for civil works, particularly in the field of rivers and harbors improvement and flood control.

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

Mr. HUMPHREY. I yield.

Mr. MORSE. I have listened to the Senator from Minnesota as he has delivered his speech. I interrupt him only to say, as one who has stood shoulder to shoulder with him over the years in the Senate, trying to promote a program for the conservation of our natural resources for the benefit of the people of the Nation and for future generations, that I have listened to many fine conservation speeches, but I have never listened to a more scholarly, sound one than the Senator is making this afternoon. It is a speech which I hope will be very carefully studied by our colleagues and by groups outside the Senate, because it is a speech that needs to be implemented. I assure the Senator from Minnesota that he will have my support.

Mr. HUMPHREY. I am deeply grateful to the Senator from Oregon, who, like the late great Governor Pinchot and men of the stature of the late, beloved Senator George Norris, has been and is a champion of the conservation of our natural resources. It is a great tribute to receive this commendation from the Senator from Oregon.

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

Mr. HUMPHREY. I yield.

Mr. CHAVEZ. I may add to what the Senator from Oregon has said that I am a great follower of Teddy Roosevelt. To me, his greatness does not lie especially in San Juan Hill or even the Panama Canal; to me, he was the protector of the American forests for the American people.

Mr. HUMPHREY. I am delighted to hear the Senator from New Mexico make that reference, because as I opened my discussion today, I said it was 50 years ago this week that Theodore Roosevelt, the great beloved President, called his conference of Governors to discuss the matter of protecting the national forests. It was 25 years ago today that the late President Franklin D. Roosevelt placed before Congress his request for the Civilian Conservation Corps, which made it possible for the young men of America to obtain employment in the woods and in other areas of the land to develop and protect our natural resources. That is why I waited for this day to make this address. It was not because of the content of the address, but because of the historic significance of the day. Half a century ago, it was Theodore Roosevelt; a quarter of a century ago, it was Franklin Delano Roosevelt. Today we are again talking about our resources and the need for their protection.

I have sought again and again, with many of my colleagues, to design a school construction program to meet the staggering problems of crowded and often dangerous classrooms for tens of millions of our children.

All of these proposals are things that we ought to be doing anyhow—proposals which stand on their own feet and really need no further justification. But it also happens that they would employ many hundreds of thousands in the construction and transportation industries and make an important contribution to restoring the pace of manufacturing. They will go far toward relieving distress in many areas, particularly those situated near the sites of these developments.

But the unemployed today include far more than laid-off factory, construction, and transportation workers. Because of the dramatic numbers of these unemployed, it is possible to overlook several other important groups of people who are without jobs or who have only part-time employment. For example, people in many rural communities are accustomed to part-time farming, to working in the woods on small logging operations, and to odd jobs, wherever they can get them. Many of these people are never really fully employed, nor are they unemployed according to the statistical reports. But they are chronically underemployed; and when a recession takes away their markets for pulpwood and rough lumber, they find themselves without the necessary source of cash income needed to supplement their part-time farming efforts. Larger numbers of these people are not covered by unemployment insurance than those elsewhere not covered, because the type of employment of the former is either too sporadic or is exempted from present coverage by State laws.

Another large group seriously affected by this recession is made up of young men just out of school who have not yet learned a trade or mastered a vocation. Some of them have been in trouble with the law. I am convinced that much of the current juvenile delinquency would subside if these young people were busy on healthy, productive jobs—particular jobs in the out-of-doors which challenged their strength and ability—jobs that would leave them at the end of the day tired, but happy, with a sense of useful accomplishment.

Furthermore, there is need for a public-works program which can get underway immediately, without the time delay inherent in the planning and organization of large-scale construction projects. Useful conservation projects can be an immediate answer both to the problem of rural unemployment and to that of the idle city boy who is in need of a job which will offer him hope and a healthful outlook on life and his fellow men. In the eastern part of the United States, and also in the North, the South, and the Middlewest, conservation projects in forestry, soil, and watershed conservation and in wildlife habitat improvement and recreational area development can be carried on with many small crews. Our State and National forests offer extensive acreages of forest lands on which reforestation, stand improvement work, fire-protection facilities, and other forestry projects can be carried on. Our soil conservation districts, which nearly blanket the country, are logical means for carrying out soil conservation and other land-use improvement measures on private lands.

America's stream banks are running sores in our land. Thousands of miles of them are crying out for stabilization through revegetation and rip-rapping. Many of these projects, which are needed on private lands, may provide little direct benefit to the landowner himself, but they can be of great public value.

Eroding streambanks are expensive to stabilize; yet when left unchecked they will continue to dump silt into rivers and streams and fill our reservoirs and harbors to the point of uselessness—a far more costly and irreversible result. Public moneys spent on such conservation measures on private lands are primarily beneficial to the public, rather than to the owner.

A great deal of unemployment has developed in the mining industry and mining towns in my home State of Minnesota, in the west, and in eastern coal areas. Surrounding most of these towns are large areas of public forest and rangeland which need tree planting, soil conservation, and revegetation. Spoil banks and mining dumps afford another challenge to the conservationist to put men to work.

Another group of those who have been suffering from chronic unemployment are our Indian people—both on the reservations and off. While the program as proposed does not set up a special Indian reservation conservation program, much of the suggested work can be effectively applied on reservation lands. Definite sums of adequate amounts should be allocated from the

total to the Bureau of Indian Affairs, for carrying out soil, forestry, range and wildlife conservation measures on the reservations.

Students of business cycles generally agree that conservation activities are particularly appropriate as antirecession measures. The work can be localized in areas where unemployment is greatest. Large-scale programs can be subdivided into easily managed units of relatively small, decentralized crews. Furthermore, long periods for preparation and completion of complex designs and contract negotiation are unnecessary. As a consequence, projects can be quickly initiated, and peak employment can be promptly achieved. The labor component of most conservation projects is large, in comparison with that of heavy construction projects.

Conservation projects of nearly every type can be undertaken in all parts of the country. Within an hour and one-half by automobile from this Chamber—on Upper Rock Creek and other nearby tributaries of the Potomac River—there is enough work of this kind to employ hundreds of idle young men here in Washington alone.

Mr. President, this work is needed. The countryside could well use it.

We have, to sum it up, two major problems which can be met in part by the same solution.

We have, first, the demonstrated need for a broad and intensive investment in the field of conservation—an investment that has largely been avoided and postponed since the onset of World War II. Second, we have two large groups of unemployed and underemployed people who could be placed on the conservation firing line in short order, and who could furnish the manpower, the muscle, the skills and the enthusiasm to be guided by the professional conservationists of the Federal and State agencies.

Normally, to be carried out at an efficient level of operation, such a program as the one I have suggested should be spread over a 10-year period. It would give full-time, year-around jobs to an estimated 150,000 men, at prevailing wage levels. It could—and should—be accelerated during periods of unemployment, in order to take up some of the slack. By doubling the annual projected work plans opportunity for employment of unemployed rural citizens, as well as conservation camps for city youngsters, can be provided. Included in the camp program should be provision for vocational training and conservation education.

I suggest that the concept of using these two groups of workers, first utilized in the CCC 25 years ago, and abandoned only when the Nation's full energies were demanded by the life-and-death struggle of World War II, is still valid. It is a sound experience from which to draw.

I ask, therefore, that Congress establish a new conservation corps, a more decentralized Youth Conservation Corps, more closely tied in with the Federal conservation agencies, and designed with an eye to the lessons learned by the 8 years of CCC experience. I would hope that Congress would provide the necessary authority and funds to establish a manpower base, for our young people in these camps, of at least 150,000 youth conservation enrollees and locally experienced men, to be paid at the same scale, for the conservation enrollees, as that applicable to a private in the United States Army or a seaman recruit in the Navy, and with appropriate clothing, food, and quarters furnished, as well as educational opportunities and services.

I would urge that this group of men be deployed in small, manageable units of about 50, under the direct supervision of regular conservation agency personnel, and also on-the-job training to develop a broad, new base of skills in the conservation field.

Mr. President, I wish to emphasize that in these camps of small groups, small units, and civilian control, there would be, of course, adequate clothing, adequate and wholesome and nourishing food, adequate and comfortable quarters, along with full medical protection and medical care of whatever nature required, plus educational opportunities which can be made available from existing, adjacent educational institutions or facilities, plus a cash income.

Mr. President, I submit the concurrent resolution on behalf of myself, the senior Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Wisconsin [Mr. PROXMIRE]. I ask unanimous consent that the concurrent resolution be held at the desk, in order to permit other Senators to join in sponsoring it. I have not had time to contact other of my colleagues, even though today two or three of them have already stated that they would like to join in sponsoring the concurrent resolution.

So, Mr. President, I submit, for appropriate reference, a concurrent resolution declaring that the stabilization and improvement of all public-owned natural resources should be the national policy, and declaring it to be the intent of Congress that the President shall, without delay, take all necessary steps to bring before the Congress a long-range program of public works in the field of conservation of natural resources, through his agencies in the Department of Agriculture and the Department of the Interior, for the purpose of increasing the sustained yield on public lands, of preventing recurring damages to the soil and timber resources of the country, and to improve the recreational and wildlife values of our public lands on a scale sufficient to meet the growing needs of our population.

I ask unanimous consent that the concurrent resolution be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the concurrent resolution (S. Con. Res. 76), submitted by Mr. HUMPHREY (on behalf of himself, Mr. MURRAY, Mr. NEUBERGER, and Mr. PROXMIRE, was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the express national policy of the United States for the past 50 years has been the conservation of our heritage of natural resources, in forests, soil, water, minerals and wildlife, by the setting aside of great tracts of land under public ownership; and

Whereas for the past 25 years the national policy of the United States has been the development and intelligent management of both publicly owned and privately owned lands to prevent the deterioration of these resources and to maintain sustained yields, as well as to maintain outdoor recreational resources for the use of the people of the United States; and

Whereas with the inception of World War II, the policy of intensive resource management and development could not be implemented successfully because of the drain on the manpower and financial resources of the nation; and

Whereas the great resource management and development programs commenced in 1933 have never since 1941 been resumed on a scale commensurate with the urgent needs of conservation; and

Whereas independent studies and estimates by conservationists have indicated that it is possible to achieve within a period of 10 years a level of resource management and control which can largely eliminate recurring damages and losses, assure adequate recreational facilities for our increasing population, raise the productivity of our forest, soil, watershed, and range resources, and improve the quality of our water supplies to meet the increasing needs of our people; and

Whereas data provided by the Federal conservation agencies themselves indicate that a backlog of planned projects to accomplish this goal presently exists amounting to between $11 billion and $12 billion: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (a) the Congress request the President of the United States to consult with his conservation agencies, and to initiate comprehensive long-range plans for the acceleration of the natural resources programs of existing agencies charged with administering the national forests, national parks, wildlife refuges, Indian reservations, public domain, and established water developments;

(b) That the Congress request the President to submit to the Congress a preliminary outline of such a comprehensive program within 30 days of the adoption of this resolution, together with a request for supplementary appropriations for such elements of the program as can be expeditiously undertaken as antirecession measures during fiscal year 1959 proportionate to the overall dimensions of the estimated needs as set forth in such preliminary outline.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have the concurrent resolution remain at the desk until Thursday noon, April 3, in order to enable other Senators to join in sponsoring it.

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

Mr. HUMPHREY. Mr. President, with the adoption of the concurrent resolution, I believe that the President of the United States would be encouraged to submit to the Congress a comprehensive outline of the conservation problem as estimated by his various departments and agencies, so that for the first time we may have an opportunity to evaluate the conservation needs of the Nation, as a background for the budget requests of the executive department.

At the same time, Mr. President, with the assistance of the major national organizations in the field of conservation, I am prepared to draft a bill which would outline in some detail such a program of conservation works, and would authorize expenditures for specific conservation purposes. Such a bill, I feel, would provide a most useful yardstick by which to measure the breadth and effectiveness of the proposal of the executive branch which is requested in my concurrent resolution.

Second, Mr. President, I introduce, for appropriate reference, on behalf of myself, the senior Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. NEUBERGER], the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from Washington [Mr. JACKSON], a bill to authorize the establishment of a Youth Conservation Corps of not more than 150,000 enrollees, for the purpose of carrying out specific public works in the field of conservation of natural resources under the direct supervision of regular employees of the several agencies of the Department of Agriculture and the Department of the Interior, the enrollees to be between the ages of 17 and 23, with the exception that not more than 15 percent of this number may exceed that age if they meet certain professional qualifications and reside in the area in which a particular conservation project is underway, or are Indians. This bill would authorize the appropriation of $375 million per year for 3 years for this purpose. One hundred and fifty thousand enrollees is the per annum figure.

I am delighted to report that the distinguished Representative from the 8th District of Minnesota, the Honorable JOHN A. BLATNIK, has agreed to introduce simultaneously in the House of Representatives an identical concurrent resolution. It is particularly fitting that Mr. BLATNIK introduce this resolution, for if I am not mistaken, he is one of the few Members, if not the only Member of the House who was himself a former enrollee in the Civilian Conservation Corps.

Mr. President, I ask unanimous consent to have printed in the RECORD my Youth Conservation Corps bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3582) to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas, introduced by Mr. HUMPHREY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "Youth Conservation Act of 1958."

STATEMENT OF PURPOSE

SEC. 2. The purpose of this act is (1) to provide the opportunity for healthful training and employment of young men in carrying out programs of conservation of natural resources planned and designed by, and under the immediate supervision of, the various Federal agencies charged with the responsibility of planning and carrying out such programs; (2) to provide immediate work opportunities for certain unemployed men and Indians living in areas which are far from major centers of population and from major public works of a construction nature; and (3) to enable the Federal agencies charged with the responsibility of conserving and developing natural resources to accelerate programs planned by such agencies to fulfill such responsibility through the utilization of such persons.

YOUTH CONSERVATION COMMISSION

SEC. 3. There is established within the Department of Health, Education, and Welfare a commission to be known as the Youth Conservation Commission (hereinafter referred to as the "Commission"). The Commission shall be composed of six members as follows: A representative of the Department of Health, Education, and Welfare, who shall be appointed by the Secretary of Health, Education, and Welfare and shall serve as Chairman of the Commission; a representative of the National Park Service, a representative of the United States Forest Service, a representative of the Bureau of Land Management, a representative of the Fish and Wildlife Service, and a representative of the Bureau of Indian Affairs to be appointed by the Secretary of the Interior; and a representative of the Soil Conservation Service to be appointed by the Secretary of Agriculture. Members of the Commission shall be reimbursed for actual and necessary traveling and subsistence expenses incurred while engaged in the authorized functions of the Commission.

FUNCTIONS OF THE COMMISSION

SEC. 4. (a) The Commission shall advise the Director of the Youth Conservation Corps established under this act with respect to (1) the conservation and educational programs carried on by such corps, (2) the operation of such corps in general, and (3) the criteria for the selection of enrollees of the corps.

(b) Each member of the Commission who represents a Federal agency shall act in a liaison capacity between the agency represented by him and the Director of the Youth Conservation Corps in working out agreements between such agency and the Director for the utilization of the enrollees of such corps in programs of conservation, development, and management of natural resources and of recreational areas planned and designed by such agency.

TECHNICAL AND CLERICAL ASSISTANCE FOR COMMISSION

SEC. 5. The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized and directed to provide the Commission with such technical, clerical, and other assistance as may be necessary to carry out its functions.

ESTABLISHMENT OF YOUTH CONSERVATION CORPS

SEC. 6. In order to carry out the purposes of this act, there is hereby established within the Department of Health, Education, and Welfare a Youth Conservation Corps (hereinafter referred to as the "Corps") which shall be administered and directed by a director who shall be appointed by, and under the supervision of, the Secretary and whose salary shall be $ per annum.

AUTHORITY OF DIRECTOR

SEC. 7. The Director shall, with the advice of the Commission and the approval of the Secretary, have authority—

(1) to formulate rules and regulations for the operation of the Corps;

(2) to appoint, without regard to the civil-service laws and regulations, the principal subordinate officials of the Corps, and to appoint, in accordance with the civil-service laws and regulations, such other civilian personnel as he deems necessary for the efficient and economic discharge of the functions of the Corps, the compensation of all such appointees to be fixed in accordance with the Classification Act of 1949, as amended;

(3) to establish minimum standards of health, morals, and education for enrollees of the Corps;

(4) to enter into agreements with Federal agencies charged with the responsibility of conserving, developing, and managing the natural resources of the Nation, and of developing, managing, and protecting recreational areas whereby the enrollees of the Corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fulfill such responsibility;

(5) to enter into agreements with and otherwise cooperate with other departments, agencies, and instrumentalities of the Federal Government in carrying out the purposes of this act;

(6) to provide a system of educational services to enrollees of the corps under which not less than 10 hours per week will be devoted to general education and vocational and conservation education; and

(7) to formulate such other rules and regulations, establish such other procedures, enter into such contracts and agreements, and generally perform such functions as he may deem necessary or desirable to carry out the provisions of this act.

ENROLLMENT

SEC. 8. (a) The corps shall be composed of a total of not more than 150,000 unmarried male individuals who are citizens of the United States, of good character and health, and who are not less than 17 nor more than 23 years of age, except that not more than 15 percent of all the individuals enrolled in the corps at any one time may be of an age in excess of 23 years if such individuals possess special conservation skills and reside in an area in which a conservation project is being undertaken by the corps. If at any time less than 10 percent of the total enrollment of the corps is composed of Indians living on reservations upon which, or near which, a conservation project is being undertaken by the corps, the Director, in accepting applications for enrollment in the corps, shall give priority to applications submitted by such Indians until such time as 10 percent of the total enrollment of the corps is composed of such Indians.

(b) In order to enroll as a member of the corps an individual must agree to comply with rules and regulations promulgated by the Director for the government of members of the corps.

(c) Enrollment in the corps shall be for a period of 1 year or such lesser time or times, including vacation periods for students, as may be established by the Director.

COMPENSATION, QUARTERS, SUBSISTENCE, ETC., FOR ENROLLEES

SEC. 9. (a) The compensation of enrollees shall be at a rate equal to that provided by law for the compensation of the lowest rank of enlisted personnel in the Army.

(b) In addition to compensation authorized in subsection (a), enrollees shall be furnished with such quarters, subsistence, transportation, equipment, medical services, and hospital services as the Director may deem necessary or appropriate for their needs. Such quarters, subsistence, transportation, equipment, medical services, and hospital services may be furnished to enrollees of the Corps directly by the Director or through the Federal agencies under the

direction and supervision of which such enrollees are working under agreements between the Director and such agencies which provide for reimbursement to such agencies from funds appropriated for the Corps.

SEC. 10. Existing provisions of law with respect to hours of work, rate of compensation, sick leave, vacation, unemployment compensation, life insurance, and compensation for sickness or temporary injury of Federal employees shall not be applicable to any individual because of enrollment in the Corps, but the provisions of the Federal Employees Compensation Act with respect to permanent disability and death shall be applicable to enrollees of the Corps.

SUPPLIES, MATERIALS, AND EQUIPMENT

SEC. 11. The Director may expend such amounts as he deems necessary for supplies, materials, and equipment for enrollees to be used in connection with their work, instruction, recreation, health, or welfare.

APPROPRIATIONS AUTHORIZED

SEC. 12. For the purpose of carrying out the provisions of this act, there is authorized to be appropriated for the fiscal year commencing July 1, 1959, and for each of the two succeeding fiscal years not to exceed $375,000,000, and for each fiscal year thereafter such amount as the Congress may determine to be necessary to carry out the provisions of this act.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that the bill be left at the desk until the close of business on Thursday next, April 3, 1958, to permit Senators to list themselves as cosponsors.

The PRESIDING OFFICER. Without objection, the bill will lie on the table as requested.

Mr. HUMPHREY. Mr. President, the Civilian Conservation Corps established by the Congress exactly 25 years ago was almost without exception considered to be one of the finest accomplishments of the administration of Franklin Delano Roosevelt. It enjoyed bipartisan support and provoked less controversy, I believe, than any major measure during the New Deal. It contributed greatly to the health of our young men, it kept an average of about 300,000 men annually employed on purposeful, meaningful jobs and training, and it accomplished a magnificent job of conservation during its short period of existence.

I recall the words of the distinguished senior Senator from Virginia during the hearings before the Committee on Education and Labor in 1952, when he said:

> I regarded the CCC during the time that it was needed, to be one of the most desirable and one of the most beneficial agencies of Government.

Yes; I think there would be few Members on either side of this Chamber who would disagree with that evaluation. And it was true that by 1942, and indeed by 1941, when the draft calls had swelled, the CCC was no longer needed to fulfill one of its major purposes—to provide healthy useful jobs for unemployed young men. The war had taken care of all our surplus labor. Where there had been between two and five applicants for every CCC opening in 1939, by early 1941, there were too few applicants to bring the CCC to strength.

Yet, the need to press forward on conservation of our natural resources has continued, despite the fact that we have for 15 years postponed any major effort in this field.

In conclusion, Mr. President, I wish to read into the RECORD the eloquent statement on resource management addressed to the Congress by the late beloved President Franklin Delano Roosevelt, in his message on January 24, 1935, transmitting a National Resources Planning Board report on public works and conservation. President Roosevelt said:

> During the 3 or 4 centuries of white men on the American Continent, we find a continuous striving of civilization against nature. It is only in recent years that we have learned how greatly by those processes we have harmed nature and nature has harmed us. * * *
>
> Furthermore, it is only within our generation that the development of science, leaping forward, has taught us where and how we violated nature's immutable laws and where and how we can repair such havoc as man has wrought.
>
> In recent years little groups of earnest men and women have told us of this havoc, of the cutting of our last stands of virgin timber, of the increasing floods, of the washing away of millions of acres of our topsoils, of the lowering of our water tables, of the dangers of one crop farming, of the depletion of our minerals—in short, the evils that we have brought upon ourselves today, and the even greater evils that will attend our children unless we act.
>
> Such is the condition that attends the exploitation of our natural resources if we continue our planless course.
>
> But another element enters in. Men and nature must work hand in hand. The throwing out of balance of the resources of nature throws out of balance also the lives of men.

I think it is most fitting and appropriate that on the 25th anniversary of the establishment of the Civilian Conservation Corps, we should rededicate ourselves as a Nation to the task of preserving and enriching our basic soil, water, forest, and wildlife resources for the use of the generations to come.

I send to the desk the concurrent resolution and bill which I discussed in some detail. It is my understanding that they are to be printed in the RECORD at the point where I asked that they be printed.

The PRESIDING OFFICER. The Senator from Minnesota is correct.

IDENTICAL DECLARATION BY BRITISH, FRENCH, AND UNITED STATES AMBASSADORS IN MOSCOW RELATING TO SUMMIT MEETING

During the delivery of Mr. HUMPHREY's speech,

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD the text of an identical declaration presented to the Soviet Government at noon today, eastern standard time, by the British, French, and United States ambassadors in Moscow.

The declaration has received the unanimous approval of the Council of the North Atlantic Alliance. It expresses the common position of the member countries of the North Atlantic Treaty Organization.

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

> The following is the text of an identical declaration presented to the Soviet Government at noon today, e. s. t., by the British, French, and United States ambassadors in Moscow.
>
> The declaration has received the unanimous approval of the Council of the North Atlantic Alliance. It expresses the common position of the member countries of the North Atlantic Treaty Organization.
>
> The text of the declaration follows:
>
> "The present international situation requires that a serious attempt be made to reach agreement on the main problems affecting attainment of peace and stability in the world. In the circumstances a summit meeting is desirable if it would provide opportunity for conducting serious discussions of major problems and would be an effective means of reaching agreement on significant subjects.
>
> "It is clear that before a summit meeting can meet in these conditions preparatory work is required.
>
> "This preparatory work could best be performed by exchanges through diplomatic channels leading to a meeting between foreign ministers.
>
> "The main purpose of this preparatory work should be to examine the position of the various governments on the major questions at issue between them, and to establish what subjects should be submitted for examination by heads of government. It would not be the purpose of these preparatory talks to reach decisions but to bring out, by general discussion, the possibilities of agreement.
>
> "The foreign ministers, assuming they have concluded the preparatory work to their satisfaction, would reach agreement on the date and place of the summit meeting and decide on its composition.
>
> "If this procedure is acceptable to the Soviet Government it is suggested that diplomatic exchanges should start in Moscow in the second half of April."

NUCLEAR TESTING

Mr. KNOWLAND. Mr. President, I also ask unanimous consent that there be printed in the body of the RECORD as a part of my remarks a statement by the Department of State relative to the Soviet statement about nuclear testing.

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

STATEMENT BY THE DEPARTMENT

The Soviet statement about nuclear testing will, of course, be studied in detail. But some general observations can be made at once.

The Soviet statement comes on the heels of an intensive series of secret Soviet tests. They should arouse world opinion to the need to deal in an orderly and dependable way with the testing and related aspects of the disarmament problem.

Soviet official propaganda incessantly seeks to create abroad the image of a peace-loving Soviet Government. But that same government openly defies the United Nations with respect to both the substance and the procedure of disarmament.

The charter of the United Nations gives that organization broad authority with reference to principles of disarmament and the regulation of armaments. In the exercise of that authority the United Nations General Assembly has, by an overwhelming vote, approved a comprehensive first stage disarmament proposal and called on the nations concerned to begin at once technical studies as to how these proposals might be carried out. These studies included the studies needed for a supervised suspension of nuclear testing. The United States stands ready instantly to respond to that resolution. But the Soviet Union refuses to comply.

The same General Assembly reconstituted and enlarged its Disarmament Commission. The United States wants that Commission to carry out its mandate. But the Soviet Union boycotts the Commission.

The charter makes the Security Council responsible for formulating plans for the establishment of a system for the regulation of armaments. The United States has recently proposed to the Soviet Union that this responsibility be discharged. But the Soviet Union refuses to cooperate.

The Soviet Government declines to deal with the subject of armament in any of the several ways prescribed by the United Nations Charter. It prefers elusive formulations of its own.

It is elemental that free nations which want to remain free will not, and should not, forgo their indispensable collective capacity to deter and defend against aggression merely in reliance on a Soviet statement of intentions for which there is no system of verification, which can be evaded in secrecy and altered at will.

The United States again calls on the Soviet Union to deal with the vital problem of disarmament in an orderly way, in accordance with the United Nations Charter, to which the signature of the Soviet Union is affixed. That charter constitutes a solemn agreement. If it is nullified by the Soviet Union, why should the world place confidence in new Soviet engagements?

EXEMPTION FROM TAX ON ADMISSIONS TO CERTAIN MUSICAL PERFORMANCES

During the delivery of Mr. HUMPHREY's speech,

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, Calendar No. 1423, H. R. 7910, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1305, H. R. 8794.

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

The CHIEF CLERK. A bill (H. R. 8794) to provide an exemption from the tax imposed on admissions for admissions to certain musical performances.

Mr. MANSFIELD. Mr. President, it is important that the bill be considered immediately because of a commitment a Senator interested in the bill has.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H. R. 8794) to provide an exemption from the tax imposed on admissions for admission to certain musical performances.

Mr. DIRKSEN. Mr. President, the Senator from New Jersey [Mr. CASE] has some interest in the bill. I would therefore like to suggest the absence of a quorum.

Mr. HUMPHREY. I hope the Senator will not do that.

Mr. DIRKSEN. I observe we are using the time while the Senator from Minnesota is waiting.

Would it be possible to withhold the consideration of the bill until the Senator from New Jersey can be present in the Chamber?

Mr. MANSFIELD. Very well.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the Senate return to the consideration of H. R. 8794.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 8794) to provide an exemption from the tax imposed on admissions for admissions to certain musical performances.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the bill, which had been reported from the Committee on Finance with amendments on page 1, line 4, after the numerals "1954", to strike out "be" and insert "is"; after line 8, to insert:

SEC. 2. Section 4233 (a) (1) (C) of such code is amended by inserting before the period at the end of the last sentence thereof "or to the benefit of hospitals for crippled children, or both".

At the top of page 2, to insert:

SEC. 3. Section 4233 (a) of such code is amended by adding at the end thereof the following new paragraph:

"(11) Athletic games for benefit of retarded children: Any admissions to an athletic game between teams composed of students from elementary or secondary schools, or colleges, if the proceeds from such game inure exclusively to the benefit of an organization described in section 501 (c) (3) which is exempt from tax under section 501 (a) and which is operated exclusively for the purpose of aiding and advancing retarded children."

And, at the beginning of line 12, to change the section number from "2" to "4."

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

The amendments were agreed to.

Mr. JAVITS. Mr. President, I have an amendment to offer. It is printed and is at the desk. I, too, would like to express my deep appreciation to the Senator from Minnesota. I will tell him in a moment why I think he has done a very fine and useful public service.

I offer my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 5, after "musical" it is proposed to insert "or dramatic."

On page 1, line 8, after "musical," it is proposed to insert "or dramatic."

Mr. JAVITS. Mr. President, I ask unanimous consent that there may be added as a cosponsor of the amendment the distinguished Senator from New Jersey [Mr. CASE].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, briefly, the amendment seeks to provide the same privilege for dramatic performances as it is proposed to provide for musical performances where there is involved an organization which has civic or community membership. We have discussed the matter with the Department of the Treasury, and it has no objection to it on the ground of any revenue loss. There is no appreciable revenue loss involved. The chairman of the Committee on Finance, the Senator from Virginia [Mr. BYRD], who knows something about the operation of the New York City Center, has very graciously told me he did not expect that there would be any objection to it.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CASE of New Jersey. I wish to express my appreciation to the Senator from Virginia for accepting the amendments to the House bill and to the Senator from New York for offering the amendment he has proposed. In both cases I believe a substantial contribution will be made to the cultural life of communities all over the Nation. I know that is true of the State of New Jersey. I am very grateful to the Senators and to the committee for the approval of the amendments and the bill.

Mr. BYRD. Mr. President, the Committee on Finance, to whom was referred the bill (H. R. 8794) to provide an exemption from the tax imposed on admissions for admissions to certain musical performances, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

In general, the amendments made to the bill provide exemptions from the admissions tax for athletic games between teams composed of students from elementary or secondary schools or colleges: First, where the gross proceeds are divided between the schools or colleges involved and hospitals for crippled children and, second, where the proceeds inure to an exempt educational, charitable, or religious organization operated exclusively for the purpose of aiding and advancing retarded children.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. JAVITS] for himself and the Senator from New Jersey [Mr. CASE].

The amendment was agreed to.

Mr. HENNINGS. Mr. President, last Thursday the majority leader announced that as soon as possible the Senate would consider H. R. 8794, exempting municipal theater associations from the Federal admissions tax.

We have two outstanding nonprofit municipal theater organizations in Missouri—the St. Louis Municipal Opera and the Kansas City Starlight Theater. These two organizations, and others in the United States, are confronted with a financial crisis which will jeopardize the fine public service they are rendering to the people in their communities.

The St. Louis Municipal Opera and Kansas City Starlight Theatre are nonprofit organizations which are substantially supported by voluntary contributions from civic-minded citizens. No private individual benefits from the net earnings. Indeed, on many occasions, these organizations have suffered financial deficits which have been paid up by citizen sponsors.

In the past, the Internal Revenue Service has exempted these organizations from the Federal admissions tax under section 4233 (a) (3) of the Internal Revenue Code. Recently, however, they have reversed this ruling, and at the end of the current season these organizations will be subject to the Federal admissions tax.

H. R. 8794 was introduced, and it has passed the House of Representatives. It provides for an exemption from the tax for these organizations. The Treasury Department has submitted a report favoring the bill saying "the instant bill would merely conform the law to past practice."

I therefore hope, Mr. President, that the Senate will approve H. R. 8794 without delay.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

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

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide exemptions from the tax imposed on admissions for admissions to certain musical and dramatic performances and certain athletic events."

SHORT PAID AND UNDELIVERABLE MAIL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business, Calendar No. 1423, H. R. 7910.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the 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. 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, and was read the third time.

Mr. DIRKSEN. Mr. President, I understood the Senator from South Carolina [Mr. JOHNSTON] was going to make a statement in explanation of the bill. We have discussed the matter. I know the bill has heretofore been considered by the House and by the Senate. I am quite agreeable that an excerpt from the report be printed in the RECORD at this point, since, insofar as I know, there is no objection to the bill, and the bill has the support of the Post Office Department.

There being no objection, the excerpt from the report (No. 1398) of the Committee on Post Office and Civil Service was ordered to be printed in the RECORD, as follows:

This legislation was requested by the Post Office Department in a letter dated April 9, 1957, addressed to the Vice President. Its provisions are embodied in S. 1954, which was introduced in the Senate on May 1, 1957.

The Senate Committee on Post Office and Civil Service unanimously concurs in the House-approved amendments to the bill and recommends approval of the bill.

The pertinent portion of the House report is printed as a part of this report for the information of the Senate:

"This legislation, as introduced, and as reported, makes changes in certain existing laws and parts of laws relating to short-paid mail, mail on which no postage has been paid, and undelivered mail, with appropriate repealers of inconsistent provisions of law, in order to modernize such laws and parts of laws, facilitate the operations of the postal service with respect thereto, and carry out the expressed policy of the committee that postal rates and fees should be adjusted from time to time in order that postal revenues will more nearly equal expenses and that postal service will be improved. The Post Office Department estimates that there were 484 million postage-due transactions in the fiscal year 1956, and that anticipated volume in the fiscal year 1958 will raise this number to about 1 billion.

"Subsection (a) of the first section of H. R. 7910 authorizes the Postmaster General to prescribe by regulation the conditions for delivery, return, or other disposition of mail on which no postage or insufficient postage has been prepaid.

"Subsection (b) of this section authorizes the Postmaster General to prescribe by regulation the additional charges, over and above lawful postage, that shall be collected for delivery of such mail, and also to waive collection where it is in the interests of the Government. The committee amendment will add a provision that such additional charges shall, as nearly as practicable, equal the cost incurred for this special service.

"Section 2 authorizes the Postmaster General to prescribe appropriate fees for return of undeliverable mail from the dead-letter office to the senders. This is an additional authorization along the lines of those fees for special services which the Postmaster General is authorized to prescribe under section 12 of Public Law 233, 82d Congress.

"Section 3 eliminates reference in the present law to charging of postage for short-paid mail but retains the Postmaster General's authority to issue postage-due stamps for philatelic purposes.

"Section 4 increases from $1 to $10 the value or content of nonregistered letters that must be returned to the senders by registered mail, charging a minimum registry fee.

"Section 5 increases from 15 to 25 cents the minimum commission for selling undeliverable parcels containing perishables.

"Section 6 repeals laws or parts of laws inconsistent with this new legislation.

"Section 7 provides that the bill will be effective on the first of the third month following enactment."

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 7910) was passed.

CONTRACT POSTAL STATIONS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of calendar No. 1422, H. R. 7907.

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

The CHIEF CLERK. A bill (H. R. 7907) relating to contracts for the conduct of contract postal stations, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7907) relating to contracts for the conduct of contract postal stations, and for other purposes.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. MANSFIELD. Mr. President, the Senator who would be more capable of explaining the bill than I am is not present.

The purpose of Calendar No. 1422, House bill 7907, is as follows:

Under present law, contracts are secured by the Department in the eastern half of the United States in even years and in the western half in odd years.

Approval of this legislation will eliminate a great amount of administrative and paper work and at the same time serve to stabilize contract prices at a lower level. The cost of paperwork alone is estimated at approximately $60,000 a year, much of which will be eliminated. The savings that will result from the contracts themselves should be rather substantial.

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

Mr. MANSFIELD. I yield.

Mr. MORSE. Can the Senator tell me what the contracts are? I do not have a copy of the bill before me.

Mr. MANSFIELD. Present law authorizes the Postmaster General to enter into contracts for the operation of postal stations for a period of not in excess of 2 years. H. R. 7907 would permit such contracts for a period of not in excess of 3 years and would authorize the Postmaster General to renew any such contract at the same or a lower rate unless (1) he finds that such renewal is not in the interest of the United States, or (2) not later than 90 days before the end of the contract the Post Office Department receives a written request that the contract be opened for competitive bidding.

Mr. MORSE. Was the bill unanimously approved by the Committee on Post Office and Civil Service?

Mr. MANSFIELD. It was.

Mr. MORSE. I have no objection.

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, present law authorizes the Postmaster General to enter into contracts for the operation of postal stations for a period of not in excess of 2 years. Such contracts are secured by the Department in the eastern half of the United States in even years and in the western half in odd years.

H. R. 7907 will permit the Postmaster General to contract on a 3 year basis. This will eliminate a great amount of paperwork, and it is estimated that there will be an annual savings of approximately $60,000 as a result.

The bill passed the House, without opposition, on July 1, 1957.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter addressed to the Vice President by Maurice H. Stans, Acting Postmaster General.

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

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., January 11, 1957.

Hon. RICHARD M. NIXON,
President of the United States Senate.

DEAR MR. PRESIDENT: There is transmitted herewith for consideration by the Congress a legislative proposal relating to contracts for the conduct of contract postal stations, and for other purposes.

Under the present law embodied in section 161 of title 39, United States Code, the Postmaster General is authorized "to enter into contracts for the conduct of contract

stations for a term not exceeding 2 years." Such contracts are now secured by this Department for a 2-year period, beginning July 1 of each year, alternately, with contracts in the eastern half of the United States being secured in even years, and in the western half in odd years. Contract stations established after July 1 are on the basis of the remaining portion of the 2-year period.

At this time, there are approximately 5,074 contract stations in operation, with total annual contract rates amounting to approximately $6,192,000. The annual stamp sales at these contract stations amount to many millions of dollars.

Under the program now followed, each year this Department, and postmasters in one-half of the country, must go through the program of readvertising all contract stations, the awarding of contracts, and inaugurating the service in all instances in which there is a change in the contractor. This system involves a tremendous amount of time and expense on the part of postmasters and this Department. This Department believes that it is advisable and desirable to make a change in the present practices. Under the present system, the postmaster may terminate the contracts on 24-hour notice to the contractor, and the contractor may terminate the contract by giving the postmaster 30 days' notice.

The legislative proposal would authorize the Postmaster General to enter into contracts for the conduct of contract postal stations for terms not in excess of 3 years each and at the expiration of any such term, to renew any such contract at the same or a lower contract price unless (1) he shall find that such renewal is not in the interest of the United States or (2) not later than 90 days before the end of such contract term the Post Office Department receives a written request that the contract be opened for competitive bidding at the end of such term. If the Postmaster General makes such finding, or receives such a written request, with respect to any contract entered into as provided by this legislation, he will advertise for bids for the conduct of the contract postal station involved in accordance with existing laws relating to the advertising and award of public contracts.

The enactment of the proposed legislation will, it is believed, tend to result in decreased expenditures by this Department, but there is not available sufficient information upon which to base an estimate as to the amount of such reduction in expenditures. This Department urges early enactment of the legislation.

The Bureau of the Budget has advised that there would be no objection to the submission of this legislative proposal to Congress.

Sincerely yours,

MAURICE H. STANS,
Acting Postmaster General.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendments to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 7907) was ordered to a third reading, read the third time, and passed.

ADVERTISEMENT OF MAIL ROUTES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 1425, House bill 9240.

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

The CHIEF CLERK. A bill (H. R. 9240) to revise certain provisions of law relating to the advertisements of mail routes, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana [Mr. MANSFIELD].

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with amendments, on page 2, line 2, after the word "than", to strike out "20" and insert "30", and in line 5, after the word "period.", to insert "The advertisement shall be conspicuously posted in each post office to be served under the contract."

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, it is the purpose of H. R. 9240 to modernize the laws relating to star-route contracts for the carrying of mail. Presently, such contracts have a life of 4 calendar years running from July 1 to June 30. The law requires that the routes be advertised as a single group on a nationwide basis for a period of 60 days.

In order to comply with this requirement, preparations for the voluminous advertisement begin as early as November and continue until April or May. In many instances, changes occur during the interval which necessitate amending the group advertisement at considerable expense to the Post Office Department.

H. R. 9240 would authorize the Post Office Department to advertise for bids on an individual basis in the area involved. This will be a great improvement over the present method and should be less costly.

The committee amendments are:

First. Page 2, line 2, strike out the figure "20" and insert in lieu thereof the figure "30."

Second. At the end of section 2, add the following sentence:

The advertisement shall be conspicuously posted in each post office to be served under the contract.

The first amendment is to make sure that ample time is provided for all interested parties to consider and prepare bids. The second amendment is to make sure that maximum notice be given the public of opportunities to bid on star-route contracts. Both of the amendments are in the interest of the public and will in no way handicap the Post Office Department.

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

The amendments were agreed to.

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

The bill was read the third time and passed.

FORT CLATSOP NATIONAL MEMORIAL, OREGON

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 1429, Senate bill 3087.

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

The CHIEF CLERK. A bill (S. 3087) to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana [Mr. MANSFIELD].

The motion was agreed to; and the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of commemorating the culmination, and the winter encampment, of the Lewis and Clark Expedition following its successful crossing of the North American Continent, there is hereby authorized to be established, in the manner provided herein, Fort Clatsop National Memorial.

SEC. 2. The Secretary of the Interior shall designate for inclusion in Fort Clatsop National Memorial land and improvements thereon located in Clatsop County, Oreg., which are associated with the winter encampment of the Lewis and Clark Expedition, known as Fort Clatsop, and, also, adjacent portions of the old trail which led overland from the fort to the coast: *Provided*, That the total area so designated shall contain no more than 125 acres.

SEC. 3. Within the area designated pursuant to section 2, the Secretary of the Interior is authorized to acquire land and interests in land by purchase, donation, with donated funds, or by such other means as he deems to be in the public interest.

SEC. 4. Establishment of Fort Clatsop National Memorial shall be effected when there is vested in the United States of America title to not less than 100 acres of land associated with the historical events to be commemorated. Following its establishment, Fort Clatsop National Memorial shall be administered by the Secretary of the Interior pursuant to the act of August 25, 1916 (39 Stat. 535), as amended.

Mr. NEUBERGER. Mr. President, this bill will authorize establishment under our National Park Service of the first national historical shrine anywhere on the long trail of Lewis and Clark, from St. Louis to the shores of the Pacific Ocean.

Such recognition has been long overdue. That is why I have originated this proposal and that is why I am grateful for the assistance I have received from the distinguished chairman of the Senate Committee on Interior [Mr. MURRAY] and from the Interior Department, through Under Secretary Hatfield Chilson. I also want to express my gratitude to the able junior Senator from New Mexico [Mr. ANDERSON], himself an authority on western history, who has taken a keen personal interest in this bill.

The bill will authorize the Federal Government to erect a suitable museum and other facilities at Fort Clatsop, near the mouth of the Columbia River, where the first of all westbound Americans spent the bleak winter of 1805–6, after their epochal pilgrimage across the continent, carrying our flag. Cost of the facilities will be about $276,000. The custodianship of the fort and its museum then will be carried on under the direction of the National Park Service, as a national memorial park. All of us respect the keen and reliable efficiency of this splendid agency of Government.

Mr. President, I also want to thank my two cosponsors of the bill in 1955, S. 2498, that originally made possible the National Park Service study, which has resulted in the status recommended for Fort Clatsop by Director Conrad L. Wirth and other officials of the Service. They were the able senior Senator from Oregon [Mr. MORSE] and the distinguished senior Senator from Idaho [Mr. DWORSHAK]. Their cooperation has been most valuable, unstinted, and effective.

I believe lovers of American history from coast to coast will rejoice that the Senate has given this recognition to the marvelous cross-country hegira of Meriwether Lewis and William Clark, an exploration which President Theodore Roosevelt once described as "all that an exploration ought to be."

If the Senate passes S. 3087 today, I pledge myself to cooperate in every possible way on a nonpartisan basis with the Congressman from the First Oregon District, in which Fort Clatsop is located, the Honorable WALTER NORBLAD, in helping to secure further approval for S. 3087 in the House of Representatives. Our goal is to have the bill on the desk of President Eisenhower for his signature, so that the National Memorial Park at Fort Clatsop may be formally dedicated by 1959, which will mark 100 years of statehood for the State of Oregon.

Mr. President, I ask unanimous consent to include at this point in the RECORD excerpts from the favorable report on S. 3087 which I presented last week in behalf of my colleagues on the Senate Interior and Insular Affairs Committee, and which includes letters recommending passage of the bill from the Department of the Interior and from the Bureau of the Budget.

There being no objection, the excerpts from the report (No. 1404), were ordered to be printed in the RECORD, as follows:

The Committee on Interior and Insular Affairs, to whom was referred the bill (S. 3087) to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

This legislation accords national memorial status to Fort Clatsop in Oregon, situated in the vicinity where the intrepid adventurers, Meriwether Lewis and William Clark, ended their westward trek which brought the American flag overland across the continent for the first time in 1805.

The site is located in Clatsop County, Oreg., near the mouth of the Columbia River. More specifically, it is situated on the west bank of the Lewis and Clark River, 1.8 miles south of its mouth. The shore of the Pacific Ocean lies 3.5 miles directly west. It is close to Astoria, Oreg.

AUTHENTICITY OF THE SITE

Available documentary evidence does not absolutely establish the identity of the site presently owned and claimed by the Oregon Historical Society as being the authentic Fort Clatsop site, but by inference and in terms of general description and geographical data it does support the authenticity of the site. Tradition and oral testimony dating from early white travelers to the proximity of the site, and also that of early Indian inhabitants of the region, present firm support, unbroken by any question of doubt, for the authenticity of the site as being in this general vicinity. In all likelihood, the area designated for establishment as a national memorial does contain the site of Fort Clatsop. Because the documentary evidence on this point is not conclusive, this legislation provides for national memorial status for Fort Clatsop rather than national monument status.

HISTORY OF THE SITE

President Thomas Jefferson's instructions to Meriwether Lewis and William Clark required them to "explore the Missouri River, and such principal stream of it, as * * * may offer the most direct * * * communication across this continent." The explorers considered their mission completed when, on a bleak November day in 1805, they saw the broad tidal estuary of the Columbia River from a point on the north bank a short distance above Grays Bay. After visiting the seashore, they crossed to the south side of the Columbia to seek a winter campsite which would be more sheltered from the ocean winds and more abundantly supplied with game. A suitable location was found on the first high ground encountered above the mouth of the present Lewis and Clark River. Here, on December 7, 1805, a camp was made. This was to be winter headquarters.

A small log fort, 50 feet square, was erected and named "Fort Clatsop." The men moved into it on Christmas Day. While waiting here for the coming of spring, they explored the surrounding country and a detachment was sent to the seacoast to make salt. Lewis and Clark here rewrote their journals and drew several of the maps which were among the most important products of the expedition. On March 23, 1806, the fort was abandoned and the homeward journey to St. Louis was commenced.

DEVELOPMENT OF THE MEMORIAL

The size of the three areas presently owned at the Fort Clatsop site by the Oregon Historical Society, the Clatsop County Historical Society and Clatsop County totals approximately 6.7 acres. The Oregon Historical Society, organized in 1898, has invested approximately $50,000 in faithfully reconstructing a replica of the original fort.

S. 3087 authorizes the acquisition of additional acreage at the Fort Clatsop site and imposes a limitation of 125 acres thereon. The estimated cost of developing the Fort Clatsop area, exclusive of the cost of purchasing additional acreage, is about $236,500. The cost of administering the proposed area would be about $22,000 annually. The cost of repairs to existing facilities is estimated at $18,600. These are no firm figures for the cost of purchasing the additional land to be needed but it is estimated that this would amount to approximately $30,000.

The committee unanimously recommends the enactment of this legislation.

AGENCY REPORTS

Set forth below is the favorable report of the Department of the Interior and the report of the Bureau of the Budget in which it is stated that that agency has no objection to the enactment of S. 3087.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., March 18, 1958.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR SENATOR MURRAY: Your committee has requested a report on S. 3087, a bill to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes.

We recommend favorable consideration of this bill.

The members of the historic Lewis and Clark Expedition wintered at the site known as Fort Clatsop from December 1805 into March 1806. We have made a study of this area and, pursuant to the act of June 18, 1956 (70 Stat. 289), investigated the advisability of establishing Fort Clatsop as a national monument. Our favorable recommendation on the proposal was submitted to the Congress on January 9, 1958.

In our opinion, Fort Clatsop is one of the most important sites associated with the epoch-making Lewis and Clark Expedition. We consider it to be the most important site on the Pacific coast associated with that expedition. Fort Clatsop is the place the expedition selected, after it had reached the Pacific Ocean, where it would remain until the passing of the severe winter months made feasible an attempt to recross the mountains and the wilderness to white civilization. In a very real sense, Fort Clatsop signalizes the successful crossing of the continent by Lewis and Clark. The skill, perseverance, tact, and calm determination shown in overcoming difficulties encountered in crossing thousands of miles of hostile wilderness have served to inspire generations of Americans.

The Bureau of the Budget has advised us that there is no objection to the submission of this report to your committee.

Sincerely yours,
HATFIELD CHILSON,
Acting Secretary of the Interior.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 14, 1958.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to your request for the views of this Bureau on S. 3087, a bill to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes.

S. 3087 would carry out the recommendations of the Secretary of the Interior based on a study of the Fort Clatsop area made pursuant to Public Law 590, 84th Congress, approved June 18, 1956.

The Bureau of the Budget would have no objection to enactment of this bill.

Sincerely yours,
ROBERT E. MERRIAM,
Assistant Director.

FREE IMPORTATION OF AUTOMOBILES AND PARTS FOR SHOW PURPOSES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1419, House bill 776.

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

The CHIEF CLERK. A bill (H. R. 776) to permit temporary free importation of automobiles and parts of automobiles when intended solely for show purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with an amendment, on page 1, line 11, after the word "purposes", to insert a semicolon and "except that (A) the privileges granted by this subdivision in respect of imports from a foreign country shall be allowed only if the Secretary of the Treasury shall have found that such foreign country allows, or will allow, substantially reciprocal

privileges in respect of similar imports to such country from the United States, and if the Secretary of the Treasury finds that a foreign country has discontinued, or will discontinue, the allowance of such privileges, the privileges granted shall not apply thereafter in respect of imports from such foreign country; and (B) articles imported under this subdivision shall be admitted under bond for their exportation within 6 months from the date of importation, in lieu of the period specified above, and such 6 months period shall not be extended."

Mr. BYRD. Mr. President, the purpose of House bill 776, as amended, is to extend the provisions of section 308 of the Tariff Act of 1930, as amended—United States Code, 1952 edition, title 19, section 1308—providing for the temporary free importation under bond for exportation of certain articles, to automobiles, automobile chassis, automobile bodies, cutaway portions of any of the foregoing, and parts for any of the foregoing, finished, unfinished, or cutaway, when intended solely for show purposes.

The bill passed the House unanimously, and was unanimously approved by the Senate Finance Committee.

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

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SUSPENSION OF DUTY ON CRUDE CHICORY

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1420, House bill 5005.

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

The CHIEF CLERK. A bill (H. R. 5005) to suspend for 2 years the duty on crude chicory and to amend the Tariff Act of 1930 as it relates to chicory.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana [Mr. MANSFIELD].

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments, on page 1, line 11, after the word "before," to strike out "chickory" and insert "chicory,", and on page 2, line 8, after the word "act," to insert "and prior to the expiration of two years after such date."

Mr. BYRD. Mr. President, the purpose of H. R. 5005, as amended, is to suspend for a period of 2 years the duty on crude chicory, except endive, and to provide for a new rate of 2 cents per pound on chicory ground or otherwise prepared for the same temporary period.

The bill as passed by the House would have provided for a permanent rate of 2 cents per pound on chicory ground or otherwise prepared, while providing for only a 2-year suspension of the duty on crude chicory. The Finance Committee amended the bill to provide for a rate of 2 cents per pound on ground or prepared chicory, only during the time of the suspension of duty on the crude. At the end of the suspension the duty on ground or prepared chicory would be restored to 2½ cents per pound.

The bill was unanimously approved by the Senate Committee on Finance.

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

The amendments were agreed to.

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

The bill was read the third time and passed.

Mr. DIRKSEN. Mr. President, the Senator from Michigan [Mr. POTTER], who is unavoidably detained, is very much interested in this bill, because there are a number of plants in the State of Michigan which process crude chicory. I ask unanimous consent that a statement prepared by the Senator from Michigan be printed in the RECORD at this point.

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

STATEMENT BY SENATOR POTTER

I should like to make a few remarks explaining why I had objected to this measure. Michigan at one time had a chicory-producing industry. That industry no longer exists. We do, however, have an industry, which processes by grinding and roasting the crude chicory, that is vitally interested in this bill. H. R. 5005, as it passed the House, would have temporarily increased the margin between crude chicory and prepared chicory to 2 cents per pound. It would have provided for a permanent rate of 2 cents per pound on chicory ground or otherwise prepared while providing for only a 2-year suspension of the duty on crude chicory. This would have meant that at the end of the suspension of the duty on crude chicory, the spread between crude and prepared would have been reduced to only 1 cent per pound. The present spread of 1½ cents is not sufficient to compensate for the difference between quotations in this market of foreign chicory roasting concerns and domestic costs.

I am grateful that our Finance Committee amended the House bill to provide for a rate of 2 cents per pound on ground or prepared chicory, only during the time of the suspension of duty on the crude. At the end of the suspension, the duty on ground or prepared chicory would be restored to 2½ cents per pound; thus retaining the present spread of 1½ cents. This margin is little enough. It should be more.

I am conceding for this temporarily period, but I feel strongly that the margin should be greater and that in the future we will be able to restore a proper margin between the roasted and crude chicory. The Tariff Commission has stated that imported prepared chicory is being sold on the domestic market at 2 to 4 cents under the price at which domestic roasters can sell their product. With this in mind, I hope that the Congress will become cognizant that our domestic industry must depend on some margin and I hope that the roasting industry will not be driven out of business as was the crude chicory-growing industry.

BALLS BLUFF NATIONAL CEMETERY, VA.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1428, Senate bill 2715.

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

The CHIEF CLERK. A bill (S. 2715) to disestablish the Balls Bluff National Cemetery, Loudon County, Va., and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana [Mr. MANSFIELD].

The motion was agreed to, and the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized to disestablish the Balls Bluff National Cemetery, Loudoun County, Va., and to remove the remains interred therein to another national cemetery.

EXPEDITIOUS PAYMENT OF DEATH GRATUITY BENEFITS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1418, House bill 5382.

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

The CHIEF CLERK. A bill (H. R. 5382) to amend sections 102, 301, and 302 of the Servicemen's and Veterans' Survivor Benefits Act.

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

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported for the Committee on Finance on page 1, line 5, after the word "inserting", to strike out "'507,'" and insert "'507 (except as to Philippine Scouts enlisted pursuant to Public Law 190, 79th Congress)'."

Mr. BYRD. Mr. President, the purpose of the proposed legislation is to amend the Servicemen's and Veterans' Survivor Benefits Act insofar as that act deals with the payment of death gratuity benefits and the pay and allowance of enlisted members of the Philippine Scouts and the insular force of the Navy.

Under existing law, the Secretary of each service concerned is required to pay a death gratuity immediately upon official notification of the death of a member of the uniformed services to certain named dependents.

There are occasions when it is not feasible for the military services to effect payments in this immediate manner as a regular procedure. And it is obvious from the hearings which led to the enactment of the Survivor Benefits Act that such immediate payment in all cases was not intended. Under the proposed legislation, therefore, immediate payment of the death gratuity would be required in those cases where the survivor of a deceased member was living with him or in the vicinity of the deceased member's duty station at the time of his death. In all other cases, the proposed legislation would require payment to be made as expeditiously as possible.

The amendments to sections 301 and 302 which deal with the payment of death gratuity benefits are technical in nature, and were proposed by the Department of Defense.

The purpose of the bill is to correct that situation. The bill has the unanimous approval of the Senate Committee on Finance.

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

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. SMATHERS subsequently said: Mr. President, I move that the Senate reconsider its previous votes in agreeing to the amendment to Calendar No. 1418, House bill 5382, and in having the amendment engrossed and the bill read a third time and passed. Apparently, in the form in which the bill was passed, it contained two provisions which it should not contain. I make this motion in order to have the Senate correct what has previously been done.

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

Mr. COOPER. Was there any opposition to the bill?

Mr. SMATHERS. No; neither in its original form nor as amended.

Mr. COOPER. I have no objection, Mr. President.

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

The motion was agreed to.

The PRESIDING OFFICER. The bill is now before the Senate, and is open to amendment.

Mr. SMATHERS. Mr. President, I submit the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 1, beginning with line 3, it is proposed to strike out down to and including line 2 on page 2, as follows:

That sections 102 (10) (A) and 102 (11) (D) of the Servicemen's and Veterans' Survivor Benefits Act are each amended by inserting "507", immediately after "201 (f),".

SEC. 2. The amendments made by this act shall take effect as of January 1, 1957, but shall govern payments under title II of the Servicemen's and Veterans' Survivor Benefits Act only for periods after the last day of the first month which begins after the date of enactment of this act.

On page 2, in line 3, it is proposed to strike out "SEC. 3. Section" and to insert "That section."

On page 2, in line 7, it is proposed to strike out "SEC. 4", and to insert "SEC. 2."

On page 2, after line 21, it is proposed to insert the following:

SEC. 3. The amendments made by this act shall take effect as of January 1, 1957.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the amendments submitted by the Senator from Florida.

The amendments were agreed to.

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

The bill (H. R. 5382) was read the third time, and passed.

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the amendments to the bill.

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

EXPLANATION OF AMENDMENTS

These amendments will strike out sections 1 and 2 of the bill and retain intact the present provisions of sections 3 and 4, which are desirable for amending the existing law. These sections retain the existing provisions which require the immediate payment of death gratuity benefits where the survivor of a deceased member was living with him or in the vicinity of the deceased member's duty station at the time of his death and grants authority for the Department of Defense in other situations to make payments as expeditiously as possible. This would be effective as of January 1, 1957, the date of the original act.

On September 4, 1957, the Defense Department submitted a report to the committee which stated the purpose of sections 1 and 2 of the bill is to bring the members of the insular forces of the Navy under the provisions of the Servicemen's and Veterans' Survivor Benefits Act with respect to (1) death gratuity and (2) old-age and survivors insurance and to provide for the uniform application of dependency and indemnity compensation paid to widows of active and former members of the insular forces of the Navy, etc. The Bureau of the Budget advised that there was no objection to this report.

Mr. SMATHERS. The action taken by the committee was in accordance with the recommendations of the Defense Department to the committee. It now appears that although no supplemental report was furnished to the Committee on Finance, the Defense Department, by administrative action taken in November 1957, is already withholding social-security tax from the base pay of these men, retroactively to January 1, 1957, and has been paying death gratuity in such cases.

Since the primary purpose of sections 1 and 2 has been accomplished administratively, there is no need for retaining them in the proposed bill. In fact, the enactment of sections 1 and 2 in their present form would adversely affect a group of widows of former members of the insular forces of the Navy and Philippine Scouts by reducing their present dependency and indemnity compensation paid by the Veterans' Administration.

The amendments which I propose will eliminate this discrimination. I might add that these amendments are advocated by the American Legion and has the full support of the Philippine Ambassador, the Honorable Carlos P. Romulo.

FISHERIES LOAN FUND

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1395, S. 3295.

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

The CHIEF CLERK. A bill (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.

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

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. I wish to take this occasion to again thank the Senator from Minnesota for his courtesy in yielding.

STATEMENT BY SECRETARY OF AGRICULTURE BEFORE THE SENATE SUBCOMMITTEE ON AGRICULTURAL APPROPRIATIONS

Mr. DIRKSEN. Mr. President, the Secretary of Agriculture appeared before the Subcommittee on Agricultural Appropriations of the Committee on Appropriations this morning and made a rather cogent and current statement. I ask unanimous consent that it be printed in the body of the RECORD at this point.

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

STATEMENT BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE THE SENATE SUBCOMMITTEE ON AGRICULTURAL APPROPRIATIONS, MARCH 31, 1958

Mr. Chairman and members of the committee, I appreciate this opportunity to review developments in United States agriculture and to consult with you on some of its problems.

I should like to begin with some of the facts about agriculture's present position.

FARM INCOME

Farm income is, of course, of major intertest because it is so closely related to the farm family's standard of living, which in turn is the basic concern underlying most of the Department's work.

What was the trend of farm income in 1957? The answer to that question depends on which measuring rod you use.

There are three principal ways to measure farm income:

1. Realized net income of farm operators: This excludes changes in the farm inventory. According to this measuring rod, which is the one customarily used, farm income was down 4 percent in 1957.

2. Total farm net income: This includes realized income plus changes in inventory. According to this measuring rod, farm income was up 4 percent in 1957.

3. Per capita income of people on farms: This is the most realistic gage of income because it more accurately reflects the whole picture, particularly changes in populaton. According to this measurement, the 1957 income per person on farms, from all sources both farm and nonfarm, was the highest in history.

Now let's look at the figures. Farmers' realized net income in 1957 was $11.5 billion, compared with $12 billion in 1956. This drop resulted from two primary causes:

First, a 3-percent increase in total farm production expenses—one of the jaws of the old familiar cost-price squeeze. Production expenses reached a new high last year.

Second, a wet fall and delayed harvest which sharply reduced marketings late in 1957 and thus caused a very substantial buildup in stocks on farms as of January 1, 1958.

In other words, some income which was produced and which would normally have been realized in 1957 was postponed and will be realized this year.

In contrast to the dropoff in realized net income, total net income including the inventory change rose from $11.6 billion in 1956 to $12.1 billion in 1957—a gain, as I mentioned earlier, of 4 percent.

We use this total net income figure in determining the per capita income of farm people. It is also more comparable with the way the income of nonfarm people is computed. On a per capita basis, income of the farm population from all sources was at a record high of $993 in 1957, up 10 percent from 1956 and 2 percent above the previous peak reached in 1951. Much of the change from 1956 to 1957 reflected the estimated 8 percent drop in farm population for 1957.

PRODUCTION AND SUPPLY

Our agriculture in 1957 was characterized by high production, strong domestic demand, and record exports. Output of both crops and livestock products held at or close to the peak 1956 level. Expanding population, high economic activity, and record consumer income created a strong domestic market for food and other farm products. Heavy exports of wheat, cotton, and rice reduced carryovers of these commodities during the 1956–57 year and further decreases are in prospect in 1957–58.

Aided by Government programs, wheat exports in the 1956–57 crop marketing year reached an alltime high of 549 million bushels. Two-thirds of our wheat exports were moved under special Government programs. The wheat carryover dropped 124 million bushels to 909 million on July 1, 1957. A further reduction of about 30 million bushels may occur by July 1, 1958, on the basis of expected exports of about 400 million bushels.

United States cotton exports in fiscal 1957 were the largest in 23 years; and the supply of cotton in the current season is considerably smaller than the record high of 27.6 million bales of 1956–57. The starting carryover last August 1 was about 11.2 million bales—3.3 million bales smaller than the record of 14.5 million August 1, 1956. The 1957 crop, estimated at 10.9 million running bales, was 2.3 million below the 1956 crop. We expect the carryover on August 1, 1958, to be reduced another 2½ million bales—making a total reduction of more than 5½ million bales in 2 years.

Feed supplies are in a different situation. Total feed concentrate supplies, which reached 200 million tons for the first time in 1956, increased another 9 percent in 1957. The big supply, estimated in January 1958 at 218 million tons, resulted from a favorable growing season and record stocks of 49 million tons carryover from previous years.

A further increase of around 10 to 12 million tons in carryover stocks by October 1, 1958, is in prospect.

The big carryover for 1958 practically assures adequate supplies for 1958–59 as well. This would be true even if the 1958 growing season should be the poorest in 50 years.

FOOD CONSUMPTION AND OUTLOOK

Our people continue to have an abundance of available food.

Civilian consumption of food per person in 1957 was 1 percent lower than in 1956, but it exceeded the rate of the immediate pre-World War II period by 12 percent, and that of the immediate postwar period by 2 percent. Our people ate record per capita amounts of chicken and turkey meat and a near record quantity of beef.

Domestic demand has been strong and rising throughout most of the period since 1951. The number of consumers has steadily increased. During 1957, business activity, employment, and consumer incomes were high. Consumers continued to spend about one-fourth of their disposable income for food.

Even though there has been some slack off in employment in recent weeks, buying power is still sustained at a high level. It is fortunate that the economy has been sound during the adjustment period for agriculture.

Domestic demand for food this year is expected to continue at about the same level as last year. Food supplies will be close to the high 1957 level and civilian consumption per person will be about the same as last year. Red meat and egg consumption may drop a little, while consumption of poultry meat may rise slightly. Per capita consumption of milk and dairy products is expected to exceed slightly the 1957 overall rate.

THE CURRENT SITUATION AND OUTLOOK

As for production, record harvests and declining prices of feed are strong stimuli to livestock. The 1957 fall pig crop was 2 percent larger than in 1956. The 1958 spring pig crop may be up about 5 percent from 1957, according to March indications in 10 States. Prices of hogs will likely hold up well through midsummer. Prices in the fall of 1958 will be lower than a year earlier, but no severe price reduction is expected.

Cattle numbers on farms probably will hold steady or decrease a little for another year or two. If consumers' incomes and demand for beef remain high, gradually rising prices for cattle can be expected during this period.

Total milk output in 1958 will set a new record. Abundant supplies of feed and increasing milk production per cow will be important factors. Production probably will be a billion or more pounds above the 126.4 billion pounds produced in 1957.

Egg producers should find 1958 a more profitable year than 1957, but prospects for producers of poultry meat are not as favorable. Broiler production for 1958 will probably rise above the 1957 record of about 1.4 billion birds.

Other aspects of the current situation are these:

During the present fiscal year, agricultural exports, while not likely to equal the record level of $4.7 billion in 1956–57, will probably exceed the level of 1955–56.

The level of living on farms is at an alltime high.

The rate of farm foreclosures in the year ending March 1, 1957, was down slightly from the year before and continued at low levels compared with the 1930's and early 1940's.

Farm assets are at an alltime high—$183 billion as of January 1, 1958. Farmers have less than $11 in debts for each $100 of assets. Owner equities rose 7 percent during 1957 to a peak of $168.4 billion.

Farm ownership is also at a record high. Only 1 in 3 owner-operated farms has a mortgage.

The family farm continues to dominate agriculture. Ninety-six percent of our farms and ranches are family operations, about the same as 30 years ago.

The postwar downtrend in prices which started in 1951 has been reversed. Prices received by farmers increased 6 percent from January to March and are 11 percent above a year ago and 15 percent above 2 years ago.

The buildup of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped considerably in the past year and a half.

But we all realize that, despite these more favorable developments, agriculture is still having difficult times. Nobody knows that better than I. And nobody is more deeply concerned about it.

The farm part of our economy has not shared adequately in our national prosperity.

The people on over half of our farms—the small farms—do not receive much benefit from price-support programs.

Smaller and smaller acreage allotments are restricting the opportunities for our cotton farmers, our tobacco growers, our wheat and corn producers. Efficiency in many cases is bound to be crippled when cotton allotments are less than 15 acres—as 7 out of 9 allotments now are.

Land diverted from wheat and cotton has gone into sorghums, oats, and barley.

Corn producers can't live within their allotments—which is why only one-seventh of the corn produced in the commercial area last year was in compliance. These conditions pose a threat to hog producers—to the entire livestock industry—to poultry producers—to the dairy industry.

Farmers are being hurt by the cost-price squeeze—by rising prices of operating necessities.

Since 1950 gross farm income has gone up $2.3 billion—but farm costs of operation have gone up $3.7 billion. They went up $600 million last year alone. There is no question about it, farm incomes today are out of line with profits and wages.

This is the background against which we view the work of the Department in the months ahead.

DISPOSAL OPERATIONS

The record of the past few years in moving our commodity surpluses into useful consumption is undoubtedly pleasing to the chairman and other members of this committee. This has been, of course, a costly but necessary operation. Most of our commodity stocks must be sold for less than their acquisition value—and a sizable quantity must be disposed of through outright donation. Nevertheless, there are several favorable factors in our current disposal program.

In the period from July 1, 1952, through January 31, 1958, the latest date for which complete information is available, surplus commodities having a cost value of $13.2 billion were moved out of the CCC inventory. In the past 2 years the substantial outmovement of farm products has exceeded the rate of acquisition. From an alltime peak of $8.9 billion in February 1956, the CCC investment in commodities owned and under loan had been brought to $7.2 billion in December 1957—a drop of $1.7 billion in a little less than 2 years.

CCC stocks of several commodities are still larger than we'd like to see. They put downward pressure on prices received by farmers, they are costly to store, and there is always the danger of deterioration and waste. Consequently, any decrease in the commodity stockpile is gratifying. You'll recall that not too long ago the surpluses were coming in the back door faster than we could move them out the front. In fiscal years 1956–57, for every dollar's worth of surpluses taken into the inventory, $1.41 was moved out. For the 1953–55 period, however, for every dollar's worth taken in, only 56 cents' worth moved out.

In carrying on our disposal activities, we have strongly emphasized sales for dollars. It's a policy that is bringing results. Sales for dollars constitute, by a big margin, our most important disposal outlet. Of the $12.2 billion worth of commodities disposed of in the past 4½ years, 60 percent of the volume represented dollar sales. The actual dollar proceeds on these transactions amount to $5.8 billion. Export sales for dollars in fiscal 1957 were $700 million higher than in fiscal 1956.

Other disposal methods must be used when dollar sales cannot be made. Fortunately, the Congress has provided us with a kit of disposal tools that will fit almost every need.

For example, we can barter. Under this authority we have swapped $1.4 billion worth of surplus farm products in recent years for such strategic and critical materials as cadmium, titanium, and industrial diamonds.

Since July 1, 1953, about $1.4 billion worth of CCC-owned commodities have been disposed of for foreign currencies under Public Law 480—the Agricultural Trade Development and Assistance Act of 1954. The foreign currencies acquired under the program are loaned or granted to importing countries for economic development purposes. They also are used by the United States to buy strategic and critical materials; to develop new markets; to procure military equipment and services; and to pay our obligations abroad. This, obviously, is not a giveaway program. It has been a positive factor in advancing our interests abroad. And it has been helpful to other countries. It has, in fact, been a most constructive use of our abundance.

In addition, food surpluses are being donated for useful purposes both at home and abroad. In this country surplus foods are going to school lunch programs, and to needy people in institutions and on relief rolls. Through private welfare organizations, international organizations, and the International Cooperation Administration, surplus American food is being used to relieve hunger abroad. Our country is reaping rich dividends from these donations.

During my recent trip around the world, I saw the gratitude with which our food supplies were received—the friendliness it was engendering in Japan, in Hong Kong, and Pakistan, and other places of dire need. I feel sure that these donated commodities are helping to develop eating habits that may, in the long run, mean future markets for our agriculture.

SECTION 32

Section 32 operations continue to be an important mechanism for supporting the market for various commodities, removing surpluses and providing commodities to eligible outlets, particularly the school lunch program. In 3 of the past 4 years—1954, 1956, and 1957—obligations for purchase of commodities under section 32 have been the highest on record. In recent years, the scale of section 32 operations has turned very largely upon the extent of purchases of livestock products, especially pork and beef.

For example, in fiscal year 1954, $84 million was spent for canned beef and gravy and in 1956, $101 million was spent for pork and lard. Substantial amounts were also used for dairy and poultry products. For dairy products, especially butter, $87 million was spent in 1954, $78 million in 1956, and $55 million in 1957. Other large programs in 1957 included $16 million for eggs and $10 million for turkeys.

For the first half of fiscal year 1958, obligations for commodity purchases under section 32 totaled approximately $74 million, with the largest amount being committed for butter. Total section 32 commodity program outlays for 1958 will probably not be much less than for 1957. Dairy products will account for most of the expenditures in 1958. In 1957 expenditures were distributed over a wide range of commodities.

School lunch programs and other eligible outlets are generally being provided with requested commodities available from CCC inventories. School lunch programs are given first priority on available surpluses.

THE SOIL BANK

We have recommended that the conservation reserve program of the Soil Bank should be strengthened, and the acreage reserve program terminated after the 1958 crop. This was one of the major recommendations in the President's special message of January 16.

The conservation reserve shows promise in four important areas: (1) Retiring marginal acres from crop production. (2) Aiding soil, water, forest and wildlife conservation. (3) Retiring whole farms from production when the operators choose to do so. (4) Aiding farm family adjustments, such as might stem from impaired health, old age, or more off-farm employment. During the first 2 years of the conservation reserve, about 14 percent of participating farmers placed all their eligible land in the program. Thus they took out of production their best acres as well as their marginal land. This is an effective way to cut production.

The acreage reserve was hampered in 1956 by late enactment and by the inclusion of measures intended more for relief than for production adjustment. The 1957 program succeeded in reducing wheat production by about 175 million bushels below what it would otherwise have been. Cotton production was similarly reduced by about 2 million bales, and corn by about 225 million bushels.

However, only 3.9 million acres of winter wheat allotment land were placed in the 1958 program as compared with 10.3 million acres in 1957.

In contrast, unfavorable weather last fall at harvest time apparently caused increased interest in the acreage reserve programs for the spring-planted crops, especially corn and upland cotton. The signup closed February 20 for corn, upland cotton, and spring wheat. Preliminary reports indicate that producers of these three crops, together with winter wheat growers, had offered about 17.8 million acres to the program. To accept all these offers would require about $700 million. These offerings plus those of tobacco and the additional offering of rice acreage would require about $740 million in payments. However, this total includes corn acreage offered which would require considerably more than $300 million maximum authorized for corn by the Soil Bank Act.

The second supplemental appropriation bill 1958 increases the program level by $250 million.

When it seemed evident that the additional $250 million would be authorized, the Department prepared for the prompt and orderly handling of acreage reserve applications from farmers who were on the registers or waiting lists in the county agricultural stabilization and conservation offices. Thus, county ASC offices were given instructions and information that would enable them to begin accepting additional acreage reserve applications from farmers on the waiting lists upon the President's approval of the supplemental appropriation bill.

Because legislative changes which have been recommended for 1959 provide for elimination of corn acreage allotments and authorization of increasing allotments for other basic crops under certain specified criteria, we recommend termination of the acreage reserve after the 1958 crop year. It is contradictory to provide for an acreage reserve program on the one hand and an expanded acreage allotment on the other.

We should, therefore, shift emphasis with the Soil Bank from the short-time approach of the acreage reserve, aimed at reducing surpluses of the basic crops, to the long-term approach of the conservation reserve, aimed at overall production adjustment.

A conservation reserve program of $450 million was recommended for the 1959 calendar year. An expanded conservation reserve can be an effective instrument of adjustment if it is accompanied by needed changes in price supports. It should not become merely a means of offsetting the production stimulus supplied by price supports held continually at incentive levels.

The Department is continuing its evaluation of the bids submitted by farmers, in a trial or experimental bid program in Illinois, Maine, Nebraska, and Tennessee, to place all eligible land in the conservation reserve program. These findings will be considered in a continuing study of ways to make this program more effective.

The first evaluation of the bids was to determine the relationship between the productivity of the land offered and the rental rates the farmers bid to take all eligible land out of production for 5 to 10 years.

The initial review in Illinois, Nebraska, and Tennessee clearly showed that the great majority of bids were at rates too high in relation to productivity and rental values. The level of bids was such that approximately double the average rate per acre of the regular program would have been necessary to take any appreciable amount of cropland out of production in those three States.

In view of these facts, the Department announced February 7—1 week after the closing date for submission of bids in Illinois, Nebraska, and Tennessee—that all bids received in those States were being rejected. This decision was made as quickly as possible to enable farmers who had submitted bids to plan their 1958 farming operations, and to decide to what extent they wished to participate in either the regular conservation reserve program or the acreage reserve program. In announcing this experimental call for bids the Department made it clear that any or all bids might be rejected.

In Maine, the Department was able to accept one-fourth of the some 1,400 bids made by farmers. The 354 bids accepted added 20,273 cropland acres to the conservation reserve program of that State.

These acceptances in Maine were based on a State average rate of $11.57 per acre. Under the regular conservation reserve program in Maine, the State average rate is $9 per acre.

Of the land covered by bids accepted, about one-half is in the better cropland area in Maine, a State which has no acreage reserve program.

The regular conservation reserve program remains available to all farmers in all States. The deadline for signing contracts effective in 1958 is April 15.

Interest in the conservation reserve is increasing in many States. Preliminary reports as of March 14 show increased participation in some States in all sections of the country. New York and Georgia farmers on March 14 had offered about 70 percent more land to the conservation reserve than they had at the same time in 1957. Kansas and Oregon farmers at mid-March this year had offered more than twice as many acres to the program. Minnesota, one of the States where participation was heavy last year, was offering about 42 percent more acres to the program this year.

However, in some of the other States with large acreages going into the program in 1957, this year's participation on March 14 was somewhat less than at the same time a year ago.

The latest total of reports from all States indicates that the 1958 signup had reached about 3 million acres on March 14. This is in addition to the 6.4 million acres placed in the conservation reserve in 1956 and 1957.

THE RURAL-DEVELOPMENT PROGRAM

Some 44 percent of our farms can probably be considered as efficient commercial units. They produce 90.8 percent of all farm products that go to market. The remaining 56 percent of our farms do not have the same problems as these efficient commercial farmers. They produce only 9.2 percent of marketed farm products. An effective farm program must recognize the basic differences in these two agricultural groups and plan to meet the needs of both.

No recent development in the Nation's agricultural policy holds greater long-term importance than the present effort of our departments and agencies to so strengthen and

redirect educational and service programs as to provide practical help and guidance for families on small farms. The rural-development program, now going forward in 30 States and Puerto Rico, has a central place in this effort.

During the past 2 years, committees of the Congress have issued 3 major reports calling for private and governmental programs in rural areas which would provide increased educational aid and guidance for low-income farm people, develop more extensive off-farm job opportunities, and increase skills through retaining programs.[1]

The reports of these committees are summed up in a statement issued recently by the Joint Congressional Economic Committee. A main line of attack on the farm problem, it is stated, "should consist of programs to develop local nonfarm resources, to improve the education of farm people, to make training in industrial skills available to them, and to overcome obstacles faced by people who wish to make the transition from farm to nonfarm work."

The rural-development program is putting into action many of these Congressional recommendations for improving living conditions on small farms in underdeveloped rural areas. In close cooperation with State, farm, educational, employment and other agencies, we are continuing to expand and perfect this practical, long-range approach to the farm problem in these areas of the Nation.

I want to emphasize that the rural-development program is not separate from our regular activities for improving living standards in underdeveloped rural areas. Nor is it limited in scope and objectives to specific areas. This program is one method, among many, of supplementing and redirecting the work of governmental agencies in order to gain more effectively the fundamental objective—area economic development.

THE 1959 BUDGET

Since this committee has been discussing in detail the budget for the fiscal year 1959, there is no need for me to go into our estimates at any great length. There are, however, 2 or 3 items which I would like to mention.

The first of these is our proposed program for utilization research. As you know, the special Commission appointed by the President to study the need for utilization research has reported to the Congress that the utilization research program should be very substantially increased. We in the Department have given careful consideration to this report in the development of our recommendations for 1959.

There is urgent need for research which will increase the total market demand for farm commodities by providing new uses and new markets for surplus agricultural products. It is equally important, however, that the development of this program be kept in balance with other types of research as well as other program needs. It is also necessary, if we are to budget realistically, to take into account the manpower available for research and how the available manpower can best be allocated to meet the most imperative needs for all types of research. Taking all these factors into account, we have recommended a program which we believe will provide the greatest practicable impetus to utilization research in 1959. In addition to a $5 million increase in appropriations to the Department, we estimate that approximately $5 million in foreign currencies will be available for contract research with foreign laboratories to develop new uses and greater acceptability for American farm products abroad. A keen interest is developing in this phase of our utilization research program which, as you were earlier advised, we have initiated this year. I feel that it has great potential for increasing our foreign market for surplus commodities.

In general the 1959 budget proposes that our programs be continued at the 1958 level. There are a few exceptions to this which it might be well for me to mention.

An increase of over $5 million is proposed to provide for the mandatory inspection of poultry as required by the law enacted by the last session of the Congress.

With respect to Rural Electrification Administration loans, legislation has been proposed which would make it possible for the borrowers to obtain credit from private sources as well as directly from the Federal Government. The 1959 estimates have been submitted on the basis that such legislation will be approved. We believe it is essential that the credit base for the rural electric and telephone systems be broadened to provide for their continued growth and adequate service to consumers. It is estimated that capital funds needed to finance the growing demand for electric power in rural areas during the next generation will far exceed the $3½ billion loaned by the Federal Government to REA borrowers during their first 22 years of operation. The magnitude of these requirements and the urgency of meeting national security and defense needs make it imperative, we believe, to find an adequate source of funds for REA loans other than the Federal Treasury. The objective of bringing central station electric services to rural areas envisaged when the law was passed 22 years ago has been 95 percent realized. Furthermore, the characteristics of rural areas have changed substantially through the development of industries, commerce, and other nonfarm activities. Among new users of power from REA-financed electric systems nonfarm users now outnumber farm users nearly 3 to 1. The proposal in the 1959 budget, and the proposed legislation on which it is based, provide the mechanism for meeting realistically the very substantially increasing needs of REA borrowers. At the same time, by providing for direct Federal loans for both electric and telephone borrowers, it would continue the Government's interest in fostering the further development of these systems.

We are recommending that the advance authorization for the 1959 agricultural conservation program be reduced to $125 million. We believe that by careful administration the lower authorization will be sufficient to give attention to the more essential needs for conserving agricultural resources. It is contemplated that the Department's total conservation effort will continue to be maintained at a substantial level.

Two 1959 budget amendments, recently submitted to the Congress by the President, propose an additional $10 million for watershed protection and $4,780,000 for flood prevention. These increases provide for accelerating works of improvement in the small watersheds and on the 11 flood prevention projects. This would increase construction work which is done by local workers and contractors.

One additional matter I should like to mention is our belief that it is important to take such steps as we can to get the Commodity Credit Corporation out of operations which are purely banking in nature and have no relationship to CCC programs. As a step in this direction, we are proposing, as you know, a direct appropriation to the Agricultural Research Service for the expanded brucellosis eradication program. We hope the committee will see fit to approve this proposal.

LEGISLATIVE PROGRAM

We have been talking about recommended programs and program changes as they show up in the 1959 budget. In the stress of dealing with current problems—problems of the present moment—it is easy to forget the progress of even the immediate past. We have, therefore, included in an appendix some of the highlights of accomplishment in recent years.

I should like to take a few moments now to refer to some of the other legislative proposals in the message which President Eisenhower sent to the Congress during January. The particular recommendations I have in mind are these:

Authority to increase allotments of the basic crops.

Elimination of corn allotments.

Elimination of the escalator clauses.

Widening of the range of price supports.

Extension of Public Law 480.

Authority to increase acreage allotments for cotton, wheat, rice, peanuts, and tobacco should be provided.

Under present legislation, acreage allotments and price supports for the basic crops are determined by statistical formulas. Under these formulas, the permitted acreages are sharply restrictive. Allotments for certain crops may have to be reduced even further under present law, despite growing evidence that acreage restrictions have not brought about needed adjustments.

Farmers need more freedom to plant. Authority should be provided for the Secretary of Agriculture to increase acreage allotments by up to 50 percent above the levels determined by existing formulas, in accordance with certain criteria.

The law already specifies that the Secretary may provide price support at levels above those determined by formula, and this authority has been used. The law should also provide authority to increase acreage allotments when the mechanistic statistical formula yields results clearly contrary to the general interest. Authority of the type requested is being used in the case of tobacco.

However, any acreage increases must be related to price adjustments designed to permit the growth of markets needed to absorb the higher production.

Agriculture cannot properly use its resources while it is hampered by controls that cannot adequately control.

Acreage allotments for corn should be eliminated.

It is proposed that acreage allotments for corn be eliminated beginning with the 1959 crop. Acreage allotments have not been effective in reducing corn acreage and production. As a result, the carryover of corn as of October 1, 1957, was at a record high, in excess of 1⅓ billion bushels.

During the last 20 years the commercial corn area spread from 566 counties in 12 States to 932 counties in 26 States. The legal requirements have forced a steady expansion in the extent of controls to which farmers are being subjected.

Farmers have voted to eliminate corn acreage allotments both with their corn planters and in the referendum held in December 1956. In this referendum over 61 percent of the corn farmers voting indicated their preference for a program of the type recommended. Only 14 percent of the 1957 production in the commercial corn area was eligible for price support because relatively few farmers complied with allotments.

Removing corn allotments will be a forward step in the direction of more freedom for farmers. Price supports would be provided at a level between 60 and 90 percent of parity for corn using the eight guidelines now provided in the Agricultural Act of 1949 for the nonmandatory nonbasic commodities.

The escalator clauses in the basic law should be abolished.

[1] A Program for the Low-Income Population at Substandard Levels of Living, report of the Joint Committee on the Economic Report, January 1956. The Family Farm, report of the Committee on Agriculture, House of Representatives, August 1, 1956. Policy for Commercial Agriculture, report of the Joint Economic Committee, February 10, 1958.

This is essential. This law requires that price supports be raised as the surplus is reduced. This means that incentives are provided to build new surpluses as soon as present surpluses start to decrease. This keeps farm people continually under the shadow of price-depressing surpluses.

Since our surplus disposal and Soil Bank programs have been effective in reducing surpluses, these escalator requirements are already operating in the direction of building more surpluses. Elimination of these escalator clauses is necessary if these programs are to achieve their purpose.

The overall range within which price supports may be provided should be substantially widened.

Presently, price supports must be provided for most types of tobacco at 90 percent of parity and for cotton, wheat, corn, rice, peanuts, and dairy products between 75 and 90 percent of parity. This range is too narrow to permit the expansion of markets needed to absorb the increased production which our farms will likely produce.

Rather than determining price supports for the basic commodities by formula between 75 and 90 percent of parity, price supports should be determined administratively in a wider range—from 60 to 90 percent of parity. This range should also apply to dairy products.

The criterion for determining the specific support level for dairy products could well continue as at present, namely, a level which will assure an adequate supply. The criteria for determining the specific support levels for the six basic crops should be the same eight guidelines as now apply to almost all other farm products, some 250 in total.

The Agricultural Trade Development and Assistance Act should be extended.

Public Law 480, the Agricultural Trade Development and Assistance Act, should be extended for another year to June 30, 1959, with an additional authorization of $1.5 billion for title I sales for foreign currencies. The Senate has passed a bill extending Public Law 480 for 2 years at the rate of $1.5 billion for each year for title I.

Public Law 480 exports have made a major contribution in the attainment of an all-time high in total United States agricultural exports of $4.7 billion in 1956–57. In that fiscal year they accounted for these parts of total exports—wheat, three-fifths; rice, four-fifths; vegetable oils, about one-half; cotton, about one-third; corn, two-fifths.

In proposing the increased authorization we are asking primarily for the opportunity to use commodities already paid for under the price support program, or which otherwise would be acquired under such operations.

This act should not be considered a permanent part of the farm program. Therefore, we have limited our extension request to 1 year. This will facilitate the periodic review by Congress of program results in the light of our agricultural situation, and in terms of needs abroad.

A LOOK AHEAD

Agricultural abundance is one of the cornerstones of our economy. But farmers and the entire citizenry need assurance that our farm programs will allow abundance to be put to good use.

In these days of cold war we cannot afford to waste land, manpower, machinery, gasoline, tires, and electricity in producing foods and fiber for storage far in excess of sensible reserves. The effects spread to other segments of the economy. For example, our surpluses forced us to build bins far beyond normal needs—a waste of labor, an uneconomic use of steel and other materials. It is sheer economic waste to produce through Government incentive products that are not needed.

No one wants less effective programs for farmers. On the contrary, we must replace policies and programs which have failed with measures which will assure the American farmer his rightful share in the abundance of our free economy.

There is reason for great optimism about the future of agriculture—provided we cling fast to the methods and ideals which have made this Nation great.

There are many basic reasons why our agricultural future should be bright.

First, we face an expanding domestic and foreign market. In 1940 our population numbered about 132 million. Today we are 173 million and by 1975 the Nation may have well over 200 million. Moreover, our people are interested in better diets—and this presents a challenge for sound food promotion.

World population, too, has been increasing. Many areas will continue to look to surplus producing land, such as the United States, for food. There is real hope, therefore, for an expanding export market for our farm products.

Second, there is hope that future Government programs will be geared to more realistic production—that we shall not continue to freeze production in uneconomic patterns—that our programs will provide proper incentives for agriculture to adjust output of specific commodities according to demand.

Third, the efficiency of agricultural production will rise—and as efficiency rises, costs can come down. We must continue to expand programs of agricultural research and education.

Fourth, farm people will benefit by improvements in marketing. In the past, most of the effort in agricultural research and education has been directed toward improving methods of production. Thus, productive efficiency has bounded ahead, but progress in marketing methods has lagged. The remedy for this lack of balance is to give more emphasis to marketing and utilization research as we are now doing.

Finally, a sound economy will create an economic climate in which farm prosperity can flower and grow. And, conversely, a strong productive agriculture will be one of the pillars of a flourishing national prosperity.

This I know. Great opportunities confront our farm families—great opportunities accompanied by great responsibilities. Our Nation of the future will be as strong as our agriculture.

Once again may I say that I appreciate the opportunity to appear before this committee. The Department stands ready to help you in every possible way.

APPENDIX A

NUMBER OF FARM PEOPLE ASSISTED IN THE RURAL DEVELOPMENT PROGRAM

EXPANSION OF JOB OPPORTUNITIES

Employment opportunities in counties participating in the rural development program are being expanded through three principal methods:

(1) Assistance in establishing new manufacturing or marketing facilities or expanding existing facilities.

(2) Training programs to improve the skills of rural people or provide new skills.

(3) Employment interviewing and guidance.

Participants in the rural development program have played a direct part in projects to increase local job opportunities.

They have helped in assembling manpower and other resource information for use by prospective manufacturers, interviewing job applicants, promoting the countywide program, and encouraging increased farm production where it is needed to supply new processing facilities.

Whenever capital funds are required for purchase of sites, construction, or other purposes, funds are raised locally by such methods as subscription or sale of stock initiated by community leadership.

Some typical job expansion projects in pilot counties assisted by rural development are:

Chilton County, Ala., 25 new jobs, timber cutting and handling.

Perry County, Ind., 50 jobs, small boat manufacturing.

Watauga County, N. C., 100 jobs, garment manufacturing.

Macon County, Tenn., 475 jobs, garment manufacturing.

Choctaw County, Okla., 30 jobs, woodworking and grain cooperatives.

Camp-Franklin-Titus County area, Texas, 130 jobs, poultry processing.

Price County, Wis., 54 jobs, woodworking, charcoal manufacturing, and sport-fishing equipment. (Most of this is employment in a factory schedule to begin operation in the summer of 1958.)

Chesterfield County, S. C., 58 jobs, poultry farm work.

Berkeley County, S. C., 70 jobs, general farm work.

Tippah County, Miss., clothing plant expanding production, adding 150 jobs.

Training programs to improve the skills of rural people have also been started in several States, as a direct result of the rural development program. In Kentucky, for example, about 500 people in eastern and south central counties have received training in such skills as welding, plumbing, and office practices.

On-the-farm interviews and surveys will provide employment offices and prospective employers with information needed for industrial and employment expansion. The Arkansas Department of Labor, as a result of rural development, cooperated in making labor surveys on 1,000 farms in three demonstration countries. Other States, including Texas, Oklahoma, South Carolina, Georgia, Kentucky, West Virginia, Virginia, North Carolina, Maine, and Indiana, have made similar surveys as initial projects in demonstration counties. These efforts are pointed toward reaching permanent solutions to the problem of rural underemployment.

WORK WITH FAMILIES ON SMALL FARMS

Through intensive on-the-farm counseling, advice on soil, woodland and water conservation and management, introduction of new crops, help in evaluating farmers' resources and potential, many families on small farms in pilot areas are being assisted in building more efficient units.

According to reports we have received from workers in a representative group of 27 pilot counties in 16 States, about 4,500 families on small farms have received such help. These are the families benefiting most from the introduction of a rural development program in their areas. The assistance that is provided includes expanded farm and home development resulting from the assignment of special workers to the program. It also includes special projects, such as pepper growing in an isolated Tennessee community, the first commercial farm product to be grown there; combined strawberry production and marketing in several counties; greatly expanded sheep raising in West Virginia communities; poultry and dairy improvement and expansion in many pilot counties in the southeast.

HEALTH AND FAMILY WELFARE

Many rural families have also received, directly or indirectly, the benefit of better health promotion resulting from the work of agency personnel and local leaders participating in the rural development program.

Here are some examples: In Covington County, Miss., a Negro community of 40

families, with guidance from the development group, organized a home life committee to encourage members to improve sanitation. Immunization programs have been started, wells tested and other sanitary measures taken in Bertie County, N. C. One hundred families in a Texas county improved their homes and farms through a cooperative community campaign. Fifty percent more children in Hardin County, Tenn., are receiving preschool health examinations as a result of community efforts. In three States (Georgia, Tennessee, Kentucky) and 6 pilot counties, rural development promotion helped raise matching funds to build hospitals serving families in these areas.

FINANCIAL RESULTS OF RURAL AREA DEVELOPMENT

The rural development program is a long-range effort meeting difficult, deep-seated problems. It is too early to put results in terms of dollars and cents. However, we can use as a yardstick the locally initiated programs of area development which have remade many underdeveloped rural areas during the past decade. One of these, in the area of Asheville, N. C., has this record to its credit:

Estimated gross farm income for the area increased from $63 million in 1950 to $90 million in 1956.

Since this program was started, the number of Grade A dairy farms on the Asheville milkshed has increased from 312 to 555, with over 700 in the area. Milk sales by these dairymen have risen $3 million during this period. The area has changed from a milk importing to a milk exporting region.

From 1950 to 1956, sales of poultry and poultry products by farmers climbed from $4,500,000 to $17,206,500.

Production of commercial broiler chickens jumped from 500,000 in 1950 to 10,500,000 in 1956.

Hatching egg production has gone from a "pin money" proposition to an industry which paid growers $9,775,000 in 1956.

There has been increased recognition by town and city people of the importance of a healthy rural economy. Most important, development of the area has progressed at an accelerated pace, bringing greater economic opportunities and more social stability.

REGIONAL CONFERENCES

Recently we completed a series of regional conferences for agency workers and rural leaders in 13 States with the objective of improving our programs, especially in the field of industry development, employment, education, welfare, and on-the-farm counseling. These meetings took place at Lexington, Ky.; Shreveport, La.; Fort Smith, Ark.; Athens, Ga.; and Asheville, N. C.

As a further important step in the continuing effort to mobilize the skills and resources of private organizations, which have a central place in the rural development program, we are inviting leaders of national farm, business, civic, youth and other organizations to meet in Memphis, Tenn., June 16 and 17 to review progress in the program and the contribution of their membership. Their suggestions for future progress will be obtained. One of the committee reports I cited in the body of my testimony points out, "Democracy finds its meaning in the community. Programs for economic improvement can be put into effect far more quickly and beneficially in organized rural communities."

We certainly agree with that. One of the principal aims of the rural development program is to encourage farm, business, civic, educational, and church leaders in many different areas to undertake locally-directed area economic improvement.

APPENDIX B

SOME HIGHLIGHTS OF ACCOMPLISHMENT IN RECENT YEARS

THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT

This act, passed by the Congress in 1954, has proved to be one of the most useful and far-reaching farm measures in many years. Under it, by the end of the fiscal year we will have moved about $4 billion worth of commodities into consumption around the world. A further extension and expansion of the act is now being requested for fiscal year 1959.

STRENGTHENED RESEARCH AND EDUCATION

Since fiscal year 1953 appropriations for agricultural research have increased by 95 percent. Currently, about 12 percent of all money spent directly for research by the United States Department of Agriculture is going into marketing research.

In recent years utilization research has demonstrated that some lost markets for farm crops can be regained and new markets can be developed. Cotton and wool fabrics can be endowed with wash-and-wear qualities. Cotton can be made to resist weather and rot. Fat can be transformed into practical plasticizer-stabilizers, into new and better surface coatings, even into improved detergents. Fermentation can convert grain to new and more efficient feeds and supplements, to organic acids and other raw materials for the chemical industries. Starches can be used in paper and textile making and they can be converted to plastics, films, and other materials. These are but a few of the practical accomplishments of past and going utilization research.

New animal disease research laboratories have been established at Plum Island, N. Y., and authorized at Ames, Iowa. In 1954, as you recall, there was initiated a stepped-up cooperative program to eradicate brucellosis from the Nation's dairy and beef cattle herds. Ten States and Puerto Rico are now certified as being modified free of this disease. The number of counties now certified totals 980 in 41 States, or about 31 percent of all counties. The goal of the 1958 eradication program is to bring 51 percent of all counties to a modified certified brucellosis free status.

Since fiscal 1953 appropriations for cooperative extension work have been increased by about 80 percent. One result of this has been that for every 3 families aided by extension in 1953, 4 or more families are being helped now, with the aid of 1¼ million volunteer local leaders.

REORGANIZATION OF THE DEPARTMENT OF AGRICULTURE

Better administration of the Department's activities has been achieved through the reorganization effected in 1953. Twenty operating agencies and staff offices were grouped on a functional basis and brought under the administrative direction of five Department officials.

In addition, seven research bureaus were integrated in the Agricultural Research Service. The Agricultural Marketing Service was also established to give greater emphasis to problems of marketing and distribution of farm commodities.

The result has been a streamlining of internal organization, more decentralization to State and local levels, and new vitality in the services we render to the agriculture and to the public generally.

THE NATIONAL AGRICULTURAL ADVISORY COMMISSION

This bipartisan farm commission, established in 1953, consists of 18 persons, of whom no more than 9 belong to any one political party. At least 12 of the members must be representative farmers from the various geographic sections of the country. The Department has worked very closely with the NAAC in reviewing national agricultural policies and in developing and administering the farm programs.

AGRICULTURAL ATTACHÉS UNDER DIRECT SUPERVISION OF DEPARTMENT OF AGRICULTURE

The return of the agricultural attaché system to the Department of Agriculture has helped strengthen our national efforts to expand foreign markets for United States agricultural products. Attachés are stationed in 51 foreign posts covering about 100 countries. They do worldwide reporting on the foreign agricultural situation and trade opportunities abroad. Their work has been a factor in the virtual doubling of the volume of agricultural exports during the 1953–1957 period. Primary emphasis is on strengthening commercial exports for dollars.

IMPROVEMENTS IN AGRICULTURAL CREDIT

In 1954 the Farm Credit Administration was made an independent agency—a move long urged by farmers and farm organizations. This represented a major step toward giving farmers greater control over the credit organizations which they largely own. Various amendments to the Farm Tenant Act have enabled the Farmers Home Administration to make additional types of loans including: Credit assistance for part-time farmers; loans for refinancing existing debts; farm housing loans; special livestock loans for cattlemen; soil and water conservation loans; emergency loans to help farmers continue operations in hardship areas designated by the Secretary of Agriculture; and improvements in the insured loan program.

CONSERVATION

More soil conservation has been applied in the past 5 years than in any other similar period of our history.

The Watershed Protection and Flood Prevention Act of 1954 enabled the Department to help local people in small watersheds to build small dams and other flood prevention structures, as well as to do more effective conservation planning. The Soil Conservation Service has received more than 800 applications for such projects of which 71 are now in operation.

The program development phase of a Great Plains conservation program has been completed and is now in operation. It will help farmers and ranchers in the Great Plains install conservation measures and make the land use adjustments that are needed to achieve a more stable agriculture in that highly important region. In adjusting its programs to the needs of the Great Plains the Department has doubled the speed of soil mapping in the critical counties.

Legislation has been enacted permitting farmers to deduct certain soil conservation expenditures in computing their income taxes.

FORESTRY

Significant progress has also been made in the protection and management of our national forests. Not only has the volume and value of national forest timber cut reached new peaks year after year, but we have forged ahead in forestry conservation planning by public and private interests. Despite greater use of forest lands than ever before, the number of forest fires was at an all-time low in 1956 and 1957. A good start has been made on Operation Outdoors, a plan for development of recreational facilities in our national forests.

DISASTER RELIEF

Drought and other natural disasters have been a persistent problem in much of the Nation in recent years. Farmers and ranchers have been assisted with emergency credit, cost share help in conservation work, and in obtaining feed grains and roughage

at reduced cost. Since July 1953, over $600 million has been extended through the Department in various kinds of special drought and disaster aid.

OTHER HIGHLIGHTS

Farm people and commercial warehousemen have been helped in undertaking the biggest expansion of on-farm and commercial-type storage in the history of our country.

Social-security protection has been extended tc farm families and farmworkers.

Special programs for the distribution of milk to schoolchildren, institutions, and the Armed Forces have been established.

Legislation has been enacted providing for refund of the Federal tax on farm-used gasoline.

This is a list of achievements in which I think the members of this commitee and all of us can take a great deal of justifiable pride.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 75) relative to the reenrollment of S. 2120, to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 3262) to authorize certain activities by the Armed Forces in support of the VIII Olympic Winter Games, and for other purposes, and it was signed by the President pro tempore.

CESSATION OF FURTHER TESTING OF NUCLEAR BOMBS

Mr. MORSE. Mr. President, on July 31, 1957, I submitted Senate Resolution 173.

I ask unanimous consent that the resolution be printed at this point in the RECORD as a part of my remarks.

There being no objection, the resolution (S. Res. 173) was ordered to be printed in the RECORD, as follows:

Whereas Great Britain, the United States, and Russia have been engaging in extensive tests of nuclear weapons and presumably plan to continue such tests in the future; and

Whereas it is not alone the death and destruction which the bombs themselves can wreak, but also, and perhaps more important, the devastating effects upon our own and future generations of the radioactive fallout which is the aftermath of such explosions; and

Whereas our eyes have been opened to the dangers from strontium 90, and from the presence to a lesser or greater degree of radioactive particles in the water and air around us, by scientists throughout the world and by such prominent individuals as Dr. Albert Schweitzer, Pope Pius XII, Adlai Stevenson, and many others; and

Whereas millions of people in Japan alone have signed petitions against further H-bomb tests, and thousands in our own and other countries are showing increased concern as to the fate of humanity itself in a world made unfit to sustain life of any kind; and

Whereas it is recognized that excessive radioactivity not only creates a hazard for all, especially for our children who stand to suffer more directly and acutely from strontium 90 than do we who are responsible, but may even, through genetic mutations and other cumulative effects, gradually and inevitably wipe out the human race: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should undertake by all available means to obtain the prompt and concurrent cessation of further testing of nuclear bombs by the United States, the Soviet Union, and Great Britain until an international committee of recognized scientists can at least determine the extent of the danger from radioactive fallout.

Mr. MORSE. Senate Resolution 173 called upon the President of the United States—

To undertake by all available means to obtain the prompt and concurrent cessation of further testing of nuclear bombs by the United States, the Soviet Union, and Great Britain, until an international committee of recognized scientists can at least determine the extent of the danger from radioactive fallout.

At that time, I said:

The verdict of history will be against us if we continue such testing, and I believe our generation will go down in history as an immoral generation if we continue the testing.

No action was taken on that resolution, I regret to say. Nor did the President seek to take the leadership in the matter on his own initiative.

Now we are faced with the prospect of continuing nuclear tests alone, in defiance of world opinion. Reports from Russia indicate that the Soviet Union will suspend nuclear bomb testing. American tests in the Pacific are scheduled for mid-April.

I think this is another sad example of the failure of our national leadership to understand and to take into account the views of the millions and millions of people in the world who simply dread all nuclear explosions, for whatever purpose.

That there is some foundation for this dread is borne out by the views of many top-notch scientists that radioactivity in the atmosphere is a threat to the normality of future generations.

Secondly, the whole world knows that tests and practice "shots" of all nuclear weapons are for the purpose of perfecting them for use in time of war. No one keeps a rifle cleaned and oiled at all times unless he expects that it is likely to be used.

The recent Russian tests are just as much in anticipation of use as our own, and I do not think anyone is fooled by a "suspension" announced when its own series has only just been concluded.

Yet, it is the United States that stands naked before world opinion because we chose to ignore the feeling among the masses on this earth that nuclear explosions are a threat to the present and future of mankind.

The feelings of the people of the earth are pretty strong. In December I sat at the interparliamentary conference at New Delhi, India. At that conference we and the British were just about alone in our position on nuclear testing. There is no doubt that the delegations from Asia and Africa, by and large, were soundly against us, and they did not hesitate to tell us so. They did not hesitate, either in their speeches in the conference or in the cloakrooms to say that they feared us as much as they feared Russia so far as the threat of war was concerned. One of the things they kept citing was the failure on the part of our Government to take the initiative in trying to bring about a cessation of nuclear testing.

Then I went to Madras, India. I had two conferences with a man known, I am sure, by the acting minority leader in the Senate this afternoon [Mr. COOPER] as one of the great minds of India, one of the great philosophers of India, one of the men of greatest influence in all of India, Rajagopalachari, whose voice is listened to throughout India, who is recognized as a successor of Gandhi so far as being a great Indian philosopher is concerned, and whose articles on nuclear testing have appeared from time to time in the New York Times.

The point of view of Rajagopalachari illustrates the common point of view of the members of the Commonwealth Parliamentary Conference I attended in December. They simply cannot understand why this great Nation which prates so much about its morality, which professes to entertain such peaceful intentions, should continue nuclear testing, about which there is great controversy among scientists, and concerning which the preponderance of evidence apparently is on the side of those scientists who say that the nuclear testing is threatening the health of mankind.

We should listen, Mr. President, to some of the delegates from Asia and from the Pacific area. I am certainly not an expert witness on the subject, but my study and reading have satisfied me that we have not successfully answered scientifically, when they make the charge and criticism against the United States that our nuclear testing in the Pacific involves a greater risk and danger to the health of orientals than to the health of the people of the United States.

The delegates pointed out that for these tests we picked spots in the Pacific from which under certain wind conditions the health of the people in Asia was subjected to a greater risk than was the health of the people of the United States. We had better find out what the facts are, and we had better present a successful rebuttal to such charges against the United States of America because those nuclear testings are militating against us in world opinion today.

We have been following a "do nothing" course of action, so far as exercise of leadership is concerned. A resolution was submitted by me in the Senate many months ago with relation to this problem, yet a record is not being made by a Senate committee. The appropriate committee is not holding hearings on the resolution.

Mr. President, what are we going to say with regard to our motives and our intentions when we make a record so sorry as the one we have written?

I am not impressed by the military arguments that have been advanced as necessitating continued tests. We are presenting an unconscionable affront to the welfare of millions of human beings by ignoring their appeals and, by implication, their interests. Putting ourselves in that position will, I fear, cost us far more than a suspension of tests would have cost us militarily.

We are, as a result of our position, back in the state we were in when the Soviet Union captured the attention and imagination of the world by launching the first world satellite. The administration's excuse for that psychological defeat was to the effect that this country could have done the same thing months before had we wanted to, but that the administration did not anticipate that it would cause such a stir.

Nuclear bomb tests have been causing a stir among the masses of Asia, Africa, and even in Europe for years.

We have flouted the world opinion. We gave the Soviet Union the opportunity to snatch leadership when we should have offered it ourselves. We gave it a chance to claim an aura of humanitarianism and respectability it does not in fact deserve.

I think we can no longer look to the administration to exercise its constitutional function in this respect. I hope the Congress, and the Senate Foreign Relations Committee and our Disarmament Subcommittee in particular, will act to demonstrate that the United States of America does not, alone of the two major powers in the world, rest its trust in the future upon thermonuclear explosions.

This is an opportunity, Mr. President, for us to put into practice the great moral principles for which we truly stand.

I know there ought also to be a cessation of the production of nuclear weapons. I so stated in India in my discussions at the parliamentary conference. I so stated in my conference with Rajagopalachari. But, Mr. President, we have to take these things a step at a time. I do not think we would run a great risk by stopping testing first and then seeking, as I said in India, to get the free nations of the world behind us in urging upon Russia that she, too, stop production of such weapons.

I think we have lost the offensive. I think Russia has thrust us back on the defensive in this field, but it is not too late for us to recoup at least what we can.

In my opinion at the earliest possible moment the leadership of this country ought to make clear to the world that we are going to engage, at least for a period of time, in no testing, during which period we hope we can get all the nations of the world, including our British and our French friends and allies, to follow the same moral course of action.

I close my remarks on this particular subject, before I turn to some brief remarks on social-security legislation, Mr. President, with a word to our British and French allies. They, too, had better stand up and be counted on the moral side of this issue, because it is a highly moral question. In my judgment, civilized nations cannot continue to follow a course of action in regard to thermonuclear weapons which endangers the health of mankind. So long as a substantial body of scientists say there is such danger, I hope I am going to be a good enough lawyer to follow the experts.

Mr. President, undoubtedly there is a division of opinion among the scientists, but those who are giving us the warnings are unquestionably very reputable scientists. I think they have come forward already with a body of prima facie evidence which warrants the free nations of the world, including the British and French, getting on the side of international morality, rather than following a course of action which I fear will lead only to endangering the peace.

Mr. MORSE subsequently said: Mr. President, I should like to have the very brief statement I now make on nuclear testing added to my remarks at the close of my previous statement a few minutes ago.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, in the 1956 campaign for reelection to the Senate, my advocacy of the cessation of nuclear testing was one of the major planks of my platform. In fact, I closed my campaign on the Saturday night before election at Sheridan, Oreg., with a major foreign policy speech, in which I devoted a large part of the time to stating my reasons for advocating the cessation of the testing of the hydrogen bomb and other nuclear weapons. That was in the closing days of the campaign, when there were those running for office in 1956 who thought we ought to hush-hush any discussion of foreign policy at that stage of the campaign, because of the trouble which had developed in the Middle East.

However, I felt that for me to do so in the closing days of a campaign would have been a form of political cowardice, because there was every bit as much reason, in the closing days of the campaign, to stand for the cessation of the testing of the hydrogen bomb and other nuclear weapons, as there was at the beginning of the campaign.

In my judgment, the timetable has proved me right ever since. Had we taken the course of action suggested at that time, we would not tonight find ourselves in a position in which Russia has obtained another great psychological advantage over us.

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

Mr. MORSE. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. First, I should like to commend the Senator for a characteristically courageous address. I know he is stating a position he has taken for a long time. The Senator from Oregon is one of the outstanding statesmen of America. He is a man to whom I always look for a courageous position on the very, very troublesome problems of foreign affairs.

With the Senator's concurrence, I should like to take advantage of the opportunity while I have the floor to make a brief remark about a speech made earlier today by the Senator from Minnesota [Mr. HUMPHREY]. I know the Senator from Oregon has been an outstanding champion of conservation, and I should like to make a few remarks with reference to the speech of the Senator from Minnesota, which will only take a minute.

Mr. MORSE. I shall be happy to yield for that purpose, but I should like to have the consent of my friend, the Senator from Kentucky [Mr. COOPER], because the Senator from Kentucky has been waiting to make a speech. I do not want to seem to be guilty of any lack of consideration of the Senator from Kentucky.

The Senator from Wisconsin states he desires to take about 1 minute. Does the Senator from Kentucky object to my yielding for that purpose?

Mr. COOPER. I am perfectly willing to have the Senator yield for that purpose.

Mr. MORSE. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I am very happy and proud to state that the Senator from Oregon recently returned from a speaking engagement in Wisconsin, and I have already received glowing accounts of the splendid impression he made.

I should like to say the speech the Senator from Minnesota [Mr. HUMPHREY] made this afternoon is an historic and extremely important speech. I am delighted the Senator has come forth with his recommendations as to conservation. I should like to make simply one point in connection with the matter, which is that such a conservation program is indeed an investment. It is not an expenditure of money in the usual sense. It is not a cost. It is an investment which will bring returns at least tenfold. Indeed, it will be wasteful, if the Congress fails to make this investment. The loss of our real wealth—our natural resources—would vastly exceed this cost.

As the resolution states, this is something which will provide a level of resource management and control which can largely eliminate recurring damages and losses, assure adequate recreational facilities for our increasing population, raise the productivity of our forest, soil, watershed, and range resources, and improve the quality of our water supplies to meet the increasing needs of our people.

As the Senator from Minnesota has said so well, this program would cost $1 billion a year. That is a great deal of money; but considering the size and the wealth of this country, and the great importance of its natural resources, I submit that this is a very wise and conservative investment. I support the Senator from Minnesota enthusiastically, and I ask that my name be added as a cosponsor on the resolution and the bill which he has introduced in connection with it.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPROVEMENTS IN THE SOCIAL SECURITY SYSTEM

Mr. MORSE. Mr. President, last week, in keeping with promises which I made in the 1956 campaign, I introduced certain proposed amendments to social-security legislation.

With the conviction that our social security system is our first line of defense against economic need after retirement age, I introduced on March 18 amendments to the act which, in my opinion, are long overdue.

On that date, I was pressed for time because I had to catch a plane to keep an appointment in Oregon to inspect the Navy installation at Tongue Point and was unable to speak at any length on the contents of my bill, S. 3508. Therefore, I shall discuss it now so that this description may appear in the RECORD for the benefit of those who are interested in social security improvements.

The bizarre economic situation we are in today—a record high in the cost of living coupled with ever-increasing unemployment and distress throughout the country—points up the fact that no change has been made in the amount of social security benefits since 1954.

It is obvious that older Americans, largely people living on fixed incomes, have steadily been victimized by the sharp rise in prices in these 4 years, which now stand at an alltime high.

It has become axiomatic that a growing American economy over the decades will be accompanied by a slowly rising price level. If that is to be an inevitable accompaniment of full employment—and right now we are seeing that it is even accompanying unemployment—society cannot permit those retired from the labor force to pay the price in reduced living standards they are now paying.

This group is the first to be victimized by our present economic condition. Higher costs of food and other necessities have shrunk their benefit dollars, and, as employment opportunities decline, their possibilities of supplementing their meager incomes decrease with every passing day.

Inasmuch as the older worker is often the first to be laid off, many men and women have recently found it necessary to apply for their benefits. Almost half a million more people are relying on their social security benefits as a primary source of income than were doing so 6 months ago.

I am also concerned with the fact that our social security system ignores what has often been called the greatest single unmet need of the aged—medical care. While the cost of living index has gone up generally by 20 percent in the past 10 years, the cost of medical care has gone up by about 40 percent, and hospital costs are up 75 percent.

My bill, S. 3508, would increase social security benefits by 25 percent across the board. It would raise by that percentage the benefits now received by retired persons, survivors, and those receiving disability insurance payments.

It would raise future benefits by that percentage.

The bill would raise the minimum monthly benefit from $30 to $40.

It would increase today's maximum retirement or disability benefit from $108.50 to $135.70 and makes possible an eventual maximum payment of $173.20.

It would also institute new minimums and maximums on benefits paid to a family, so the lowest would be $60 instead of $50, and the highest $323.80 instead of $200. In the future, the maximum family benefit could be as high as $346.20, the traditional figure of twice the highest individual benefit.

During my campaign 2 years ago, I promised the people of Oregon that I would do something about the situation in which so many of our older people find themselves. Last year I met these promises by sponsoring or cosponsoring bills dropping the age requirement for disability, reducing the eligibility age for women to 62 with full benefits.

In that campaign, I also supported the position of Adlai Stevenson that it should be our objective to raise the family income of the aged from about 55 percent of the national average for all families to about 75 percent. At that time this would have required an increase of $800 a family a year—that is, from $2,300 to $3,100 a year. This is only a minimum program for the aged. My new bill would be one important step toward that goal.

The need for a substantial increase in benefits can hardly be questioned by anyone who has talked with people now trying to exist on fixed annuities, and certainly not by anyone who reads the mail coming into Congressional offices. This was brought out vividly by a recent statistical survey in the Christian Science Monitor. It reported on a survey made for urban renewal purposes in a district in downtown Portland in my own State.

It showed that a great number of people in that district were 60 years of age or older and lived in small residential hotels, tumbledown apartments, and converted dwellings.

These elderly people were subsisting on social security or State welfare allotments which have changed little, if at all, in recent years of climbing prices. After payment of rent, it was not at all uncommon for these people on social security to be required to budget their food, transportation, entertainment, clothing, and incidentals, all taken together, at about $1 a day.

Such a budget obviously permits only a bare existence. The simplest fare, a quart of milk, at 23 cents, a pound loaf of bread at 23 cents, and a can of soup at 15 cents, takes a major share of the day's dollar.

Malcolm Bauer, who wrote the story in the Monitor, commented:

> Anyone who entertains the delusion that the march of inflation has not yet brought real personal hardship to many persons should examine the results of this survey. * * * One does not often have opportunity for an intimate view of the financial problems of his neighbor, such as that afforded by the Portland urban renewal survey * * *. The picture of the devastating effect of postwar inflation on the fortunes of the fixed-income oldsters, many of whom had reason to hope for real security in social-security benefits, is a stark one.

Whether the price level continues to rise despite the recession, or levels off because of recession, or even declines somewhat, will not change the present urgent need to boost all social-security benefits at least by the 25 percent provided in my bill, S. 3508.

Our challenge is to distribute abundance rather than to share scarcity. We must find better ways to divide our output of material goods equitably among ourselves. The trend over the decades has been not only toward higher real incomes, but also toward a broader distribution of goods.

However, at present our older people are not getting their fair share of this tremendous output which the Nation is capable of producing. That is because they leave the labor force, thereby getting off the escalator, so to speak, in terms of income, while the price escalator continues to go up.

That is where the obligation of Government comes in. Retired citizens have earned a larger share of the Nation's goods because they played such a vital part in the creation of this great productive capacity. We must see to it that they get it and are not by-passed simply because they have reached retirement age.

One economist has pointed out that a chart showing the distribution of incomes in America looked like a pyramid a few decades ago, with a small number of persons at the top receiving large incomes and a very large number at the low-income base. Today, in contrast, this same chart looks like a barrel, with a great bulge in the middle, where the middle-income people are found, and smaller numbers of people proportionately at the high and low ends of the income scale.

Our older citizens, as a group, are the ones who are scraping the bottom of this economic barrel. As legislators, we have a special obligation to make certain, through our social security system, that older people are given the chance to live out their lives in dignity and are not the forgotten men and women of our times.

My bill not only increases benefits for everyone by 25 percent, but it also takes account of the fact that the heavy costs of an illness may destroy the best-laid plans for a comfortable retirement. Under its provisions, the social security system will pay the costs of care in qualified hospitals and nursing homes in a manner similar to the Blue Cross plans. Surgical care would also be provided and, in all instances, there would be free choice of doctors and patients.

These health benefits would be available to all persons eligible for social security benefits. Thus, the man who has continued to work beyond age 65, and has not applied for benefits, would be eligible if illness strikes. Each person would be insured against the cost of hospital and surgical care, including a semi-private room and all hospital services, medical care, drugs and appliances which the hospital customarily furnishes its bed patients. The bill provides for 60

days of hospital care but, if nursery home care is also indicated, it provides an additional 60 days, or up to 120 days of combined care.

This section of my bill is identical to the health-insurance provisions of H. R. 9467, introduced in the House of Representatives by Representative AIME FORAND, of Rhode Island.

I want to express my personal thanks and appreciation to Mr. FORAND for his leadership on this matter. I am happy to acknowledge that I have simply followed his lead by incorporating into my bill the health-insurance program he had first introduced in H. R. 9467. I hope that, by so doing, I can reenforce the chances that a health-insurance program will soon be adopted.

This new program will undoubtedly be attacked on the ground that it will socialize medical care for our older people and discourage thrift and initiative. But the same charges were made back in 1935 when our social-security system was established. One commentator, at that time, called it a plan which would "kill the goose that lays the golden eggs." From other quarters came dire predictions that it would discourage thrift and initiative and regiment our society. The individual social-security numbers were described as "dog tags."

Today we know that none of these predictions has come true. The effectiveness of this method of social insurance in a country such as ours has been so clearly demonstrated that even the Republican National Committee, in a recent press release, claimed that social security was really their idea. For social security has become so much a part of our way of life that the only points of difference today are as to how realistic benefits should be and how much real protection should be afforded.

I subscribe to the philosophy expressed by Justice Cardozo in the Supreme Court case upholding the constitutionality of the Social Security Act, which states:

> Nor is the concept of the general welfare static. Needs that were narrow or parochial a century ago may be interwoven in our day with the well-being of the Nation. What is critical or urgent changes with the times.

The facts of our time are the urgent advocates of this new program. More than half of the clinical part of medicine is now concerned with the health problems of older persons. A recent nationwide survey of families and individuals conducted by the Health Information Foundation showed that people 65 years of age and over experience medical costs 57 percent greater than those of the general population, and that, although this age group constitutes only 9 percent of the population, they experience 13 percent of all medical costs.

The same study showed that the total annual cost for all private personal health services is $65 a person, but for those 65 years of age and over it is $102 per person.

How do the 14 million people in this country who are past 65 meet this cost of medical service? We know that a single illness can wipe out a lifetime's savings, or place a severe and unpredictable strain upon the sons and daughters of our older people, at a time when their children's own family responsibilities are heaviest.

As a result, part of these older people receive public or charitable care.

But most of them must meet medical expenses out of a small fixed income.

Only one-third—and I stress this point because it is why I included health insurance in the bill—only one-third of these 14 million people over 65 are covered by any kind of health insurance. Group health coverage tends to cease when employment is terminated by retirement.

And since the number of days of hospital care per person age 65 and over is almost double that for younger adults, Blue Cross plans vary in the extent to which they attempt to confine these added costs to groups containing a high proportion of older persons, or pass them along to the entire membership of the plans.

According to a recent survey of Blue Cross provisions for persons 65 and over, 56 plans increased premium charges for the same benefits when a member reached 65, in amounts varying from less than $3 to more than $15 for a family. Twenty-three plans reduced benefits below those available to group members when the member reached age 65.

Thus, the trend in private insurance coverage is to increase costs or reduce services at the very time when purchasing power has sharply declined but the need for medical care has increased.

Dr. Wilma Donohue, of the Division of Gerontology of the Institute for Human Adjustment of the University of Michigan, says that many old people simply ignore or neglect chronic illness—thus increasing costs—while others obtain medical care by sacrificing other essentials of healthful living. She believes that the mounting number of admissions of older patients to mental hospitals is one evidence of the effects of worry and lack of preventive and restorative medical care of this group.

Many of our older people are beset by fears of becoming ill and not being able to pay for medical care. Under my proposal, the American people would be buying health insurance when they can pay for it during their working life, and its protection would be effective at retirement age when they need it most.

The essence of the method of social insurance has been to provide against the expensive and predictable risks which threaten the self-sufficiency and independence of the individual. Sickness is certainly such a risk. Indeed, in most European countries health insurance has been the cornerstone of the social insurance plan.

Today all of the major industrial countries in Europe have long-established national programs to provide health care for their working population, as well as for retirees. This is also increasingly true of our Latin-American neighbors. The German plan, which was the model around which other early plans were built, was established as long ago as 1883. Austria followed in 1888 and Hungary in 1891. The growing knowledge that health of the individual was important to the nation led to early action by other European countries. Luxembourg established its compulsory insurance plan in 1901, Norway in 1909, Great Britain and Russia in 1911, Rumania in 1912, and the Netherlands in 1913. Compulsory health insurance plans were established in Bulgaria in 1918, Portugal in 1919 and Greece in 1922. The comprehensive French insurance law of 1928 became operative in 1930. In 1943 Italy passed a law providing for the fusion of existing mutual funds for workers in industry and commerce to bring about a national system. One of the questions which is invariably asked by Europeans visiting this country is—how can you say you have social security when you do not have health insurance?

The proposal I am sponsoring is certainly a very conservative approach as compared to these foreign systems, but it is a step in the right direction.

In the first place, the health insurance in my bill is limited to persons receiving retirement benefits and their dependents, the totally disabled, 50 and over, and to the widows and children of insured workers who have died—a relatively small segment of our total population. Currently, around 12½ million people would be eligible.

In the second place, the proposal provides only for hospital, surgical, and nursing home care, following the pattern developed by many of our voluntary prepayment plans. The bill specifically states that the Secretary of Health, Education, and Welfare shall have no supervision or control over: First, the practice of medicine or the manner in which services are provided; second, the details of the administration or operation of hospitals or nursing homes; and third, the selection, tenure, or compensation of hospital or nursing home personnel.

One of the results of this legislation would be its salutary effect on the Nation's financially burdened medical facilities, due in part to expenses they must bear in providing free care for indigent patients. By providing reasonable reimbursement for some of these services, we will not only be providing better care for our older citizens, but we will also be improving the financial position of our hospitals and nursing homes so that they can furnish better care for all of us.

S. 3508 will also extend the dropout provision so that a worker, in computing his average monthly wage for benefit purposes, can skip not only his 5 years of lowest or no earnings as in existing law but also an additional year for each 7 years of coverage he has under the system. This will be an advantage to all workers who have made substantial contributions to the social-security system and will be especially helpful to those workers nearing retirement who wish to take full advantage of the new $6,000 earnings base.

I desire to call attention to a new provision in my bill which I hope will be the start of a real attempt to simplify the Social Security Act. All the benefit computation formulas have been consolidated in one table so that beneficiary, by applying his average monthly wage

or previous benefit amount figure, can determine exactly what his new benefit amount and new maximum family benefit will be.

Compare this provision with that which exists in present law where it is impossible for the average person or, for that matter, the average lawyer, to ascertain with any facility what he is entitled to under the act. I hope that similar simplifications will be effectuated throughout the act so that this law, which affects 100 million Americans, will be understandable to all the people and not just a select few employees of the Bureau of Old-Age and Survivors Insurance.

To finance these improvements in the social-security system, my bill would increase the tax rate for the employer and employee alike by 1.25 percent of payroll, and would increase the earnings ceiling, for contribution and benefit purposes, from $4,200 to $6,000 a year. This latter change will reflect the steady increase in the earnings level that has occurred in the last few years. It is estimated that this year 60 percent of the men regularly employed would be earning more than the present ceiling of $4,200. Under my proposed ceiling of $6,000 a year only one man in four, or 25 percent, will have earnings above those covered by social security.

The increase in the social-security tax would pay for the improvements in the system provided for by the bill. I strongly favor the insurance principle which underlies social security, and believe it should be preserved.

It assures every covered person an equity in his retirement plan. I do not think social security should become a Government dole. The Federal Government should be trustee of the money and should adjust upward the benefits and the levies to pay for them as the level of the economy requires.

But social security should remain an insurance program for which employer and employee pay the premiums, so to speak. I hope the day will come when every American who works for a living will be able to make this sound, businesslike investment for his own retirement.

Finally, I have also sought in S. 3508 to increase public assistance by 25 percent.

I appreciate that it is a difficult task to draft legislation that will assure that an increase in the Federal contribution to the States for public assistance will be passed for whom it is intended.

The last time Congress tried to boost public assistance, we found that many of the States pocketed the money, so to speak, and the unfortunate people receiving public assistance saw not a penny of it. I regret to say that that was done in my own State of Oregon under a Republican governor and a Republican legislature.

In order to avoid—I hope—the possibility that the States will simply reduce their own contribution to public assistance, I have said in this bill that whatever the combined Federal-State expenditure is in a State, the Federal Government will match it with an additional 25 percent.

This does not affect the present formula at all. Under present law the Federal Government contributes $24 of the first $30 and $15 of the next $30 of the State's minimum public assistance payment. That formula would remain untouched by my proposal.

But after contributing $39 to the $60 minimum, my amendment would add 25 percent of that $60, or $15 more as a Federal "bonus". If the State's minimum is $100 the Federal bonus would be $25, again in addition to the $39 it contributed under the basic formula.

Thus, no State action is needed to obtain the 25 percent increase.

In order to discourage the States from decreasing their own contribution, I have provided that a State will receive no bonus at all if its own average monthly payment drops from the previous year.

There is no certainty that my proposal will work out as I intend that it should.

The junior Senator from Louisiana [Mr. LONG] has labored valiantly to perfect language to assure that recipients will benefit from an increase in Federal contributions to public assistance and not just State treasuries. I understand that he has not been satisfied that any of the proposals that have been offered are certain to accomplish this.

I realize that this proposal does not give the most to those receiving the least. It would revise benefits proportionately, instead of trying to equalize them. The equalization principle is found in the basic formula and I think an across-the-board percentage increase for all States would be salutory simply in itself and also in encouraging the States to improve and raise their own contributions.

It is quite possible that the State agencies that administer public assistance will have some criticism of this proposal. I invite them to come forward with it. I hope hearings can be held by appropriate Committees on both sides of the Capitol on this matter.

Under this section, the Federal bonus of 25 percent of the combined Federal-State effort would apply to all public assistance programs to which the Federal Government now contributes, including aid to the blind and aid to dependent children.

Of course this money would come out of general appropriations, since it is not a part of the old-age and survivors insurance system.

I believe we must make these changes in our social security plan in order to keep it up to date and to keep it responsive to the ideals of our country. The goal for such a program has been well-stated by one of its founders, the great Edwin E. Witte, who wrote:

> Those who believe in social insurance, as I do, see in it a bulwark for a free economy and a democratic government. They regard the increasing attention given social security the world over as a necessary, perhaps an inevitable, consequence of an aging population, of industralization and urbanization, of technological progress and the advance of science and medicine, of rising standards of living and a growing concern for the unfortunate and underprivileged. To them, social security means not a feather bed provided at public expense, but a net to catch those who fall, or rather, a floor which will assure all Americans in all contingencies of life a minimum income sufficient for an existence in accordance with prevailing concepts of decency. Anything above such a minimum, the citizens must still provide for themselves.

Mr. President, I urge the appropriate committee to give early consideration at hearings to my proposals, because I am certain of one thing: Submit this issue to the American people, and an overwhelming majority of them will vote for at least as much as I have included in my social-security bill. Many of them will say, "You have not gone far enough."

But, in my opinion, this is the correct approach. It constitutes steps in the right direction. I hope we can get action on it before this session of Congress adjourns.

Mr. President, I now turn for a few minutes to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

STAY IN REDUCTION OF SUPPORT PRICES—VETO MESSAGE

Mr. MORSE. Mr. President, the veto today by the President of the United States of the price-freeze legislation recently passed by the Congress will be discouraging news to the farmers of the Nation.

The Governor of Oregon, in a recent telegram on another matter, had reference to the $80 million farm labor payroll and the $64 million farm crop processing labor payroll, of my State. The action of the Executive, upon the advice of his Secretary of Agriculture, in vetoing legislation passed by both House and Senate with bipartisan support, will undoubtedly have adverse repercussions upon the farm economy payrolls of Oregon and most other agricultural States.

The Oregon dairy farmer, together with the wheat farmer of eastern Oregon, can best appreciate what this action will cost. Dairy price-support freeze provisions of the vetoed measure were designed, in part, to counter the action of the Secretary, scheduled for tomorrow, in lowering dairy supports.

I sincerely hope that Secretary Benson will not compound the injury to dairy farmers given by this veto, through an ill-advised and stubborn attempt to follow through by persisting in the lowering of dairy supports. To do so is to drive further toward bankruptcy the hard-working men and women upon whom each of us is dependent for the milk we daily drink and the butter on our bread.

My office was advised at 2:30 p. m. today, by Mr. Marvin L. McClain, an Assistant Secretary of Agriculture, that, as of that time, the position of the Secretary remains that he still stands by his guns, and will proceed with the lowered dairy supports. It is a tragic mistake, which while there is yet time, should be avoided by the Secretary.

All the verbiage of the veto message aside, Mr. President, the veto means in all simplicity, that this Eisenhower administration is determined to cut support price levels. To cut price support

levels now is particularly harmful to the wheat and dairy farmers of Oregon.

I know that some apologists for the President will point to the recent statistics of a 4 percent rise in farm income, as a justification of the administration policy. If we go below the glittering generality of that figure, Mr. President, what do we find? In the first place, the administration is claiming credit for an act of God—a frost that ruined many truck farmers. The Department of Agriculture figures which were supplied to me over the telephone at my request show that with respect to tomatoes for example, there has been a price rise of $8.80 per hundred. Last March the growers stood at $7.50 per hundred. This March the price is $16.30 per hundred. Last March 30,000 carloads were shipped from Florida. This March carload shipments are estimated to be only 14,000.

Meat output accounts in the second place for a good portion of the rise, beef now brings to the farmer about $21.70 per hundred as opposed to the $16.00 a hundredweight of a year ago. Hogs have risen from $16.80 a hundred of a year ago to their present price of $20.30.

These are important gains to farm income, but of what relevance are they to the wheat and dairy farmer? If supports are gone in these strategic areas can we not expect to see a drastic reversal of these encouraging price trends? The dairy farmers who go bankrupt and whose herds are sent to market for slaughter—for who would want to buy them for their highest use—milk?—will get comparatively little for them as cutter and canner grade beef, and this excess of lower-cost beef will undercut the price for higher grade meat.

As unemployment insurance payments run out, it does not take a particularly astute prophet to fortell that meat and milk products will vanish at an ever-increasing rate from the dinner tables and the supper tables of a great many American families. The rise in potato prices, which is definitely not a seasonal one, from $1.76 in January to their present status of $3.25 a 100 pounds, may be a grim warning of what is to come.

However that may be, I am certain that the wheat and dairy farmers of the Nation whose price support floor has been jerked out from under them and who face a sharp decline in income by this veto action will be mighty poor buyers of automobiles, farm equipment, or home appliances for too long a time. We have an interlocked economy, and when one segment is hurt, the cash registers of all other areas note the difference and start to sing a sorry muted tune.

Mr. President, I deplore this veto by the President as bad policy based upon bad advice. The responsibility for it is crystal clear. The farmers of my State are literate, and their analysis of this act of the Executive will result, in my judgment, in a clear rejection of the administration policy at the November polls.

THE TEXTILE INDUSTRY NEEDS HELP

Mr. JOHNSTON of South Carolina. Mr. President, it is self-evident that America, as the leader of the free world alliance, must remain strong. We must be strong spiritually, morally, militarily, and economically.

We need a thriving, prosperous Nation, with production in full gear to support the military system essential to our survival in freedom in this missile age.

Mr. President, it behooves us, therefore, to look to our economic situation so that we will have a flourishing economy to develop our fullest strength and widen our influence in the family of nations.

I make these few preliminary observations so that we may have clearly established the proposition that those who labor for the prosperity of certain fundamental American industries are at the same time serving the national interest.

Only too often is there loose criticism that those who seek the protection of vital American industries are short-sighted, are unaware of international problems, are working against our Nation's best interests.

As a matter of fact, quite the reverse is true: We serve the cause of freedom and global security best by husbanding our prime industries and by keeping our people working so we can assist the grand alliance which works to thwart aggressors.

One of the greatest boons the Kremlin can have is a depressed, run-down America; the greatest asset the free world can possess is a dynamic America, going full blast with its productive power. We have the responsibility of being vigilant of our essential industries, the economic springs which feed our business and industrial systems.

Mr. President, at this time I refer to the textile industry which actually is of the roots of our economic system. It is in sound self-interest that we be solicitous of this great industry. Historically, it is an integral part of the American scene.

Mr. President, textiles are literally woven into the fabric of American history. Every school child knows the part which the spinning wheel and the loom played in the life of our Republic from its earliest days down to the present. We should regard the textile industry as an old friend, tried and true.

This old friend, the textile, is in trouble, and it needs our attention and help.

It is in trouble, for one reason, because of the flood of textiles from Japan, a flood which has swept away the equitable safeguards of quotas which were voluntarily assumed by Japan.

Mr. President, let me say at once that I am well aware that the Japanese people have their own problems; that the Japanese nation is struggling to be successful economically; that Japan is our ally in the vitally important Pacific.

I know that it would not be wise or sound business for us to pursue policies which would choke off Japanese industry, or stifle that country's seriously needed trade. All of these matters have had consideration by our Government, at top levels; these matters have been well discussed by the respective parties. The problem of textile quotas has been approached with understanding and in a spirit of mutuality. It was in a spirit of equity, fairness, and mutuality that the textile quotas for Japan were established. And it should be a matter of equal concern that the agreement be kept. Unfortunately the evidence is impressive that the quotas are being violated.

Mr. President, the Eisenhower administration should use its powers to correct this situation, for healthy international trade requires a proper balance. It would be well for us to keep uppermost in our minds that when the late Cordell Hull sponsored the Reciprocal Trade Act in 1934, his basic aim was to better America's export position. Unfortunately, over the years, the fine purpose of this great American has been lost through maladministration.

Mr. President, it is of vital interest to our Nation that the textile industry be restored to sound health, for apart from what it contributes to our national economic well-being, it is an important partner to our Armed Forces.

It is of real significance that during World War II, the United States Armed Forces required more than 10,000 different types of textile items. We cannot afford to let such an industry lag in the doldrums or languish unattended. Rather, it is in the national interest to repair the damage at the earliest possible moment.

Mr. President, here are some pertinent textile facts that warrant attention and consideration:

Since 1950, employment in textiles in the United States has declined by 344,000 jobs. To this figure, of course, can be added the figure for employment loss in affiliated industries and in service industries. For instance, the cotton industry alone purchased $2 billion worth of materials annually from the chemical industry.

The United States Government itself last year spent $88 million in the purchase of foreign-manufactured textiles. The irony of all this is that United States tax dollars were used to finance foreign competition against American textile firms.

Japan's cotton industry is able to buy American cotton 20 percent cheaper than the American textile manufacturer can buy it; in addition, the Japanese textile manufacturer gets the benefits of machinery which our Government helps pay for, and he has the advantage of labor that works for one-tenth of the wages paid in the textile industry in the United States. The products of this United States-subsidized Japanese textile industry are then permitted to flood the American market, further depressing the domestic textile industry. This costly, inequitable competition goes on unchecked and unabated, while our national jobless toll soars toward the 6 million mark.

Mr. President, matters have not been helped by the action taken by our Government on September 10, 1955, when

the tariff rates on many cotton products were reduced, in some instances up to 50 percent.

Whether in New England or along the middle Atlantic seaboard or in the South, the textile picture is the same. The industry is depressed and struggling for survival. Layoffs and liquidation continue to be the order of the day.

Mr. President, the condition of the American textile industry warrants a thoroughgoing reappraisal. Thought ought to be given to expanding the Tariff Commission and giving it independent status, so it can be responsible to the will of Congress. Certainly Congress has not willed the present distress of textiles, nor can Congress idly abide this distressed condition.

Mr. President, the best interests of our country require official changes in trade policy and administration to revive and strengthen the United States textile industry.

Mr. President, I hope the administration will awake from its slumber and will do something to relieve the textile industry of the situation which faces it at the present time.

TULELAKE AREA—MINIMUM WHEAT ALLOTMENT

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of Calendar 1442, Senate bill 3120, to exempt the production of durum wheat in the Tulelake area of California.

Mr. COOPER. Mr. President, I have no objection.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The question is on agreeing to the motion by the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill (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, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection as follows:

"(i) Notwithstanding any other provisions of this act the Secretary shall increase the acreage allotments for the 1958 and 1959 crops of wheat for farms in the irrigable portion of the area known as the Tulelake division of the Klamath project of California located in Modoc and Siskiyou Counties, Calif., as defined by the United States Department of Interior, Bureau of Reclamation, and hereinafter referred to as the area. The increase for the area for each such crop shall be determined by adding to the total allotments established for farms in the area for the particular crop without regard to this subsection, hereinafter referred to as the original allotments, an acreage sufficient to make available for each such crop a total allotment of 8,000 acres for the area. The additional allotments made available by this subsection shall be in addition to the national, State, and county allotments otherwise established under this act, but the acreage planted to wheat pursuant to such increased allotments shall be taken into account in establishing future State, county, and farm acreage allotments. The Secretary shall apportion the additional allotment acreage made available under this subsection between Modoc and Siskiyou Counties on the basis of the relative needs for additional allotments for the portion of the area in each county. The Secretary shall also allot such additional acreage to individual farms in the area for which an application for an increased acreage is made on the basis of tillable acres, crop rotation practices, type of soil and topography, and taking into account the original allotment for the farm, if any. No producer shall be eligible to participate in the wheat acreage reserve program with respect to any farm for any year for which such farm receives an additional allotment under this subsection; and no wheat produced on such farm in such year shall be eligible for price support.

The amendment was agreed to.

Mr. YOUNG. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, in line 20, after the period, it is proposed to insert:

The increase in the wheat acreage allotment for any farm under this subsection shall be conditioned upon the production of durum wheat (class II) on such increased acreage.

Mr. YOUNG. Mr. President, the bill affects only a small area in California, the so-called Tulelake area. The bill would allow that area approximately 8,000 allotted wheat acres which could be planted to durum wheat. It is the only area there where this type of wheat could possibly be grown. This wheat is subject to rust, with the result that the production this year is the least in recorded history. So the allowance of these 8,000 acres will not hurt anyone.

The amendment I submit would require that the increase in acreage be limited to just class II, durum wheat. That was the understanding with the committee. The bill as reported to the Senate was a version of a bill suggested by the Department of Agriculture.

If these additional acres are to be made available, I believe this amendment should be included in the bill.

The amendment which I have proposed meets with the approval of the sponsors of the bill—the junior Senator from California [Mr. KUCHEL], and other Senators.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. YOUNG].

The amendment was agreed to.

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an explanation of the bill.

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

EXPLANATION OF S. 3120

As introduced, this bill would have exempted durum wheat produced in the Tulelake area of the Klamath project from wheat marketing quotas, and make such wheat ineligible for price support. The Department of Agriculture recommended against complete exemption; but was sympathetic to the special problem of the farmers in the Tulelake area, and prepared an amendment to the bill which has been adopted by the committee.

The committee amendment would establish a minimum wheat acreage allotment in the irrigible portion of the area for 1958 and 1959 of 8,000 acres. Farms receiving additional allotments would not be eligible for wheat acreage reserve participation or price support.

The producers affected by the bill are practically all veterans. They have very few crops which they can produce, and durum wheat is one of these few. It is especially good for rotation purposes in the area. In 1956 and 1957 these producers planted durum wheat under section 334 (e) of the Agricultural Adjustment Act of 1938, which was designed to obtain increased production of durum wheat during those years. However, the acreage so planted was not counted as history toward future allotments. These farmers, therefore, have practically no acreage history, and this year their wheat acreage allotment has dropped to about 546 acres. By providing a minimum acreage allotment of 8,000 acres for 1958 and 1959 the committee amendment will permit these producers to build up acreage history toward fair and reasonable wheat acreage allotments in future years.

The bill, as introduced, was limited to durum wheat. The committee amendment was not specifically limited, such limitation having been considered unnecessary in view of the fact that durum wheat is the only wheat grown in the area. However, it was the committee's intention that the bill would be applicable only to durum wheat, and the bill, consequently, should so specify. I am therefore offering an amendment to make this technical correction.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 3120) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection as follows;

"(i) Notwithstanding any other provision of this act the Secretary shall increase the acreage allotments for the 1958 and 1959 crops of wheat for farms in the irrigable portion of the area known as the Tulelake division of the Klamath project of California located in Modoc and Siskiyou Counties, Calif., as defined by the United States Department of Interior, Bureau of Reclamation, and hereinafter referred to as the area. The increase for the area for each such crop shall be determined by adding to the total allotments established for farms in the area for the particular crop without regard to this subsection, hereinafter referred to as the original allotments, an acreage sufficient to make available for each such crop a total allotment of 8,000 acres for the area. The additional allotments made available by this subsection shall be in addition to the National, State, and county allotments otherwise established under this act, but the acreage planted to wheat pursuant to such increased allotments shall be taken into account in establishing future State, county, and farm acreage allotments. The Secretary shall apportion the additional allotment acreage mde vailable under this subsection between Modoc and Siskiyou Counties on the basis of the relative needs for additional allotments for the portion of

the area in each county. The Secretary shall also allot such additional acreage to individual farms in the area for which an application for an increased acreage is made on the basis of tillable acres, crop-rotation practices, type of soil and topography, and taking into account the original allotment for the farm, if any. No producer shall be eligible to participate in the wheat acreage reserve program with respect to any farm for any year for which such farm receives an additional allotment under this subsection; and no wheat produced on such farm in such year shall be eligible for price support. The increase in the wheat acreage allotment for any farm under this subection shall be conditioned upon the production of durum wheat (class II) on such increased acreage.

The title was amended, so as to read: "A bill to amend the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, to provide additional allotments for farms in the Tulelake area, Modoc and Siskiyou Counties, California, for the 1958 and 1959 crops of wheat, and for other purposes."

REORGANIZATION OF THE DEPARTMENT OF DEFENSE

Mr. COOPER. Mr. President, it is reported that the Secretary of Defense has submitted to the President his plan to reorganize the Department of Defense, and that the President will soon make to the Congress his recommendations on reorganization.

After Soviet Russia sent up its first satellite, there was a great outcry in this country that the functions and operations of the Department of Defense should be reexamined, and the Department reorganized, to assure its maximum effectiveness, for the very security of this country.

The President, in his state of the Union message on January 9, 1958, emphasized the compelling necessity of a more effective Department of Defense, and his intention to submit recommendations for its reorganization. I remember that his statement, and I am sure we all agree, met universal approval in the Congress and throughout the country.

Now, however, when the President is preparing to present recommendations, opposition to any extensive reorganization appears. Bills have been introduced in the House and the Senate, which, if enacted, would at least minimize, if not negate, the possibility of an effective reorganization of the Department of Defense.

On February 3, I introduced in the Senate a bill which followed the recommendations expressed by the Hoover Commission in its report of February 28, 1949, by former Secretary of Defense Robert A. Lovett in a letter to President Truman on November 18, 1952, and the implied recommendations of the Rockefeller Commission reports of 1953 and 1958. All of them dealt with the civilian reorganization of the Department of Defense.

The Hoover Commission described the three departments as a "federation with autonomous powers, with the Secretary of Defense acting as a coordinator." On August 2 of last year, the Honorable John A. McCone, former Secretary of the Air, in his speech to the Air Force Association air power symposium, said that the three services were not operating under a single administrative roof, but rather as a rigid structure of federation.

The chief recommendation of the Hoover Commission was that actual control and authority be given to the Secretary of Defense to administer the entire Department of Defense in place of what they termed his present role of coordinating the three separate administrations of the Departments of the Army, Navy, and Air Force.

The bill which I introduced would have accomplished, or attempted to accomplish this objective by:

First. Transferring to the Secretary of Defense the powers and functions of the Secretaries of the Army, Navy, and Air Force. This is the exact recommendation of the Hoover Commission, and was also recommended by former Secretary Lovett.

Second. It would establish Under Secretaries of Defense for Army, Navy, and Air Force, in place of the present Secretaries. This, too, was recommended by the Hoover Commission. I doubt very much that in the present temper of the Congress this last recommendation is possible, but I suggested it in order to dramatize the necessity and requirement that the Secretaries of these forces shall administer their Departments in the scope of the national defense and security, rather than from the objectives of their separate Departments.

The bill which I introduced did not deal with the reorganization of the Joint Chiefs of Staff. It did not abolish the separate military Departments, or the military services, or interfere in the command functions of the military services. It did not interfere, as it could not, with the constitutional power of the Congress to make appropriations for the services. It did not deal with the problem of roles and missions, which, I assume, is a matter for the President to decide, as Commander in Chief, subject to the broad outlines prescribed by the Congress in the National Security Act.

I have read statements which proposed that Congress prescribe those roles and missions. The RECORD shows that when the National Security Act was being developed, Mr. Truman sent to Mr. Lovett and to the departments then in the Department of Defense his recommendations as to roles and missions, and they were enacted in the National Security Act. They are quite broad. Someone has described them as the division of the elements as laid out in the Bible; namely, that the Army should have the land, the Air Force the air, and the Navy the water. So there is nothing very specific laid out in the National Security Act regarding roles and missions. It is my judgment that the President, as Commander in Chief, would have the power, within those limits, to prescribe what specific roles and missions should be undertaken by the respective services.

I am not here to advocate the strengthening of the bill I introduced. It was not an original bill, because it was simply devoted to carrying out the recommendations made by some great Americans, who for years had studied the problem of the reorganization of the Department of Defense.

Its purpose was to provide a means, as recommended by the Hoover Commission and Mr. Lovett, and many others, to give the Secretary of Defense the authority to actually control and operate the three Departments of Defense, in the broad interests of the country and its national security.

For, if the reports I have cited, made by distinguished Americans, are correct, the Secretary of Defense's authority today is limited to coordinating the administration of the three separate Departments, which by their very organization must consider first their separate interests.

In making this statement, I cast no aspersions on the patriotism or ability of the present, or any past or future, Secretaries of the three Departments. However, it seems to me perfectly obvious, because the present National Security Act requires that they administer separately their Departments, and because their leadership and effective work in their positions depend on the support of members of their respective services, they cannot help becoming, in some degrees more or less advocates of their services. Further, they are civilians and not military men. They are advised by an experienced and able Chief of Staff of their service, whose interest, because of his training and loyalty, must be in his own service. Again, the service officers and enlisted men must look to their own service and their Secretary for their promotion and well-being. All of these factors, in my view, tend to strengthen the autonomy of the separate services, and decrease, naturally, the authority of the Secretary of Defense.

I do not think that what I have said is mere hypothesis. I give several examples of the effect of the division of authority, which adversely affects the economical operation of the Department of Defense and the security of this country.

First. Budgets are prepared in the three services separately. It is only through review by the Secretary's office that duplications can be stricken and larger economies effected.

Second. Much has been said about joint procurement to save money appropriated by the Congress. Yet after years of effort, I am informed that the initiative toward joint procurement comes chiefly from the Secretary's office, and the Congress, against the continued effort of the services to maintain their own procurement.

Third. It is evident that economies could be affected if joint use of hospitals, warehouses, and store supplies could be assured. Some progress has been made. But, again, because of the principle of separate administration, progress in this direction comes chiefly from the initiative of the Secretary of Defense.

Fourth. Most important today is the problem of research and development for national security. Each of the departments maintains its division of re-

search and development. I do not argue now the question whether competition of the services in this field is good or bad. What I do say is that the progress or failure of the three services in research and development should be available immediately to the other services, with all supporting information. I am informed that the exchange of information has not been readily available between the departments. I think we all know this to be true. If it is true, and I believe it to be true, it has affected and will continue to affect the security of our country.

My conclusion is—and it is a conclusion based upon the Hoover report, upon the statement made by Mr. Lovett, and upon many other things—that the Secretary of Defense should have authority to administer the three Services. He should have authority to initiate better budget preparation, joint procurement, joint use of facilities and stores, and most important, for a full exchange of information, and full cooperation in research and development.

Further, in my view, the preeminence of the civilian authority over the military authority will be assured by giving the Secretary of Defense authority over the administration of the three Services. I give my reasons for this statement. There is no question that the military leaders in the Department of Defense occupy a very strong position. This is indicated, if by nothing else, by the debate over reorganizing the Joint Chiefs of Staff. Their strong position is a normal consequence of the fact that they understand military operations while civilians do not understand easily military operations. And now, with modern weapons, the tendency toward leaning on the trained military man must increase. If there is to be an effective civilian check and review of the recommendations of the military leaders, it seems to me that the Secretary of Defense must have the full authority to question, to check, and to review policy decisions and administrative operations from the time of their initiation, in the various Services. Otherwise, he will be required to wait until these decisions have been hardened at the Department level, and come before him with the support of the Chief of Staff of the Service, the Secretary of the Service, and perhaps the Joint Chiefs of Staff. We can expect, because of their training, and I may say their loyalty, that military leaders of a Service will advocate the views of the Service. But the primary responsibilities of the civilian Secretaries of the Army, Navy, and the Air Force ought to be to the Department of Defense as a whole rather than to their separate departments.

We have spent billions of dollars on defense since World War II, and will be called upon to spend increasingly larger sums. The security of our Nation may depend upon research and development in the Department of Defense, in coordination with our civilian scientists.

I do not believe the people of our country will submit longer to inefficiency and waste in the Department of Defense. More important, the country will not risk its security because of divisions and hardened positions in the Department of Defense.

As a civilian, I am not widely familiar with the detailed problems of the Department of Defense. I spent nearly 4 years in the armed services in time of war, at home and abroad. I am proud of my service in the Armed Forces. But I learned, as every member of the armed services has learned, of the waste and duplication in the armed services. This is often necessary in war because no risk can be taken that one does not have enough, and perhaps more than is needed, but it is not necessary in peace, or even at this time. As a member of the Armed Services Committee for 2 years in 1953 and 1954, I learned how difficult it was to get any clear idea of the operation of our Defense Department and the separate responsibilities of the service. I sat as a member of a special committee in 1953 which attempted to fix responsibility for the failure to supply sufficient ammunition of various types to our troops in Korea during the Korean war. We were never able to find out exactly the causes of the failure and to fix responsibility.

I do not criticize the military services and their leaders for the division of civilian authority in the Department of Defense. Even the civilian Secretaries of the departments find themselves required to become champions of their services.

Their positions as Secretaries of the Army, of the Navy, and of the Air Force would deteriorate and be derogated if they were not strong champions of their services before the civilian personnel and the military personnel of the Army, of the Navy, and of the Air Force. They cannot take the full steps which would lead to true unification in the Department of Defense, or which would at least lead to a better reorganization at this time, when it is necessary as never before.

It is up to the Congress to take the effective steps which could provide a real unification of the armed services. This is the reason that I have been disturbed by statements, and by the introduction of bills, which, if adopted, would seem to negate the possibility of any actual and effective reorganization of the Department of Defense.

The mere pouring of more money into the Pentagon is not enough to save us from the greatest security crisis our Nation has faced. We have to have a better application of brains, better management and clearer civilian responsibility. This is the first step in a long-term program which we are going to have to follow in order to survive.

It is my judgment that while it may be difficult to make any advance in the matter of the authority of the Joint Chiefs of Staff or the duties of the Chiefs of Staff, certainly we can make advances in the civilian reorganization of the Department of Defense and give to the Secretary of Defense not only the real authority actually to administer the level above the three separate services or departments, but also the authority and control actually to administer and operate the entire Department of Defense.

We ought not to close our minds, or fix our positions in advance against the President's recommendations. I am sure that the President and the Secretary of Defense, who has performed a remarkable service in his short tenure of office, will make recommendations, with the purpose of making the Department of Defense a more effective agency for the defense of this country. The fiscal stability of our economy, our security, and, in a broad sense, the security and peace of the world, will be affected largely by our actions on the recommendations of the President.

Mr. DOUGLAS obtained the floor.

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

Mr. DOUGLAS. I yield to the Senator from Montana.

EXTENSION OF TIME FOR FILING OF REPORTS BY COMMITTEE ON THE JUDICIARY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time for the filing of reports by the Committee on the Judiciary, required by Senate resolutions, be extended to April 28, 1958. The resolutions referred to are Senate Resolutions 49, 53, 54, and 58.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIRED PAY WAIVER BY RESERVISTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 1417, House bill 1140.

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

The LEGISLATIVE CLERK. A bill (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.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement from the Finance Committee in relation to House bill 1140.

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

SUMMARY OF H. R. 1140, 85TH CONGRESS

The proposed legislation will grant to reservists, enlisted and officer alike, a privilege that is now applicable only to regulars. The advantage, of course, is that a person who can draw compensation or pension from the Veterans' Administration is allowed to exclude that compensation or pension from his income for tax purposes whereas all retirement pay, other than retirement pay for disability, is taxable.

In the event the proposed legislation becomes law, regulars and reserves alike, who qualify for retired or retirement pay, and who are eligible to receive pensions or compensation from the Veterans' Administration, will

be allowed to receive that compensation or pension from the Veterans' Administration, which is not taxable, and waive a like amount in retired pay. This benefit will not increase the amount of pension or compensation they will receive from the Government but will reduce their taxable income.

The bill adds to the existing list four new groups, namely, reservists not retired for disability, Public Health Service, Coast Guard, and Coast and Geodetic Survey Service. Hospital and burial benefits would be granted to a limited number who would take Veterans' Administration compensation.

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

The bill was ordered to a third reading, read the third time, and passed.

ESTABLISHMENT OF POSTAL STATIONS AT CAMPS, POSTS, OR STATIONS OF THE ARMED FORCES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 1421, House bill 4815.

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

The LEGISLATIVE CLERK. A bill (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.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, under authority of section 1 of the act of March 10, 1952, the Postmaster General could establish postal stations at military camps or at other strategic installations. However, that authority expired on March 10, 1957. In the interest of more efficient and economical operation of postal facilities necessary to serve installations of the Armed Forces, both the Post Office Department and the Department of Defense asked that the authority be renewed and continued on a permanent basis. The bill will accomplish this purpose.

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

The bill was ordered to a third reading, read the third time, and passed.

INCREASED MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar 1441, Senate bill 3050.

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

The LEGISLATIVE CLERK. A bill (S. 3050) to increase the equipment maintenance allowance for rural carriers, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment, on page 1, line 10, after the numeral "(2)", to strike out "$4.50" and insert "$3.50", so as to make the bill read:

Be it enacted, etc., That section 609 (a) of the Postal Field Service Compensation Act of 1955 (69 Stat. 128; 39 U. S. C. 1009) is amended to read as follows:

"SEC. 609 (a) In addition to the compensation provided in the Rural Carrier Schedule, each rural carrier shall be paid for equipment maintenance a sum equal to (1) 11 cents per mile for each mile or major fraction of a mile scheduled or (2) $2.50 per day, whichever is greater. In addition to the allowance provided by the preceding sentence, the Postmaster General may pay such amount as he determines to be fair and reasonable, not in excess of $2.50 per day, to rural carriers entitled to additional compensation under section 302 (c) of this act for serving heavily patronized routes. Payment for such equipment maintenance shall be made at the same periods and in the same manner as payments of regular compensation."

SEC. 2. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

SEC. 3. The amendment made by the first section of this act shall take effect on the first day of the first pay period which shall begin more than 30 days after enactment of this act.

Mr. JOHNSTON of South Carolina. Mr. President, the bill would increase the basic equipment allowance for rural carriers of the Post Office Department to 11 cents per mile from the present rate of 9 cents per mile, and as amended provides a minimum allowance of $3.50 per day. In actual operation, this means that a rural carrier with a route of 32 miles or less would receive the $3.50 minimum allowance, whereas carriers with routes in excess of 32 miles would receive 11 cents per mile.

Present law provides that in addition to the basic allowance of 9 cents per mile carriers serving heavily patronized routes may be given an extra amount which, together with the mileage allowance, will not exceed a total of $3 per day. In other words, a rural carrier serving a route of less than 33 miles deemed by the Post Office Department to be heavily patronized, receives the basic 9 cents per mile and may be given an additional allowance which will not increase his total equipment allowance to more than $3 per day. This limitation prevents a rural carrier having a route of 33 miles or over from receiving any additional allowance even though he is serving a route deemed to be heavily patronized because his basic mileage allowance is in excess of the $3 ceiling.

The bill would change existing law in this regard by providing that the Postmaster General may give rural carriers an allowance of not to exceed $2.50 per day for serving routes deemed to be heavily patronized without regard to the basic mileage allowance.

The equipment allowance for rural carriers has not been increased since 1951. Since that time the cost of automobiles has increased over 30 percent; repairs over 60 percent; license and other taxes in excess of 40 percent; insurance approximately 30 percent; gasoline and oil some 20 percent; and, other operating costs proportionately.

Rural carriers are required to provide adequate vehicles to perform their daily duties. Convincing testimony was presented during public hearings indicating that the current allowance falls short of reimbursing carriers for their actual expenses incurred in owning and operating equipment necessary to the performance of their assigned duties. The result is that rural carriers are currently subsidizing the Government by furnishing and operating their vehicles at annual losses running from $200 to $500 per annum.

Public hearings were held on February 7, 1958. Several Senators and Representatives testified in support of the bill. Also, favorable testimony was received from representatives of all interested employees groups. The Post Office Department appeared in opposition to the bill until such time as it might survey the matter. However, the committee suggests that further surveys are not necessary.

The Post Office Department estimated that the bill, as introduced, would increase expenditures by some $13 million annually but that, as amended, the cost would amount to $11,200,000 annually.

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

The amendment was agreed to.

Mr. JOHNSTON of South Carolina. Mr. President, I believe the Senator from Texas has a statement he wishes to make.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement showing increases in the cost of automobile tires, gasoline, repairs, taxes, depreciation, and insurance since the last increase, in 1951. The statement shows an average increase of a considerable percentage above the increase requested in the bill.

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

STATEMENT BY SENATOR YARBOROUGH

An increase in equipment maintenance allowance of rural carriers is long overdue. There has been no increase since 1951 in spite of the fact that there has been an increase in costs since 1951 as follows: automobiles, 30 percent; gas and oil, 18 percent; tires, 30 percent; repairs, 75 percent; license and taxes, 42 percent; and insurance, 27 percent. This bill provides for an increase of only 2 cents per mile, which amounts to only about 22 percent.

A national survey among rural carriers shows an average vehicle cost per mile of 11.3 cents. The Post Office Department's costs for 1956, as shown in the 1956 report, were 12 cents per mile for mounted route vehicle service. Comparable figures are not available for 1957, but the Postmaster General stated in his report that vehicle costs had risen due to increased taxes on gasoline and tires. His report also showed an average 10-percent increase in the costs of replacement parts.

The American Automobile Association recently completed studies which indicated that for an average annual mileage of 5,000 miles, the cost per mile is 16.4 cents; for an average annual mileage of 10,000 miles, the cost will average 10 cents per mile; and for a 20,000 annual mileage, it will average 7 cents per mile. This study is for normal driving. Rural carriers travel over all types of roads, in all kinds of weather, and they make an average of 300 stops per day. By actual test, the rural carrier uses twice the normal amount of gasoline per mile and he obtains only half the normal mileage from his tires. His repairs are high, and the depreciation on his car is higher. Many automobile dealers are not interested in trading for his automobile, because they know of the hard operating conditions.

The rural carrier is faced with a double-barreled dilemma in attempting to maintain adequate equipment. If he trades models frequently in order to avoid high repair bills, he is hit by a sharp depreciation loss which on a national average will be at least $635 per annum on any of the three lowest priced cars. If he does not trade, he is then subjected to frequent expensive repairs. He cannot avoid the costs and he cannot beat them.

Mr. YARBOROUGH. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement entitled "Fact Sheet on Rural Carriers' Equipment Maintenance Allowance."

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

Fact sheet on rural carriers' equipment maintenance allowance

	Cents
National survey among rural carriers shows average vehicle cost per mile in 1957	[1] 11.3
Post Office Department's own vehicle costs for mounted delivery service in 1957	[2] 12

[1] Survey conducted by National Rural Letter Carriers' Association. Reports taken from 1957 income-tax returns of individual rural carriers.

[2] Post Office Department motor vehicle service cost accounting, 8th period, January 12-February 8, 1957—statement 4.

Yet rural carriers drive over 50 percent of the unimproved roads in the country. On the improved roads, they constantly drive on the shoulder, berm, or in the ditch in serving rural patrons. Mounted routes are principally on city streets.

Although the Government secures its vehicles on a fleet purchase plan, pays no excise taxes, carries no insurance, and has no licensing fees, rural carriers can operate their private vehicles at a lesser cost than the Government operates mounted delivery. (Comparable ½-ton units.)

A rural carrier can actually operate his vehicle more economically because he has a personal interest in the maintenance of his vehicle and constantly works to keep costs down. This is a benefit to both himself and the Government.

Summary

ACTUAL COSTS	
Post Office Department-owned vehicle (mounted route) per mile	[1] $0.12
Post Office Department-owned vehicle (mounted route) per day	[1] 5.36
RURAL CARRIERS' REQUEST AND NEED	
Vehicle per mile	0.11
Vehicle per day (whichever is greater)	3.50

[1] Post Office Department motor vehicle service cost accounting, 8th period, January 12-February 8, 1957—statement 4.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial entitled "Auto Liability Rates Still Climb," found on page 149 of the National Rural Letter Carrier for March 15, 1958.

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

HOW HIGH THE MOON?—AUTO LIABILITY RATES STILL CLIMB

[From the National Rural Letter Carrier]

Various newspaper and industry reports indicate that auto liability insurance rates, which have been climbing steadily since 1956, are destined to go higher still in 1958. In some areas, auto owners will be called upon to pay up to 35 percent more for their insurance coverage.

The Wall Street Journal, in a front page article in their issue of March 6, set forth many facts on the outlook for costlier auto insurance. This article stated: "The reason for the relentless rate rise, the insurance men say, is simple enough: Even with the sharp increases of the past year or so, most companies are still losing money on auto insurance.

"The America Fore Group, for example, reports it cost nearly $14 million more to settle auto insurance claims in 1957 than it collected on premiums on such policies. Continental Casualty Co. last year suffered its first underwriting loss in 22 years, attributing it directly to its auto insurance division.

The amount of increase will vary widely from area to area, although it is expected that auto liability insurance rates will go up in every State.

Many rural carriers, in submitting cost data in substantiation of an equipment allowance increase, give this office a factual report on the sharp rise already effected during 1957. This is but one area of costs which has been jumping by leaps and bounds, and which has made most necessary action of the Congress to raise the allowance paid carriers for delivering the mail.

The rural carriers of the Nation have demonstrated that they are safe drivers, as evidenced by the thousands of safety driving awards being given them on the basis of their record of safe driving. In addition, competition among fleets of vehicles has repeatedly shown that rural carriers as a group are among the safest group of drivers in the Nation. Regardless of this safety record, as a group, however, every rural carrier is going to pay the increased insurance rates made necessary by the climbing cost of repairs, for accident damage, for the bigger jury awards and settlements in damage suits, and for the rising hospital and medical costs which have also sharply affected the claim settlements.

This climbing cost of repairs is definitely putting up the insurance rates. Likewise, this same area of costs is giving the rural carrier a double-barreled kick in the pocketbook because he is also suffering the sharp repair costs incident to normal maintenance and upkeep.

An equipment allowance increase is a must.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial entitled "Car Depreciation Costs Up," published in the National Rural Letter Carrier for March 22, 1958.

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

CAR DEPRECIATION COSTS UP

The District of Columbia division of the American Automobile Association announced on March 14, 1958, that the typical car owner's bill for driving 10,000 miles annually will run about $75 higher this year than it did a year ago. It further pointed out that the average yearly increase between 1953 and 1957 was $29. The largest single increase in the cost of owning a car is in depreciation, and on the cheaper models it amounts to $565. So says the AAA. The Nation's rural carriers will be among the first to acknowledge the truth and fact of this report by the Nation's largest automobile association.

This is but a further factual demonstration of the increased costs which make an increase in a rural carrier's equipment allowance absolutely necessary.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point statements from various rural letter carriers, including a telegram from the president of the Texas Rural Letter Carriers Association, Oakwood, Tex.

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

From a letter to Senator RALPH YARBOROUGH, February 5, 1958, from Mr. B. T. Martin, Rural Route No. 1, Diana, Tex.:

"This is my personal standing of my equipment allowance for 1957. I want to state in the beginning that I am one of the most fortunate carriers that I know of. I have a 43-mile route with all paved and oiled roads except 1 mile of gravel and it still cost me $330 more to operate last year than my equipment allowance of 9 cents paid me. Take $330 from my salary, $3,931, which leaves $3,601. After 6 percent is paid for retirement, it leaves me $3,365.14 to feed and clothe a family of 5."

(Mr. Martin's weekly salary is only $64.71, because of the above.)

VALLEY MILLS, TEX., *March 30, 1957.*

Senator RALPH YARBOROUGH,
Senate Office Building:

Since last increase in equipment allowance for rural carriers in 1951 cost of maintaining our cars have increased from 30 to 40 percent. Thousands of rural carriers are suffering losses of several hundred dollars annually in maintaining their equipment. An increase in equipment allowance is urgently needed.

BUN RALEY,
Past President National Rural Letter Carriers Association.

STATEMENT OF EUGENE J. LYONS, POST OFFICE DEPARTMENT IN A LETTER TO SUBCOMMITTEE CHAIRMAN CHURCH ON S. 3050

The Department is persuaded that a minimum daily allowance of some amount is proper, in recognition of the fact that certain fixed vehicle costs are incurred irrespective of the length of the route. Our studies point to the conclusion that a minimum daily allowance of $3.50 would provide reimbursement to the rural carriers on the shorter routes not only for that portion of the fixed cost which is attributable to official use of the vehicle, but also for expenses incurred in the operation of the vehicle while on the route.

STATEMENT OF THE BUREAU OF THE BUDGET ON RURAL CARRIERS EQUIPMENT ALLOWANCE

The Bureau of the Budget supports the position taken by the Post Office Department in the attached letter recommending 10 cents per mile or a minimum of $3.50. Therefore need is accepted. Only difference is in the 11 cents.

PALESTINE, TEX., *March 30, 1958.*

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D. C.:

Sincerely appreciate your continued support of long past due and fully justifiable increased equipment allowance for rural carriers. The large and continuing rise in costs and maintenance of our vehicles since our last raise in equipment allowance in 1951 is an accepted fact. Conditions on my 54-mile route are about average for this section of Texas and my allowance of $1,324.53 for 1956 lacked $259.16 of covering my expenses. In 1957 this deficit increased to $326.12. This large and growing deficit forces us to pay the difference from our already inadequate salaries. Know you agree this unfair situation should be corrected.

Sincerely yours,

DECK M. MOORE,
President, Texas Rural Letter Carriers Association, Oakwood, Tex.

Mr. JOHNSTON of South Carolina. Mr. President, the committee was unanimous in its approval of the bill. It found that rural letter carriers incur an additional expense, as compared with other Government employees, by reason of the fact that they stop and start so much. They stop at every mail box, as Senators know.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

PUBLIC FACILITY LOAN PROGRAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the so-called Fulbright community facilities bill, Senate bill 3497.

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

The LEGISLATIVE CLERK. A 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.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with amendments.

DISCONTINUANCE OF PURCHASE OF DOMESTIC ZINC

Mr. MANSFIELD. Mr. President, the Office of Defense Mobilization this morning, March 31, announced that it was, as of today, discontinuing the purchase of domestic zinc under the purchase program announced about a year ago.

Purchases by the ODM during the last 4 months have been as follows:

December 1957, 10,000 tons.
January 1958, 10,000 tons.
February 1958, 8,152 tons.
March 1958, 6,000 tons.

With the heavy stocks of zinc now on hand it is reasonable to assume that there is will be a further break in the price of zinc in the near future.

Along the same line, a week ago there was a meeting of the Western Conference of Senators, in which the metal situation was discussed. I ask unanimous consent to have printed in the RECORD at this point a release from the office of the distinguished senior Senator from Montana [Mr. MURRAY] this morning, together with resolutions adopted unanimously by the Conference of Western Senators on March 21, 1958, and letters to Hon. Edgar B. Brossard, Chairman of the Tariff Commission, from the senior Senator from Montana, and the Senator from Utah [Mr. BENNETT]; also a letter to the President of the United States, signed by the chairman of the Conference, the senior Senator from Montana.

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

NEWS RELEASE BY SENATOR MURRAY

The United States Tariff Commission has been urged to expedite its report and recommendations in the pending lead-zinc tariff case by the Conference of Western Senators, it was revealed today by Senator JAMES E. MURRAY, Democrat, of Montana, cochairman of the bipartisan western group.

In a resolution adopted by the conference, Senator MURRAY said, the Tariff Commission "is urged to discharge expeditiously its administrative duties by rendering its report and recommendations in the lead-zinc case so that mockery is not made of an administrative procedure designed to avoid, as far as possible, and end distress being suffered by American industries."

The case has been pending before the Commission since September 27 of last year when the emergency lead-zinc committee of the combined industry filed its petition praying for tariff relief under the escape clause provision of the Reciprocal Trade Agreements Act.

The resolution adopted by the Conference of Western Senators declares "it is inconsistent with the intent of the Congress when it enacted the escape-clause provisions of existing laws and also against the best public interest for the Tariff Commission to require so much time to make its report and recommendations in a matter of such grave import."

The domestic lead and zinc mines have been operated for many months at greatly curtailed levels, some having entirely closed down, with thousands of workers unemployed, as a result of drastic price reductions involving both lead and zinc metals brought about, Senator MURRAY stated, "by flooding of the American market with cheaply produced foreign imports."

The resolution addressed to the Tariff Commission points out that on September 28, 1957, 2 days after the industry petition was filed, President Eisenhower communicated with the Commission and urged that the Commission take all proper steps to expedite its investigations and to issue its report as soon as consistent with a conscientious discharge of its duties under the law."

"As long ago as November 26," Senator MURRAY said, "the Tariff Commission concluded its hearings in this case. I and my colleagues feel there has been more than ample time for the Commission to reach its decision. Each day of delay sees a worsening of conditions in the industry, increasing unemployment, and crystallization of opposition to extension of the Trade Agreements Act in the absence of proper and prompt exercise of administrative procedures provided for in the act."

RESOLUTION ADOPTED UNANIMOUSLY BY THE CONFERENCE OF WESTERN SENATORS ON MARCH 21, 1958

Whereas, the Nation's domestic lead and zinc producing industries are, and have been, in increasing dire economic straits for more than a year; and

Whereas on September 27, 1957, the emergency lead-zinc committee did file with the United State Tariff Commission a petition praying for a hearing and tariff relief under the escape clause provisions of existing laws; and

Whereas on September 28, 1957, the President of the United States did address a letter to the said Tariff Commission in respect to the Lead-Zinc case, urging that "the Commission take all proper steps to expedite its investigations and to issue its report as soon as consistent with a conscientious discharge of its duties under the law"; and

Whereas on November 19–26 hearings were held by the Tariff Commission on the petition of the industry for tariff relief but so far, 4 months later, no report has been rendered in the matter; and

Whereas it is inconsistent with the intent of the Congress when it enacted the escape clause provisions of existing laws and also against the public interest for the Tariff Commission to require so much time to make its report and recommendations in a matter of such grave import: Now, therefore, it is

Resolved, That the Tariff Commission is urged to discharge expeditiously its administrative duties by rendering its report and recommendations in the Lead-Zinc case so that mockery is not made of an administrative procedure designed to avoid, as far as possible, and end economic distress being suffered by American industries.

MARCH 31, 1958.

Hon. EDGAR B. BROSSARD,
Chairman, Tariff Commission,
Washington, D. C.

DEAR MR. CHAIRMAN: Attached herewith please find a copy of a resolution addressed to the Tariff Commission which has been unanimously adopted by the Conference of Western Senators.

I earnestly urge that the Commission give the most serious consideration to the plea contained therein in the realization that ours is a bipartisan group gravely concerned with the plight of this important segment of the domestic economy, with the effectiveness of administrative procedure set up by the Congress, and the effect further delay will have on consideration of the proposed extension of the Reciprocal Trade Agreements Act.

Sincerely yours,

———,
Co-Chairman, Conference of Western Senators.

MARCH 31, 1958.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Attached please find, for your consideration, copies of a resolution addressed to the Tariff Commission in respect to the Lead-Zinc case now pending before it, unanimously adopted by the Conference of Western Senators, and of my letter transmitting the resolution to Chairman Brossard, and of a news release by me today.

Sincerely yours,

JAMES E. MURRAY,
Chairman.

TAX REDUCTION AND UNEMPLOYMENT

Mr. DOUGLAS. Mr. President, in February some of us proposed that there be put into effect almost immediately a tax cut to release purchasing power and stimulate a revival from the recession.

We were told that we should wait until March, to see what the unemployment figures would be for that month.

In March it developed that unemployment had increased between the middle of January and the middle of February by a very large figure, indeed.

Once again some of us urged that we should immediately put into effect a tax reduction. We were told then that we should wait until the middle of April, when the census of unemployment for March 15 would be made available, and that therefore it was inopportune to put a tax cut into effect at that time.

Senators may remember, further, that the bill of the Senator from Illinois proposing a tax cut of $5.2 billion was quite unmercifully "clobbered" and defeated by a vote of 71 to 14, and that later in the day the bill of the distinguished junior Senator from Texas [Mr. YARBOROUGH] proposing a decrease in the income tax of approximately $6 billion, was defeated by almost the same margin.

It is now said that we should most certainly wait until the middle of April; and there are voices heard to the effect that we should really wait until May. I do not think it is necessary for us to wait until the middle of April to know what has happened during the month of March so far as unemployment is concerned.

UNEMPLOYMENT WORSENS FROM FEBRUARY TO MARCH

We know now that conditions went downhill between the middle of February and the middle of March. We know this fact from the weekly figures of insured unemployment, which are issued by the United States Department of Labor. The RECORD will show that in the past the Senator from Illinois has been able to predict in advance what the census figures would be for the middle of the month from the statistics of insured unemployment for that week.

In brief, in the past the number listed by the Department of Labor as amongst the insured unemployed has been approximately 63 percent of the total number of unemployed, as revealed later by the United States Census Bureau. This is because the statistics of insured unemployment do not include those in covered occupations, do not include those who are still in the waiting period, and are therefore not eligible for the payment of benefits and finally—and extremely important, Mr. President—those who have exhausted their claimed benefits and are still unemployed but are not entitled to compensation under the unemployment compensation laws.

In the past this ratio of 63 percent has been relatively steady, with some variations. Therefore, it has been possible for the Senator from Illinois from month to month to predict in advance what the figures of total unemployment would be when issued by the Census Bureau.

The Senator from Illinois predicted in February that the January figures for unemployment would be almost precisely 4½ million. Sure enough, that is what they turned out to be. In March he predicted that the statistics of the Census Bureau would show 5.2 million unemployed. Sure enough, that is what they turned out to be precisely.

PREDICTION OF MARCH TOTAL UNEMPLOYED FIGURE

I am now ready to make a prediction, several weeks in advance of the time that the Census Bureau is going to issue its figures, as to what the unemployment figure will be for the middle of March when announced in the middle of April.

I base this estimate on the fact that the number of insured unemployed rose from the 15th of February to the 15th of March by a total of 155,000, or an increase from 3,337,800 to 3,493,300, or, as I have said, an increase of 155,000. If we assume that 155,000 is only 63 percent of the actual increase in total unemployment, we get a figure which is just a little short of 250,000.

However, there is another factor that needs to be considered, namely, the fact that a larger and larger number of unemployed workers are exhausting their 18, 20, or 26 weeks of benefits, and are still out of work but do not receive benefits, and therefore are not included amongst the insured unemployed. Therefore the figure of 63 percent has probably become less and less reliable as time has gone on and therefore understates the actual increase in unemployment, which has probably grown.

PROBABLE INCREASE OF 250,000

Nevertheless, if we use it, it would mean an increase, as I have said, of around 250,000. This added to the 5,200,000, who were completely out of work in the middle of February, would give in my opinion a conservative total of somewhere between 5,400,000 and 5,550,000 persons completely out of work.

NORMALLY UNEMPLOYMENT DECREASES FROM FEBRUARY TO MARCH

This increase is in very sharp contrast with the fact that normally speaking unemployment decreases from February to March. For example, in 1957, insured unemployment decreased between the 16th of February and the 16th of March by 151,000, or a decrease in total unemployment of approximately 250,000. The normal seasonal drift therefore would be to diminish unemployment between February and March by somewhere between 100,000 and 250,000. Even if the number of unemployed did not increase from February to March, we really would be losing ground, because of the failure at this time of the year to obtain the normal seasonal increase in employment and decrease in unemployment.

Nevertheless, what happened was a very large increase in unemployment by probably, as I have said, a quarter of a million, instead of a decrease of from 100,000 to 250,000.

When we add to all of this the fact that there are several million who are on involuntary part-time employment, who would like to work a full week but who are actually permitted to work only 4 days or 3 days or 2½ days a week, and in some cases only 2 days a week, we can see how serious the present situation is.

In February the involuntary part-time workers were the equivalent of 1.2 million completely unemployed. Two men working half time equal one man completely out of work. Therefore, if we add this figure to the completely unemployed, we have a total of equivalent full-time unemployed of from 6.6 million to 6.8 million, or nearly 12 percent of those who are seeking work or who are working as wage or salaried employees.

I have again and again emphasized that in computing these figures we must not take as a common denominator the total working force, because that includes the 10 million people who are self-employed—self-employed farmers and self-employed merchants, or wives of self-employed farmers or self-employed merchants. During a recession or depression these people do not lose their jobs; they merely suffer a decrease in income. Therefore one should take not the 67 million who are in the working force, but 67 million minus the 10 million I have referred to, and in that way we get a figure of 57 million who are either wage or salaried employed or are seeking wage or salary employment, and are therefore even subject to unemployment.

Using 57 million as the denominator and the 6.6 to 6.8 equivalent full-time employment as the numerator, we get an average unemployment of around 12 percent.

NO EXCUSE TO WAIT FOR FIGURES NOW PREDICTABLE

We do not need to wait until the middle of April or the middle of May to know what is happening. The economy is slipping downhill. I hope the figures on unemployment to be issued by the Census Bureau around the 11th or 12th of April will be compared with my prediction now, 2 weeks in advance of what they are going to be. I predict that the Census figures on the completely unemployed will range between 5.4 and 5.55 million.

TAX CUT BEST REMEDY

There are two remedies that should be taken together, and at once. The first is a tax cut of not far from $6 billion, which, by releasing purchasing power and by stimulating demand, will help to build up production and employment. The right kind of a tax cut—primarily to low and middle income groups who spend most of their income and, indeed, very frequently spend more than all of their income, could take effect immediately. Furthermore, if the administrative details can be worked out, I am prepared to say that much of this tax cut should go to people in lump-sum payments.

The situation is likely to become worse every day action is delayed. We have already lost too much time. If we wait longer, it may be too late. All of us know that a tax cut is inevitable. If this is so, why wait any longer? Why not act now?

I must confess that the good folk who are afraid of inflation do not really, in my judgment, understand the situation. In the first place, the great danger which faces us now is not inflation, but severe depression, which would be the most terrible thing economically that could happen to this country.

The human misery, the loss of international prestige, and the damage to

family life and to social institutions which would be caused by widespread and continued unemployment would all be so incalculable that, in my judgment, every possible precaution should be taken to prevent all of this, if it is possible to do so; and it becomes more difficult to take preventive action with every day that passes.

INCREASED PRODUCTION OFFSETS DANGER OF INFLATION

Furthermore, our purpose in stimulating purchasing power is to build up employment, to put idle labor to work, and idle machines to producing goods which otherwise would not be produced. Hence, we would increase the quantity of goods at the same time we were increasing the quantity of monetary purchasing power. This should, at least, help to prevent, in large part, if not wholly, the increase in prices which would result from the increase in the quantity of money alone, unaccompanied by any increase in the quantity of goods. I cannot emphasize too strongly that we would be increasing the quantity of goods, on the one hand, as well as increasing the quantity of monetary purchasing power by the Government borrowing from the banks, on the other, and that the first should help to offset the latter. Because of this a tax cut need not be inflationary at all.

EXTEND AND INCREASE UNEMPLOYMENT BENEFITS

The second step which also needs to be taken, and to be taken very quickly, is to extend and to improve the benefits paid to the unemployed. Hundreds of thousands of unemployed persons have exhausted their 18, 20, or their 26 weeks of benefits but are still out of work. In every week that passes, more persons will exhaust their claims for benefits. Even those who are still drawing benefits are being paid insufficient sums, which average only about a third of their average wage.

As one who helped to write the early laws of unemployment insurance, I can say it was the original intension, when the unemployment compensation law was passed, to pay benefits equal to approximately one-half the wage received previously by the unemployed worker.

But the States have competed with one another in trying to reduce the costs of unemployment insurance and have held down the benefits by putting in weekly maximums above which benefits are not paid, and by putting in other restrictions, so that in practice the benefits average about one-third instead of the one-half which was originally designed.

In my judgment, the amount of the benefits should be raised to at least one-half.

If the statistics of the unemployment reserve funds are examined, it will be found that they total more than $8 billion at present, and are largely lying idle. A way should be found to utilize this money to protect the unemployed better, to slow down the increase in demand, and to increase purchasing power.

PUBLIC WORKS TOO SLOW

Some very good people seem to be placing their main reliance upon public works. Some of those works, such as schools, hospitals, slum clearance, low-income housing and highways are excellent in themselves. Other projects are not so worthy. There is grave danger that in the zest for public works many projects will be located in areas where there are not many persons unemployed, such as in the great open spaces, instead of in the great industrial centers, where the unemployed are congregated, and that such works will give employment to crafts, in which the present percentage of unemployment is not high.

But the chief trouble is that public works are too slow in their effects. It takes a great deal of time for plans to be drawn, for land to be purchased, for bids to be advertised, for contracts to be let, for materials and labor to be assembled, and for the work to be begun. By that time the worst may have happened. The need now is for quick, decisive action.

We have dallied too long. Time is running through our hands.

I close with a poetic allusion. Let me quote some lines which I reread last night from Shakespeare's Henry IV, in which Hotspur is getting his friends together to introduce greater liberty in Great Britain. I think the lines are appropriate also for the present times.

O, gentlemen, the time of life is short!
To spend that shortness basely were too long,
If life did ride upon a dial's point,
Still ending at the arrival of an hour.

EXTENDING THE PRINCIPLE OF THE SUPPLEMENTAL PRIVATE PENSIONS SYSTEM

Mr. MALONE. Mr. President, the purpose of S. 3415 is to encourage the establishment of voluntary retirement savings by self-employed individuals.

This would be accomplished by affording such individuals a tax deferment on a limited portion of their income set aside for their retirement. Under existing law such tax deferment is taken by employed persons whose employers have established so-called employee pension plans meeting certain statutory requirements. However, since self-employed individuals cannot be their own employees, they cannot qualify under existing legislation.

It will be recalled that the Social Security Act, which sets up a compulsory system of old-age pensions, originally applied exclusively to employed persons. Later it was extended to most self-employed persons. S. 3415 would similarly extend the principle of the supplemental private plan to the self-employed.

The President of the United States on October 24, 1952, seems to have made the best statement of this principle:

The Government is really concerned with assisting its citizens to provide savings for their old age * * * in 1942 the Government made an important supplement to the Social Security Act by legislation which offered tax advantages to corporations and their employees in the establishment of pension funds. I am thoroughly in accord with the principle of this legislation. Over 16,000[1] pension plans have been filed under this law providing more adequate security for the employees of corporations covered thereby. When this legislation was being considered, self-employed individuals were evidently forgotten. Yet they get old and sick just as other people do. There are over 10 million workers who cannot take advantage of these tax relief provisions now offered to corporations and their employees. They include owners of small business, doctors, lawyers, architects, accountants, farmers, artists, singers, writers—independent people of every kind and description but who are not regularly employed by a corporation. I think something ought to be done to help these people to help themselves by allowing a reasonable tax deduction for money put aside by them for their own savings. This would encourage and assist them to provide their own funds for their old age and retirement.

THE ECONOMIC ASPECTS OF S. 3415

Extensive analysis of the economic impact of legislation encouraging self-employed voluntary retirement plans has been obtained by the authors of H. R. 910, the so-called Jenkins-Keogh bill. During recent hearings before the House Committee on Ways and Means, Dr. Roger F. Murray, associate dean and adjunct professor of finance, graduate school of business, Columbia University, summarized his own conclusions, as well as those reached independently by the tax foundation, of which the Honorable Roswell Magill, former Under Secretary of the Treasury, is president; Dr. Jules I. Bogen, professor of finance at the graduate school of business administration, New York University, and a former editor of the Journal of Commerce; and Dr. James A. Close, professor of finance at Syracuse University.

Obviously, Dr. Murray's conclusions apply equally well to S. 3415. Here is what he had to say then:

As you are aware, the proposed Self-Employed Individuals' Retirement Act is designed to reduce a clear inequity which operates against working for oneself. The inequity arises in the making of provision for retirement income. Some 14 million people employed in private industry are seeing pension benefits accumulated for them through qualified plans under which their employers are quite properly permitted to deduct contributions from corporate net income subject to the Federal income tax. Eventually, of course, the employees will pay a tax on the pensions which they receive, but in the meantime there is a substantial tax deferral.

The self-employed, conservatively estimated at some 7.5 million people, on the other hand, must do whatever saving they can out of net income after taxes. In their role of employers themselves, they cannot deduct provision for retirement from whatever income their activities produce. This bill is designed to correct this situation to a limited extent. Under its provisions a self-employed individual would be allowed to deduct each year a retirement deposit amounting to 10 percent of his net earnings or $5,000, whichever is less. There are special provisions for individuals over 50 and for carrying forward unused deductions. No individual covered under a public or private pension plan would be eligible. This is the substance of the proposal, without going into any of the more technical aspects.

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[1] Now about 23,000. There has been a 150 percent increase in employer-employee pension plans in the past decade.

The person who wishes to work for himself, and yet provide for his old age, through his own efforts, would be afforded an opportunity to do so, not on a preferential basis, but simply on the valid grounds that he is in a very real sense an employer of his own talents and energies. We are talking about several large groups: farmers, small-business men, and professional people, such as doctors, lawyers, accountants, engineers, scientists, dentists, druggists, and so forth. All of them are making important contributions to our economic and social life as individual enterprisers; none of them should have economic pressures applied to make them seek employment from others.

The independent scientist or engineer, for example should be afforded every opportunity to make his contribution to the present emergency without being required to seek employment from others in order to save more effectively for his future. In highly personalized activities such as legal and health services, there is surely no intention to discriminate against partnership or individual career efforts. Yet this is what we are doing under present arrangements.

Correction of the existing inequity is long overdue. The temptation however, is to postpone action in view of the current narrow margin of receipts over expenditures and the probability of rising expenditures for national security. I submit that there are at least three good reasons for action now:

1. There is no immediate prospect for a comprehensive tax relief measure in which this proposal might be incorporated. Yet it deserves a high priority in our thinking as we strive for equity and equality of opportunity. In the meantime, we do not hesitate to ask these independent, enterprising citizens to make a full contribution of their energies to the growth and strengthing of our economy.

2. This kind of a provision takes a long time to become fully effective. The bill is only enabling legislation, in a sense; it does not automatically make available the arrangements for a single individual to make his retirement deposit. The needed facilities require time and effort for their development. Even a widespread understanding of the bill's provisions would require months of educational work. We are probably talking about 1960, before really large numbers of the self-employed would know how or where to make a retirement deposit. There is nothing quite like making a start on this kind of a complex arrangement.

3. Finally, the loss in current tax revenues represented by the tax deferral would be very modest for several years. The reduction of this inequity would not materially affect revenues. The tax deferral for the current calendar year might be well under $100 million.

The grounds for my first two reasons are self-evident; but the third one requires substantiating facts, particularly in the face of the Treasury Department estimates that the loss in current revenues might run up to $430 million. These are matters of opinion; and I cannot argue that several years from now, this might not be a reasonable measure of the tax deferral. But I do suggest that the prospects for the first year or two or three are much less threatening to the budgetary situation.

My position is based on observation of savings trends over a long period of years. Habits are slow to change. Inertia is strong. New savings programs, with or without tax advantages, require facilities, convenience, and promotion. Let me illustrate. Just 4 years ago, the New York Stock Exchange devised its monthly investment plan to encourage more people to buy common stocks in small amounts as a form of systematic saving. Despite aggressive advertising and promotion, only 65,662 accounts were in existence at the end of 1957, and only $80 million had been invested. This does not prove that the New York Stock Exchange had a poor idea, or that the plan will never grow to large proportions. It simply proves that any new savings plan takes years to develop, even if it has convenience and promotion. After all, it took 100 years and wartime inflation to produce a peacetime growth rate of $1 billion a year in mutual savings bank deposits. Yet the top deferral estimate of the Treasury Department assumes retirement deposits of $1 billion or more.

This lethargy is taking advantage of new savings opportunities has to be overcome by the aggressive promotion of convenient facilities. Eventually, we can visualize that the large corps of life insurance salesmen would be equipped with restricted retirement policy offerings. But first the contracts must be developed and checked against Treasury regulations. Then the salesmen must be trained to explain them, and the home office prepared to service them. Equally time consuming will be the preparations of banks to establish restricted retirement funds on a broad scale.

As the facilities become widely available, backed by strong educational and promotional efforts, the extent of participation becomes a function of net earnings of the self-employed and the availability of liquid assets. The Treasury Department estimate assumes that actual deductions will range from 15 percent of the maximum for taxpayers with less than $3,000 of income to 66⅔ percent of the maximum for those with incomes in excess of $20,000. If this high rate of participation were achieved in less than 5 years, it would probably represent the most successful savings promotion in history, but the argument runs that the tax advantage would produce some such response. The assumption apparently is that liquid assets would be shifted from other savings mediums in large amounts.

This assumption is open to serious question on several grounds. Liquid assets required in the business or profession are not available. Emergency funds and reserves will not serve these purposes in a restricted retirement fund. Making the retirement deposit means relinquishing investment management of the asset. For younger individuals saving motives other than retirement bulk larger, notably the needs of the business, home ownership, life insurance protection, etc., so that the tax saving is by no means an exclusive consideration.

If the most likely first participants in self-employed retirement programs would be older persons, we should observe that the period of tax deferral would be materially shortened. Their withdrawals after age 65 would start being taxed by the time widespread participation was obtained from younger age groups. In a very real sense, then, we are considering a slowly moving thrift program which eventually would gather real momentum and produce a broad equalization of opportunities to provide for retirement as between the employed and the self-employed.

Basing my opinion on the pattern of behavior so clearly shown by other savings programs in their early years, it is my considered judgment that the near-term tax deferral of current revenue loss involved in H. R. 9-10 is most unlikely to exceed $100 million. This seems like a very modest price to pay for the adjustment of an inequity to an important group of our citizens who can, over a long period of years, make an important contribution to the vital savings stream as one aspect of their continuing effective participation in our society. The need for a high and steady flow of savings for growth without inflation will be directly served by this step in the removal of the existing inequity to the self-employed.

WE NO LONGER CAN AFFORD TO HOBBLE INDIVIDUAL INITIATIVE

Mr. President, it is not a novel thought for us to mention that sputnik points up this Nation's need for enterprise. One need only pick up a daily newspaper to read about the various proposals which have been advanced for the Federal Government, State, and local governments, industry and educational institutions to meet this requirement.

What kind of people do we want in America to meet the Soviet challege? Do we want a reasonable percentage to be strong, self-reliant individuals with initiative, push, and determination to succeed by their own efforts?

Mr. President, the answer is obvious: It is not enough to aim at fitting our youth only for a particular niche in an economic machine. It is vital to America to encourage self-reliance and individual enterprise.

In the early days of this country, it was men with these qualities who made the Nation great, who drafted the Constitution, who conquered the wilderness and won the West. If we still want to develop this breed, the Government must see to it that each citizen has a fair opportunity to succeed in a career in which he can most fully express his talent.

His choice should not be restricted, for example, by tax inequities or economic hazards resulting from discriminatory legislation which favors one group over others.

Mr. President, the stimulating drive which serves to keep the Nation's highly-capable self-employed scientists, engineers, and technological specialists mobile and adaptable is the constant need to solve diverse problems in a variety of ways or methods. Such technological versatility is essential to America today. Yet, unless specialists such as these are willing to go on a corporate or Government payroll, they must subtract from purely creative endeavor a substantial amount of time and energy to obtain some equivalent of that personal security which is the statutory right of even the shipping room clerk in a corporation.

Mr. President, this is true for all self-employed professional individuals: They must assume many of the risks of business while at the mercy of heavy progressive income taxes which leave no means for establishing reserves adequate to average out the bad years, the catastrophic periods—whether attributable to economics, illness, or old age.

CONCLUSION

First. A discrimination in the tax law cannot morally be perpetuated indefinitely when a just and economically-defensible revision of the law is available. S. 3415 would revise the tax code to accomplish a long overdue adjustment of this inequity.

Second. Since the Government recently indicated its readiness to foster education and opportunity for those of its citizens who are not merely seeking jobs and job security, but rather opportunities involving heavy moral and intellectual responsibilities, let it adjust its tax system in such a way as to re-affirm its faith in individual enterprise, self-reliance and thrift.

Third. Advocacy of S. 3415 in effect is asking endorsement of a limited but essential program of capital formation for old age security, through incentives applied to one broad classless area of the

economy to which in equity it should be applied. The current and long-term benefits of a disciplined formation of new capital, channelled via the fiduciary agents of banks and insurance companies—as provided in this bill—into the economic arteries of industry, trade, and construction, means growth in productivity. The State of the economy today requires disciplined stimulation of the machines of production.

Fourth. The benefits of legislating equity at a time when the immediate economic impact will be desirable, and the long-term impact non-inflationary, vastly exceed the temporary and slight effect on Government revenue entailed when the collection of the relatively modest amount of current taxes involved in S. 3415 is deferred to subsequent years.

Mr. President, this proposed legislation, S. 3415, would encourage individual initiative and simply defer the payment of taxes through individual savings.

The bill provides that 10 percent or $5,000, whichever is lesser, of the self-employed income may be set aside for individual security.

During the delivery of Mr. MALONE'S speech,

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

Mr. MALONE. I am happy to yield, with the understanding that the colloquy will appear at the conclusion of my remarks.

Mr. COOPER. I compliment the distinguished Senator from Nevada on the initiative he is taking on trying to provide a system which will assist a group of people who, so far as I know, are not taken care of or considered in any way. Am I correct in my understanding?

Mr. MALONE. The Senator is correct. Furthermore, with respect to those who, at least on paper, are taken care of, still, because of their low incomes—the amount set aside is not adequate. If they see fit, out of whatever earnings they may have to supplement social security, then by deducting 10 percent or $5,000, whichever is lesser—the amount is limited in the bill—they may deduct the amount from their net income before taxes, and supplement their security for old age.

Mr. COOPER. Knowing the philosophy of the Senator from Nevada and of his real concern for the individual's initiative and enterprise, I am certain, too, that he is thinking of the interests of those who risk their own resources and their own work.

Mr. MALONE. The Senator is correct. In their positions as physicians, architects, or engineers, and many other occupations or professions, they are self-employed. Furthermore, those who are covered cannot augment their retirement security under existing law. In the present system they are deprived of setting aside retirement funds as had formerly been the almost universal custom.

I believe that in addition to the obvious fairness of this proposal, it will encourage individual initiative to the point where such persons can look forward to a more comfortable old age.

If such a procedure could have been initiated in the beginning I doubt that it would have been necessary for the Congress to pass many of the now operative social security bills.

In any case I believe this proposal, if enacted into law, would close the gap.

Mr. COOPER. Mr. President, I wish to congratulate the Senator from Nevada on his creative efforts in connection with this subject.

Mr. MALONE. I thank the Senator from Kentucky. I hope the job can be done this year.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, March 31, 1958, he presented to the President of the United States the following enrolled bills:

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

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

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

RECESS

Mr. MANSFIELD. Mr. President, under the order previously entered, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 18 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Tuesday, April 1, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 31, 1958:

DIPLOMATIC AND FOREIGN SERVICE

Walter Howe, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile, vice Cecil B. Lyon.

UNITED STATES ATTORNEYS

J. Leonard Walker, of Kentucky, to be United States attorney for the western district of Kentucky, for a term of 4 years. (Reappointment.)

Louis Gorman Whitcomb, of Vermont, to be United States attorney for the district of Vermont, for a term of 4 years. (Reappointment.)

George Edward Rapp, of Wisconsin, to be United States attorney for the western district of Wisconsin, for a term of 4 years. (Reappointment.)

UNITED STATES MARSHALS

Cedric E. Stewart, of Nevada, to be United States marshal for the district of Nevada, for a term of 4 years. (Reappointment.)

Ray H. Schoonover, of Wisconsin, to be United States marshal for the western district of Wisconsin, for a term of 4 years. (Reappointment.)

UNITED STATES ASSAY OFFICE

Howard F. Johnson, of New York, to be assayer of the United States assay office, New York, N. Y., to fill an existing vacancy.

IN THE NAVY

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

Byron R. Adams
John N. Adams
Milton E. Adams
Roy W. Adler
James W. Adolphson
David R. Albert
Harrison B. Albert
Francis L. Alkov
Albert M. Anderson, Jr.
Douglas H. Anderson
George L. Anderson
Kenneth E. Anderson
William A. Anderson
Donald Andries
Jack M. Aronson
Robert O. Artner, Jr.
Robert F. Asleson
Harold E. Atherly
Lawrence H. Axtell
Hubert F. Babinski
Bruce C. Bailer
Richard C. Bailey
Richard J. Baker
Benjamin G. Baldwin
William L. Ballard
John A. Barbe
Henry F. Barbour
Michael G. Barbour
Curtis L. Barrett
Gary D. Barry
John R. Barry, Jr.
Thomas C. Bartholomew
John H. Barton
Philip B. Bass
Paul R. Battenberg, Jr.
Erwin J. Baukus
Gerald T. Baynes
Thomas J. Beadles
Barton D. Beamer
Arnold R. Beath
Michael F. Beausang, Jr.
Paul B. Beckwith
George J. Beerling, Jr.
David H. Beitz
David E. Belcher
Richard H. Bell
Donald E. Bellis
James T. Benham
Kenneth A. Berg
Peter E. Berg
Peter A. Bergan
Howard R. Berkenstock, Jr.
Harold J. Bernsen
Viggo C. Bertelsen, Jr.
John W. Best, Jr.
Donald J. Biondo
Robert A. Bitting
George "L" Blackburn
Harry L. Blackburn, Jr.
David L. Blackistone
Bruce I. Blackwell
John R. Bliss
Donald J. Blom
Philip M. Boffey
William R. Boie, Jr.
Robert S. Bolinger
Robert N. Bolster
Clyde Bomgardner
Robert J. Bond, Jr.
David E. Borcik
William J. Bower
Howard A. Bowles, Jr.
William M. Boyer
Ronald A. Boyle
David H. Bradley
Walter S. Brainerd
Lyle F. Branch
John P. Brandel
Benny R. Breed
John F. Breidenstein
Adam Briggs
James E. Brinkworth
Arthur C. Broadbooks
James F. Brooke III
John W. Brooks, Jr.
Albert H. Brown
Richard C. Brown
William W. Brown
Robert B. Brownell
Robert E. Browning
Danny J. Brunner
Richard D. Bugbee
Raymond A. Burchell
George D. Burck
Frank E. Burgess II
John M. Burns, Jr.
Robert E. Burns
Larry K. Burr
Thomas D. Burson
James W. Byrer
Michael J. Cahill
John F. Calvert
Robert J. Cameron
James R. Camper
Denny B. Cargill
Conrad D. Carnes
Charlton H. Carpenter
Charles P. Carroll
Jere S. Carter
William L. Carter
Norman L. Cervenka
John D. Chamberlain
Charles H. S. Charlson
Robert Christensen
Newton T. Clark, Jr.
Thomas B. Clark
David Clements
Joseph K. Cobb
John M. Cochran
William F. Coellen, Jr.
Vincent A. Coghlan, Jr.
Edward G. Conroy
John M. Conroy
Timothy P. Cogan
Henry G. Coors IV
Arthur J. Copeland, Jr.
Robert A. Cornell
Robert A. Cousins
David T. Cowdrill
Philip P. Cox
John J. Craft
Peter W. Crane
Lawrence R. Crawford
Albert H. Creasy
Eugene H. Crew
Arthur O. Cromer
Denny D. Culbertson
Paul T. Cunningham
Edwin L. Currey, Jr.
Wayne Curtis
James B. Cushman
Rolfe Cuthbert
William E. Dahl
Allen R. Darbonne
Jack N. Darby
John A. Davidson
William Davies
Chester C. Davis
Richard L. Davis
Donald C. Davison
Dexter B. Dawes
Francis X. Delany
Richard J. Delvecchio
Robert T. DeMarco, Jr.
Harry E. DePass III
Daniel A. Desko
John T. Detrick
Robert T. Dewey
Richard D. Dickson
Terry R. Diebold
Charles H. Diedrich
William H. Dietrich
Alfred S. Dittrick
Paul E. Dodson, Jr.
Henry H. Doerfling
Richard E. Donnelly
William E. Dotterweich
Max C. Downham
Ralph B. Draughon, Jr.
Gerald E. Drews
Peter B. Dunbar
Donald G. Duncan
Larry N. Dumas
Frank C. Durham
Richard B. Duxbury
Michael deH. Dwyre
Glenn B. Eades
William L. Earley
David G. Eaton
Roland J. Ehlers
Harvey A. Eikel
Thomas R. Ellinor
Jerry G. Elliott
Harold L. Emmons
Walter P. Engel

Anthony E. Erbacher
Allen W. Erickson
Bruce T. Erickson
Neil K. Evans
Edward H. Everett
Peter H. Feldhausen
Louis J. Felstiner, Jr.
John N. Fendley
Paul P. Fidler
William G. Fink
Harry K. Fiske
Samuel H. S. Fleming
Carl O. Foley
Lawrence M. Foley
Kenneth N. Folgers
William C. Forwood
Paul C. Fossett
Michael A. Fox
Charles L. Fritz
Duane L. Furan
Larry L. Gaines
Patrick R. Gallagher, Jr.
Paul R. Galloway
David R. Gansel
Warren L. Gay
Robert G. Geil
Charles H. George
Bernard F. Gessner, Jr.
Richard B. Gibson
Richard J. Gilinsky
Lawrence P. Gise, Jr.
Maurice Glatzer
Walter H. Glenn
Frank J. Gloeckner III
Harold R. Godschalk
Gregory E. Gollnick
Alan G. Goodridge
James J. Goodwin
David S. Gorham
Fred J. Gosebrink
Michael T. Goss
Richard F. Gottlieb
Robert S. Goulding
Denny L. Graham
John R. Griffin
Robert S. Griffin
Samuel M. Griffin, Jr.
Walker A. Griffin, Jr.
Michael R. Griffinger
Jacob Grossbaum
Walter D. Gundel
Gerald J. Gustafson
Ernest V. Haag
John A. Hagan
Gaylord T. Hageseth
Richard A. Haggard
Richard H. Hahn
Barry S. Haigis
Jack P. Hailman
Joseph V. Hajek
Robert E. Hall
David L. Hanna
Myles Hannan
Haywood H. Harrell
Harland D. Harris III
Joseph W. Harrison, Jr.
William D. Hartley
David D. Harvey
Thomas G. Harvey, Jr.
David S. Harwood
Marshall D. Hastings
Donald D. Hatler
Paul E. Heath, Jr.
Alger R. Heck
Eric M. Heilman
James R. Held
Norman L. Helgeson
Rodger R. Hemminghaus
Robert J. Hendershott, Jr.
Arnold H. Henderson
Oliver C. Henkel, Jr.
James B. Henris
Guido R. Henry, Jr.
Michael D. Herb
Milton T. Herrin
Ronald A. Hess
Robert L. M. Hetland
William M. Hewitt
Curtis C. Higgins
Frederick A. Hines
Rubert Hines, Jr.
William S. Hodgkins
Jan C. Hoeffel
Charles D. Holbrook
George M. Holderness
Floyd H. Hollister
Roy F. Hollister
William J. Holloway
Edwin J. Holm
Bernard J. Holtel
Richard W. Homuth
Jae E. Hopkins
Thomas S. Hopkins
Leslie J. Horn
Craig Hosterman
Gary W. Howe
Bruce W. Hoyt
Rudolf Hradecky
Finley N. Hubbard, Jr.
Thomas K. Hubbard
Robert M. Hudnall
Charles F. Hughes
Alan G. Hunt
Billy D. Hunter
Stuart L. Huntington
John M. Husted
Peter A. Hutchinson
Lawrence W. I'Anson, Jr.
Arthur R. Immel
David L. Irons
Joe R. Irwin
Kermit J. Jackson
Paul F. Jackson
Thomas P. Jackson
Richard E. Jacobsen
Robert T. Jacobsen
James W. Jaeger
Albert J. James
Peter A. Jamgochian
Russell L. Janney
Jan L. Jansen
Thomas L. Janson
Thomas C. Jetton
Arthur D. John
James J. Johnston
Richard C. Johnston
Frederick O. Jones
Gerald E. Jones
Harry L. Jones
Robert A. Jordan, Jr.
Roland E. Juhala
Dale W. Junta
Edward P. Kadingo
Reuel S. Kaighn, Jr.
Edward J. Kaiser
James J. Kallal
Leo P. Kane
Rodney K. Kauber
Richard G. Kauffman
Alan J. Keller
John B. Kelly
Gary S. Kent
Philip S. Kent
Donald C. Kerby
Kenneth H. Kingston
James M. Kinney
Harold R. Kinsman, Jr.
James E. Kinter
William N. Klorig
Ralph F. Kneeland
Joseph G. Kneuer
Larry S. Knudsen
Fred D. Kobylarz
Arthur H. Koch, Jr.
Gilbert G. Kosup
George Kotsonis
Lawrence H. Kovach
Harold W. Kramer, Jr.
William V. Kriebel
Harold Krieger
William C. Kriz
William C. Krommenhoek
Jerome A. Kuechmann
Francis A. Kuligowski
Daniel K. Lamont
John D. Landers
Harlan L. Lane
Robert G. Langhauser
Clifford L. Laning
John W. Larson
Robert G. Lauson, Jr.
Byron J. Lawler
Richard M. LeCour
Howard N. Lefkowitz
Alton M. Lee
Richard H. Lee
James H. Lenden, Jr.
William H. Leslie
Vincent J. Leszcynski
Paul J. Levine
Jack F. Lewis
Robert T. Lewis
Robert B. Lillie
Robert B. Livy
Clarence E. Lobb
Robert S. Logan, Jr.
George T. Long
David W. Loomis
Bruce C. Lorig
Stephen S. Lottridge
Robert I. Low
Arthur F. Lubke, Jr.
Donald T. Lunde
William T. Lynch
Donald J. McBryan
James R. McCartney III
William F. McDonald
James W. McFarlane
Charles B. McFee III
George F. McGrath, Jr.
John J. McGroarty
Terence J. McHugh, Jr.
Elmer L. McIntyre III
William H. McIntyre
William L. McLees
Joseph C. McMillan
James J. McNamara
William W. McNeary II
Gary E. MacDougal
William J. MacKnight
William V. MacNabb
Jerome T. Madden
David M. Maher
Stuart T. Maher
Carl C. Mahnken
Jon M. Mann
Stanley P. Mann
Frank L. Marek
Arnold D. Marsh
Robert B. Martin
Robert L. Marx
Harland E. Mathews
Thomas K. Mattingly II
Franklin D. Mayfield, Jr.
Richard E. Meese
John P. Melton
Allen G. Menke
Peter J. Mercier
William A. Merritt, Jr.
Karl R. Messner
Daniel J. Michl
Harold L. Midvelt
Joseph J. Milkovich
Aloysius R. Miller
Don H. Miller
Michael C. Miller
William A. Miller
Robert D. Milne
Robert W. Miner
Franz H. Misch
Jimmy R. Moberg
Michael J. Moloney
Robert C. Monroe
Thomas W. Moody
James D. Moore
Floyd E. Moreland
Hubert A. Morgan, Jr.
David Moros
Curtis W. Morris
Rogers A. Morris
Orrin L. Morrison
Robert L. Moser
Donald E. Mosman
George E. Mott III
Walter A. Moulton
John J. Moynihan
Brendan D. D. Mulhall
Michael P. Mulhern
Marvin E. Mulligan
Robert E. Murch
John R. Murphy
Martin R. Murphy
Phillip R. Myers
Thomas S. Nagel
Rodney D. Neal
Fred A. Nelson
Paul Nelson, Jr.
Peter J. Nelson
Gregory L. Nesbitt
Eugene L. Nichols
Clyde G. Nixon
John H. Horton
David A. Nourse
John M. Oakey, Jr.
William B. Oates, Jr.
Andrew O. Oberhofer, Jr.
Charles F. O'Brien
William E. Oddy
James A. Offutt
David B. O'Hearne
Peter B. Olsen
William A. Olson
Robert L. O'Mara
Edward A. O'Neal
Jay R. O'Neil
William A. O'Neil
David G. Opheim
Francis M. O'Regan
Peter H. Ostrander
Valentino Ottaviani
Carl H. Otto
William E. Owen
Richard L. Page
William F. Palmer
Stanley T. Pardo
Robert C. Parker
David F. Parrish
Thomas D. Parrish
Kenneth J. Patrick
James W. Peacock
Michael A. Pearce
James H. Pehling
Lawrence E. Pelton
Lawrence A. Penny
George T. Phelps
Robert W. Phillips, Jr.
Allen J. Pierce
Patrick A. Pisano
Gary R. Poe
Richard W. Pooley
Richard E. Poppele
Frederick C. Powell
Richard M. Powers
Gordon O. Prickett
Robert R. Proctor
Ronald W. Pyle
Richard D. Quealy
Richard H. Quinn
Theodore E. Raab
Don W. Rain
Bruce D. Rasmussen
James P. Redgate
James W. Redmond, Jr.
Herbert H. Reed, Jr.
Roberts V. S. Reed
William A. Rehder
Francis M. Reiter, Jr.
John H. Reohr III
Robert H. Reynolds
Connie E. Richard
William H. Richardson
Thomas J. Ritch
Michael J. Roberts
Michael M. Roberts
Kenneth G. Robinson
Malcolm W. Robinson, Jr.
Charles C. Rodeffer
Terrence R. Rogers
Paul B. Romans
Nicholas E. Romito
Carl M. Rose, Jr.
Robert S. Rosen
Harold M. Ross
Charles E. Rossi
James Rounds IV
Gerald S. Rourke
Robert H. Rozendal
Richard E. Rudolph
Robert W. Rufe
Byron D. Ruppel
Harold A. Sabbagh
David B. Sanderson
Edward P. Scanlon
Thomas P. Scanlon, Jr.
Carl W. Schafer
Stephen L. Schloss
Ronald A. Schmaedick
Michael Schoettle
David E. Schricker
Stephen F. Schroeder
Charles C. Schueppert
Robert F. Schultz
James H. Schulz
Ronald J. Schupp
David G. Scott
John W. Scott, Jr.
Raymond W. Sears, Jr.
Ralph L. Seger, Jr.
Benjamin S. Seigel
Edward A. Selby
Joel S. Sexton
James O. Shannon
Sidney H. Shaw
Harold D. Shepherd
John E. Sherman
David L. Short
Robert A. Shriver
Edward L. Shuford III
Howard D. Sims
George A. Sissel
Charles C. Slay
Tim E. Smallwood
Charles R. Smith
Nepier V. Smith
Russell A Smith
Thomas W. Smith
Vance A. Smith
John H. Snader
Joel A. Snow
Danford D. Snowden
Edwin A. Soast, Jr.
Warren R. Solberg
Henry J. Sommer, Jr.
Charles W. Soules
John P. Spanbauer
Winthrop J. Spence, Jr.
George B. Spilios
Gordon P. Sprague, Jr.
Wendell K. Stackhouse
William W. Standen
Charles H. S. Stanton, Jr.
Thomas C. Stapleford
Robert L. Stapleton III
Barry P. Steed
Robert H. Steele
Charles E. Stenard
Harold I. Sternberg
Martin Stitelman
Georges C. St. Laurent, Jr.
Richard S. Stoddart
Ralph W. Stoll
John F. Stonhouse
William A. Stott
William W. Storey
Edward K. Strom
Warren W. Sullens
Donald K. Sullivan
Vincent E. Sullivan
Carl R. Summers
Royal R. Swanson
Larry K. Talbert
Robert L. Tarte
James R. C. Taylor
Leonard G. TenEyck
Allan R. Tessler
Charles R. Tevebaugh
John O. Thies
Robert H. Thompson
Thomas C. Thompson
Thomas N. Thrasher
Thomas J. Tierney
Joseph E. Tope
Robert C. Traylor
Cecil M. Truluck, Jr.
Thomas O. Trumbull
William A. Truslow
James W. Turner
Gary F. Underhill
Dennis R. Vail
Garrett M. Van Wyk
Robert E. Voegtlin
Gary L. Wachter
George E. Walker, Jr.
John O. Walstad
John W. Walz
Leo C. Wardrup, Jr.
Harry B. Wareham
John M. Wareham, Jr.
David G. Warren
Thomas L. Wasmund
Robert E. Weaver
John D. Webster
Richard A. Wedemeyer
Jerry "S" Weissburg
Larry J. Welch
Stephen W. Welch
George A. Weller
Richard H. Weller
Wallace L. Weller
William C. West III
Henry F. Whalen, Jr.
James J. Whalen
Clayton E. Whiting, Jr.
Derrill G. Whitten
Sherrill D. Whitten
Wallace G. Wilder
Merritt O. Wilkins, Jr.
Jack C. Williams
David S. Willis
Richard A. Wilson
Stewart D. Winn, Jr.
Richard L. Wisniewsky
Donald A. Wolfskill
Leland E. Wood, Jr.
Bruce M. Woodworth
Robert F. Worley
James C. Wray
David D. Wright
David J. Wright
Donald L. Wright
Robert L. Wright
Rex D. Wulfhorst
Kenneth E. Wylie
Delmar D. Young
Peter T. Young
Stephen G. Young
Ronald P. Zwart

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

John "E" Barnes III
Harold E. Berry
Richard W. Calhoun
Jackie R. Cooper
Alan M. Craig
Robert N. Davies
Jay F. Edmondson
Samuel R. Harrell
William A. Hirsch
Robert C. Holt
Ronald G. Hoopes
William G. Jones

Raymond W. Mayer
George A. Olson
John D. Palmer
Homer E. Paris III
Hal B. Powell
William H. Redding, Jr.
Edmund D. M. Schachner
Mark S. Smallwood
Clifton R. Snodgrass
Jack H. Stutts
Jose J. Suarez
James G. Tierney
Thomas H. Upton, Jr.
Ralph W. Varnum
Miles B. Welter

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, for temporary service, subject to qualifications therefor as provided by law:

To be lieutenant commander

Frank "R" Preston

To be lieutenants

Robert F. Barnett, Jr.
Thomas B. Beach
William H. Fagan
Fred W. Grello
Tommy S. Kent
Joseph D. Lee
Arthur E. Mukomela
Marion K. Neugebauer
James H. M. Thorp

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

To be commanders

Newton W. Allebach
Victor G. Benson

To be lieutenants

Thomas Arana
Henry A. Baer
John W. Balay
James J. Chandler
Maurice H. Connors
Quintous E. Crews, Jr.
James K. Drennen, Jr.
Ray A. Dubeau
Ralph G. Ellis, Jr.
Edgar J. Filson
Charles M. Gluck
Arthur J. Grote
Ralph Jacobsen
William L. Jeffrey
Charles V. Kachel
Eugene H. Kagan
Thomas M. Kennedy
Frank "R" Preston
Edward J. Quinlan
Raymon S. Riley
Roscoe A. Rossi
Clifford T. Rotz, Jr.
Robert M. Runge
Richard R. Ryan
Darrell J. Smith
Victor L. Stotka
Bruce A. Talmadge
Walter L. Taylor
Thomas L. Thomason
William A. Welton, Jr.

To be lieutenants (junior grade)

Robert F. Barnett, Jr.
Thomas B. Beach
William H. Fagan
Fred W. Grello
Tommy S. Kent
Joseph D. Lee
Arthur E. Mukomela
Marion K. Neugebauer
James H. M. Thorp

Charles G. Evans (civilian college graduate) to be a lieutenant in the Dental Corps of the Navy, subject to qualifications therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Dental Corps of the Navy, subject to qualifications therefor as provided by law:

To be lieutenants

June L. Cox
Ronald G. Granger
Richard D. Prince

To be lieutenants (junior grade)

David W. Kunkle
Charles L. Marcantoni
Frederick B. Williams

The following-named Reserve officers to grades indicated in the Dental Corps of the Navy, for temporary service, subject to qualifications therefor as provided by law.

To be lieutenant commander

June L. Cox

To be lieutenant

David W. Kunkle
Charles L. Marcantoni
Frederick B. Williams

Lyman H. Reeves, United States Navy, retired officer, to be a permanent chief warrant officer, W-3, in the United States Navy, pursuant to title 10, United States Code, section 1211, subject to qualifications therefor as provided by law.

The following named officers to be lieutenants (junior grade) in the Medical Corps of the Navy and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualifications therefor as provided by law:

Benjamin L. Aaron
Frederick L. Austin, Jr.
Paul W. Axe, Jr.
David W. Bailey
William A. Bartlett
John C. Baxter
Matthew K. Becker
William R. Beckman
David R. Belevetz
Carl R. Bemiller
Juanedd Berry
Frank S. Billingsley
Harry H. Bird, Jr.
Robert C. Black
Sidney M. Blair
Bernard R. Blais
Joseph D. Bloom
Ronald J. Bracken
John W. Brackett, Jr.
Ralph F. Brandon
Richard R. H. Brock
Jess W. Bromley
Robert T. Brooks, Jr.
James R. Brown
Stuart L. Brown
Matthew I. Bucko, Jr.
William M. Calhoun
Ralph J. Cannard
Joseph R. Castro
Francis J. Caulfield, Jr.
James J. Cavanagh
William J. Cavin, Jr.
Matthew J. Cerny, Jr.
Charles C. Ching
Samuel S. Clark
James C. P. Collier, Jr.
Robert F. Coniff
George A. Conkey
Jule T. Connolly
Roger C. Cook
Conrad L. Cooper
Charles E. Cummings
John E. Cunningham, Jr.
John C. Dalco
Milton C. Dewhirst
Donald M. Dill
Neil G. Diorio
Robert G. Dolan
Robert T. Dooley
David E. Ducker
Elmore E. Duncan
Norman A. Erie
Richard E. Eshbach
Robley D. Evans
Billy G. Farmer
Thomas L. Fieldson
Carney Fitzgibbon, Jr.
James V. Flack, Jr.
Edward E. Freeman
Dee L. Fuller
Alexander N. Gansa
Kenneth A. Gill, Jr.
James E. Goddard, Jr.
Terry H. Goff
Donald M. Gragg
Charles A. Graham
John P. Griffin
Wayne I. Halleen
John R. Hazel
Harold H. Hedges III
Alan K. Hendra
John H. Herring
Warren W. Hodge
Donald E. Hoffman
Bob Hoke
Henry L. Holderman
Arthur H. Holmboe
Herbert G. Hopwood, Jr.
Philip C. Hughes
Frederic G. Jones
William S. Kelley, Jr.
Billy D. Kennedy
John D. Kern
Garner F. Klein
John E. Kostinas
Kent Kyger
Jesse E. Lang
Ralph J. Langsjoen
Gordon D. Larcom, Jr.
Peter P. Lawlor, Jr.
George M. Lawton
Kenneth L. Learey
Jerome Levy
Richard A. Lockwood
Virginia A. Long
Francis A. Lovecchio
Rodney I. MacDonald
John C. MacLennan
George F. Martin, Jr.
George W. Mathews, Jr.
Thomas J. McGillis
Edward M. McGowan, Jr.
Thomas P. McGrory
James A. A. McIntyre
William H. McMicken
Raymond J. Merchant, Jr.
John R. Miewald
Mario C. Miranda
Francis K. Moll, Jr.
Robert I. Morgan
Wallace R. Mullins
Samuel N. Neel
Patrick S. O'Halloran
John M. O'Lane
Charles W. Ochs
George W. Oden
Robert L. Olson
Larry K. Page
Ralph R. Palumbo
Charles F. Payne, Jr.
Milton L. Payne
Howard W. Pettengill, Jr.
Darwin D. Phillips
Harry S. Pollard, Jr.
John A. Puk
Louis U. Pulicicchio
Robert V. Rack
Glenn H. Randall
Karl J. Reckenthaler
Charles R. Richardson
Robert E. Rigsby
Berkley L. Rish
Donald R. Rogers
Donald W. Rohren
Roger S. Roof
Samuel F. Rudolph, Jr.
Harold E. Rumbel
Joseph A. Russotto
Charles R. Sargent
William H. Schumacher
Richard G. Sharpe
Robert E. Shaskey
Spencer W. Shaw
Barclay M. Shepard
Francis J. Sincox, Jr.
Daniel H. Slemmons
Ray M. Smith
Royal A. Smith
Harry D. Snyder
Bill D. Stout
Bob E. Stout
Philip K. Swartz, Jr.
Thomas E. Taylor
Lawrence E. Thomas
William J. Thomas
Robert E. Thompson
Robert L. Thompson
Raymond E. Tobey
John G. Tully, Jr.
James R. Tupper
John A. Ungersma
Jack S. Viele
Francis V. Viola III
Eugene P. Walter
Harry J. Wander
Gordon J. Weir, Jr.
William F. West
Donald E. Willard, Jr.
Harrison D. Willcutts
William J. Wilson
Luther A. Youngs III

The following-named officers to be lieutenants (junior grade) in the Dental Corps of the Navy and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualifications therefor as provided by law:

Robert C. Adams
Angelo E. Amato
Charles T. Arnold
Martin A. Barley
James T. Barrett
Raymond J. Begin
Ronald E. Berschig
George A. Biron
Norman C. Bitter
William F. Bryson
Constantine J. Cavalaris
Russell L. Corio
Robert L. Creedon
Clark N. Eid
Jesse T. Gentry
Ronald E. Hillenbrand
Ronald H. Johnson
Edwin D. Joy
Henry P. Koutouzakis
Charles J. Love
Arthur C. McFeaters, Jr.
Richard D. Mumma
Raymond D. Nable
Philip P. Nolan
Lawrence E. Paxton
Don A. Penners
Donald J. Perrere
Henry E. Richter
Vonnie B. Smith
Ralph R. Stocker
Robert L. Tanner
Carl N. Taylor
Robert E. Thomas
Ferris P. Thompson
James R. Toolson
James J. Verunac

Edward W. Colbourn, Reserve officer, to be a lieutenant in the Supply Corps of the Navy, for temporary service, subject to qualifications therefor as provided by law.

George E. A. Cullinane, Reserve officer, to be a lieutenant (junior grade) in the line of the Navy, for temporary service, subject to qualifications therefor as provided by law.

The following-named officers of the Navy for permanent promotion to the grades indicated:

To be lieutenant commanders, Medical Service Corps

Minkel, Eva M.
Crenshaw, Mary E.
Hanwell, Muriel
Alvord, Bertha I.
Bare, Thelma R.
Townsend, Edna L.
Wilson, Doris A.
McKinney, Dorothea, J.
Flickinger, Ruth L.
Frazier, Florence M.
Kieler, Lydia F.
Moeller, Ruth

To be lieutenant commanders, Nurse Corps

Shurr, Agnes G.
Samonski, Helen
Seidl, Elizabeth B.
Scharf, Caroline L.
Harrington, Eleanor M.
Erickson, Evelyn I.
Cohen, Ruth M.
Feezor, Thelma L.
Lavigne, Rose H.
Von Stein, Marjorie E.
Glancy, Evelyn D.
Gale, Dorothy M.
Harrington, Mary A.
Smith, Catherine I.
Wallace, Nancy I.
O'Brien, Elizabeth
Liebman, Leara B.
Davis, Celia M.
Baer, Annette
Knowles, Marie A.
Noteware, Margaret A.
Rhoades, Helen M.
Flanagan, Rose A.
Olson, Louise B.
Miller, Elizabeth L.
Berry, Margaret R.
Price, Frances F.
Luehrs, Frances L.
Brochtrup, Rita M.
Ballantyne, Alma C.
Quadrini, Ethel B.
Clark, Hazel E.
Blaska, Burdette M.
Sanderson, Laura M.
Coxsey, Essie E.
Williams, Kathryn E.
Langton, Mary M.
Poulter, Marion
Clarke, Rita D.
Bussey, Gladys V.
Gresko, Mary
Holte, Edna P. H.
Dunning, Carol L.
Stickles, Norma V.
Wolfgang, Mary I.
Woodall, Gwenevere
Benjamin, Lucy R.
Ellingson, Norma A.
Aycock, Martha O.
Lowe, Nancy C.
Springer, Virginia F.
Sagawe, Julia M.
Egan, Anne M.
Thurber, Mabel G.
Akerley, Maude W.
Kirk, Bertha M.
Houska, Pearl K.
Tyson, Emma E.
Reilly, Alice R.
Boyle, Helen L.
Benson, Wilma M.
Otero, Lucille M.
Scott, Margaret E.
Vaughn, Mary A.
Thompson, Vera E. K.
Fannan, Helen R.
Linnenbruegge, Hedwig M. E.
Kaes, Anna A.
McDaniel, Mona L.
Shedyak, Alice M.
Becker, Dorothy C.
Vitillo, Angelica
Goldthwaite, Marie B.
Chipman, Virginia R.
Rooney, Katherine Z.
Brown, Mary J.
Cheek, Marie M.
Smith, Ellen E.
Jones, Virginia E.

Linville, Delma U.
Poytress, Annie J.
Bates, Virginia M.
Brown, Lois E.
Collins, Jeanette
Lee, Barbara D.
Houp, Geraldine A.
Johnston, Blanche M.
Tulin, Flora
Allgeier, Althea E.
Beumer, Lucille M.
Hankey, Lorraine M.
Linnett, Catherine
Carlson, Eloise M.
Barclay, Kathryn
Brandenburg, Martha O.
Smith, Helen M.
Pintar, Anna M.
Pressley, Patricia S.
Adrian, Lois E.
Mauldin, Norma E.
Givens, Iris E.
Smith, Hattie B.
Duwe, Elizabeth M.
Stutler, Edna M.
Hase, Thelma B.
Knox, Nathalia A.
Thomas, Rachael E.
Daughtry, Edna M.
Pongratz, Marie A.
Scheips, Edna M.
Styron, Ruth H.
Smoker, Sue E.
Delfs, Rosa J.
Kroush, Nina M.
Johnson, Edna I.
Arnold, June E.
Coderre, Evelyn I.
Janc, Cecilia R.
Soto, Margaret M.
Penkunas, Nellie M.
Gavelek, Tekla S.
Warner, Edla C.
Cole, Deon
Mitchell, Rachel L.
Lepine, Martha M.
Browne, Ruth A.
Messer, Elna C.
Martin, Mary A.
Bednarski, Pauline M.
Jones, Dorothy E.
Crowder, Arleen L.
Klein, Ruth O.
Nelson, Harriet A.
Coughlan, Joan M.
Company, Eleanor M.
Jacobs, Grace E.
Schabowitz, Josephine T.
Brown, Iva H.

To be lieutenants, line

Eriksson, Roger V.
Tate, Charles E.
Lissy, Ernest I.
Wallace, Richard M.
Soczek, William
O'Neill, Norbert W.
Hayes, Francis X.
Peugh, Dighton "W"
Evosevich, John N.
Kopacka, William F.
Springston, William A.
Anderson, Giles B.
Carlson, Don P.
O'Connell, William J.
Knepler, James L.
Bravence, John, Jr.
Thornton, Ray O.
McMillin, George W.
Richards, Walter E.
Sedlak, Richard K.
Gunn, Max C., Jr.
Frazier, John D.
Buchholz, Philip P.
Higgins, Richard G.
Schnatterly, Lewis W.
Horn, Charles E.
Beckwith, Gilbert H.
Kaiser, Gilbert J.
Bradshaw, Frederick L.
Jauregui, Stephen, Jr.
Moore, Hugh A.
Bibb, Banjamin O.
Rose, James S.
DeBoer, Jack "G"
Booth, Joseph K.
Kinne, Loren H.
Keith, Harold S.
Courtney, Charles H.
Harrell, Max A.
Otto, Robert O.
Richardson, William C.
Clifford, Donald J.
Woollard, Edwin F.
Anthony, Morris D.
Premo, Melvin C.
Baty, Frank O.
Bush, Carl D.
McDermott, John J.
Schibel, Robert L.
McConnell, Cyrus, Jr.
Mack, John
Sawyer, Kenneth R.
Rork, John K.
Brammeier, Charles L.
Gadberry, Roy K.
McClenahan, Richard M.
Knight, Cecil F.
Coleman, Herman F.
Rhodes, Thomas B.
Halladay, Norman E.
Smith, Chester R.
Keener, John K.
Smith, Albert L.
Willmeroth, Earl R.
Wallace, James D., Jr.
Frentress, Bowheart "H", Jr.
McCracken, John L.
Sullivan, Russell J.
Offrell, David W.
Yarwood, John O.
Legett, Thomas R.
Mason, Ralph S.
Chamberlain, James L.
Connolly, Paul P.
Hunter, William G.
Kraus, Walter S.
McKinnon, George H.
Welsh, Vincent F.
Grothe, Henry J.
Dugan, Francis V.
Moore, Percy J.
Zelones, Vincent L.
King, Edward L.
Langford, George R.
Whaley, Daniel E., Jr.
Hameirath, Walter F.
Zettie, Harold
Patten, Robert S.
Moore, John R.
Merkle, George W.
Keller, Samuel F., Jr.
Cusick, Patrick J.
Mares, James A.
Behrle, Walter F.
Woodcock, Henry P., Jr.
Miller, John H.
Biasi, Nestore G.
Couser, Rodney W.
Daley, Robert E.
Holmes, James W., Jr.
Gullickson, Grant G.
Popp, John, Jr.
Pearson, George W.
Knight, Eugene T.
Poppewell, Lewis M.
Raines, Julian L.
Cogswell, Charles E.
Barkley, James F.
Rose, Charles B.
Lannon, Francis W.
Rodgers, Henry C.
Muniz, John J.
Bernier, George, Jr.
Welsch, John W.
Langford, George M.
DeRyckere, Archie G.
Rose, William A.
Downey, Louis A.
Devine, Clarence A.
Brasted, Kermont C.
Kimbrough, Harold S.
Gildea, John F.
Teuscher, John J.

To be lieutenants, Supply Corps

Rice, Harold A.
Dusenberry, Frank J.
Brooks, John E.
Hanly, Joseph B.
Stevenson, Ray H.
Baglioni, Francis X.
Cotton, Robert E.
Lawrence, Robert W.

To be lieutenants, Civil Engineer Corps

Gibboney, Lloyd H.
Moore, Fred, Jr.

The following-named line officers of the Navy for temporary promotion to the grade of lieutenant (junior grade), subject to qualification therefor as provided by law:

Allen, Curtis R.
Althouse, Arnold S.
Ambrosini, Leo A.
Anderson, Howard R.
Bailey, Robert B.
Baker, Earl R.
Baker, Floyd O.
Ball, John W.
Balsley, Francis W.
Barton, Harold C.
Baszak, Joseph F.
Baudouin, Morris R.
Beaton, John M.
Beck, Richard J.
Bell, Brewer
Bennett, John E., Jr.
Berger, Raymond E.
Bezilla, Paul J.
Bledsoe, Howard W.
Blevins, Deward C.
Brink, Robert E.
Brogan, Thomas E.
Brown, Harold W.
Brown, Jere F.
Burghardt, Louis, Jr.
Calamaras, Nicholas.
Camp, Robert W.
Cardoza, Henry
Carpenter, Lemmon F.
Carroll, John T.
Carroll, Robert J.
Cedercrans, Phillip N.
Chemacki, Stanley
Christensen, Wesle T.
Clark, Joseph E.
Clement, Leroy A.
Click, Duane L.
Coffee, Ernest E.
Collom, Frederick W., Jr.
Cothran, George E.
Cotton, Francis X.
Coupe, Walter E.
Cozine, Kenneth, Jr.
Craig, Stephnos D.
Crosby, Elwood A.
Crowder, Billy
Crowe, Guy T.
Daniels, Nelson M.
Davidson, Jack R.
Davies, Eugene L.
Davis, Milton W.
DeWitt, Allan F.
Dockery, Olan L.
Doran, Samuel W.
Drake, Leon L.
Dugan, William D., Jr.
Dwyer, James L.
Earman, Harry L.
Eason, Thomas E.
Elliott, John H.
Ervin, Charles F.
Eversole, Frederick L.
Fauth, Donald P.
Fehrle, Fred R.
Fenton, Clayton J., Jr.
Folds, Arthur T.
Fox, Harold E.
Franchini, Wallace L.
Francis, Paul R.
Frey, Charles W.
Frokjer, Elmer H.
Fuller, Fred R.
Gallagher, Vincent E.
Garsoe, Norman D.
Geer, Gilbert H.
Gilpin, George W.
Goetz, Charles R.
Gomez, Louis G.
Gormley, Kenneth L.
Gougar, Jack M.
Grant, Claude A.
Grisham, Albert M.
Guthrie, Wesley E.
Haff, Harold F.
Hamilton, Donald E.
Hansen, Lawrence W.
Harney, George S.
Harris, Homer D.
Hartshorn, Owen P.
Hastings, Irvin W., Jr.
Hatfield, Willis G.
Hegar, Edwin J.
Heggood, Frank E.
Heitman, Milton H.
Helm, Ralph M.
Higgins, Lloyd A.
Hogeboom, Edward L., Jr.
Howell, Richard F.
Hubbell, Milford M.
Huckaby, James H.
Huff, Walter C., Jr.
Hunt, Lloyd H.
Hurst, Wilmer M.
Hutto, Charles H.
Jackson, Carle L.
Jacobs, Arthur G.
James, Frank D.
Johnson, Bobbie D.
Johnson, Harrison A.
Kennedy, William F.
Kincade, Clarence R.
Kindsvater, Frederick J., Jr.
Kouns, Archie R.
Lackey, Earl L.
Lamm, George E.
Law, Mervin H.
Lawler, Ervin J.
Lewinski, Roman R.
Lohr, Harold C.
Longley, William N.
Magarity, Roy L.
Marrion, Reginald T.
Martensen, Vincent F.
Martin, Charles G.
May, Harding W.
Mayer, Robert V.
McBride, Francis E.
McCoy, Harry E.
McCullough, J. P.
McIntire, William G., Jr.
McKee, Frank R.
McKinsie, William E.
McNeil, Dale A.
McPherson, Edward W.
Mikeal, William S.
Miller, Donald R.
Miller, James R.
Mizerak, John
Moffitt, Vernon D.
Molloy, Arthur E.
Monahan, Edward P.
Moore, Robert E.
Murray, Darrell
Nielsen, Robert P.
Novarra, Francis J.
Nowak, Arthur A.
Ogden, John H.
Orchard, Wayne J.
Parrick, Carl R.
Pate, Homer W.
Patterson, James W., Jr.
Patterson, Ray A.
Perez, Edward A.
Phillips, Charles R., Jr.
Powell, Falvey C., Jr.
Powell, Francis L.
Proctor, Robert C.
Pugh, Robert W.
Riley, Edward E., Jr.
Rivenburg, Theodore L.
Rodrigue, Gerald J.
Roehren, Robert P.
Roemer, Charles P.
Rogers, Joseph A.
Ross, Scott K.
Schneider, Frederick F., Jr.
Schwatka, August O., Jr.
Shanley, Robert J.
Shelton, Woodrow W.
Smith, Augustine J., Jr.
Smith, Warren R.
Smith, Wayne H.
Snively, Arthur W.
Sorenson, Fred Jr.
Souza, Edward F.
Spindler, Raymond S.
Spivey, Franklin L.
Sponie, Bruce E.
Spray, Bert C.
Starbuck, Virgil K.
Straughan, William N.
Thompson, James M.
Thorin, Duane W.
Truax, Hugh G.
Tugwell, Richard L.
Turner, Vernon K.
Tyler, Eugene M.
Ussher, John P.
Vickers, Wrencie
Voorhees, Walter M.
Walleen, Maurice L.
Walters, James E.
Watson, Lloyd C.
West, Arch T.
Westerndorf, Donald R., Jr.
Wheeler, Paul G.
Whitten, Jimmie
Widen, Max W.
Willis, Clayton B.
Wilson, William E.
Yarber, James
Yates, John G.
Zaner, Aubrey B.
Ziemer, Howard
Ziskovsky, Joseph W.

The following-named officers of the Nurse Corps of the Navy for temporary promotion to the grade of lieutenant commander, subject to qualification therefor as provided by law:

Erdt, Leona L.
Fox, Ursula M.
Murphy, Katherine M.
Neely, Margaret F.

The following-named line officers of the Navy for temporary promotion to the grade of lieutenant, subject to qualifications therefor as provided by law:

Berry, Richard C.
Clayman, Samuel W.
Halverson, Herbert "M"
Schultz, Earl E.
Shaw, Scott A.
Weber, Lawrence K., Jr
Watson, Max H.
Wilmer, Robert R.
Wilson, David P.
Wuebler, Robert J.

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Hubert J. Adams, Jr.
John R. Alexander
James M. Alogna
Randall W. Austin
Dale G. Barney
Charles S. Barrett III
William H. Beckwith
James E. Behme
John M. Bossert
Gerald G. Bosworth
Donald G. Bowman
Rodney L. Bown
James T. Brackman II
William F. Brennan
Charles M. Brickett
Newton C. Brill
David A. Brock
Charles J. Brown
Gerald S. Buerk
Edward W. Butchart
Robert E. Byrnes III
Thomas C. Cady
John F. Chappell
Robert L. Clark
James R. Clinton
Larry M. Collins
Ronald W. Davis
Richard A. DeBrine
Walter A. Donnelly, Jr.
Paul K. Dougherty
George H. Douse
John B. Dunzer
Lowell M. Dusek
Calvin R. Dyer
William J. Ebanks, Jr.
Elgin C. Edwards
Robert V. Evans, Jr.
William D. Felix
Leighton H. French
Philias R. Garant
John T. Garner
Edward D. Ging
James R. Ginn
Michael N. Gleason
Kenneth N. Goode
James H. Granger
Richard A. Hanson
Russell L. Hanthorn
William R. Hardgrove
George A. Hatton, Jr.
William E. Haws
Benjamin N. Hayward, Jr.
Glen D. Hodge
Robert M. Hofland
Pieter L. Hogaboom
Michael E. Hulme
Robert B. Hurley
Warren J. Iliff
Robert J. Imbus
Jerry A. Irish
Geoffrey B. Isherwood
Ronald K. James
Jerry H. Jenkins

Robert R. Jespersen
Kekoa D. Kaapu
Frederick A. Kammeier
James H. Kirkham
Graham H. Kreicker
Richard L. Lammerding
Barry A. Landy
Traugott F. Lawler
Martin G. Letscher
Sherman R. Lewis
John C. Little III
Charles D. Lummis
Patrick M. Mackin
John G. McCabe
Theodore R. McElroy
Jack D. McFadden
Robert O. McKittrick
John F. McNelly
David K. Mosher
Thomas R. Mulkern, Jr.
Perry H. Murdick III
Donald G. Naugle
George D. Navadel
Gale L. Newman
Robert E. Noble
Hugh L. Parks III
Jerry S. Pierce
Ernie T. Pope
Richard B. Quanrud
Charles D. Regan
Ray O. Rodwell
Tom Roudebush
Dale W. Schermerhorn
Robert L. Seaver
James F. Simpson
Robert E. Smith
Paul W. Stehr
William J. Stoloski
Wayne R. Swenson
Franklin D. Taylor
Charles B. Thompson
Richard C. Tilton
Alan D. Toelle
Edward T. Uram
William M. Van Antwerp
Gerry L. Van Tassel
David E. Vowell
Robert H. Wakefield
Harry R. Wallace
Edward A. Warnicke
Henry J. Wasik
William L. Weltin
Robert G. Werner
William F. Wescott
Laurence T. Williams
Walter L. Williams, Jr.
David R. Wilson
Robert B. Wilson
Geoffrey A. York

The following named (Naval Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Daniel F. Bergen
John M. McGuinn
Thomas D. Price

The following-named (Army Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Donald W. Cuthrell, Jr.
John J. O'Hayre, Jr.
Richard C. Raines
Paul L. Sechtman
Thomas J. Smyth
Dean K. Stryker
Willard Y. Thomas
Dandridge H. Yon

The following-named (meritorious noncommissioned officers) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Eugene E. Allen
Perry B. Anderson
Bobby G. Anthis
Bobby W. Armstrong
James W. Barnett
Eugene J. Bell
Jean A. Benoy
Horace A. Bertrand, Jr.
Alan W. Bridwell,
Oscar W. Britton
Jerome P. Brooks, Jr.
James R. Burie
Eugene B. Burleson, Jr.
Robert J. Burns
William A. Byrne
Leon Cohan, Jr.
Everett L. Cowley
Robert G. Crabtree
Charles O. De Vries
Gerald F. Dooley
Clifford C. Doughty
Logan E. Doyle
Marcel J. Dube
Paul W. Dyer
Frederick B. Erbe
Edward K. Fisk
Robert J. Flanagan
Duane E. Fry
Albert E. Goodgasell
John M. Green, Jr.
Jack L. Groner
Harold W. Hale
William H. Hale, Jr.
Francis W. Harding, Jr.
John E. Harris
Albert E. Harwood
Marshall D. Haywood, Jr.
Robert T. Himmerich
Jerry E. Hudson
Edwin L. Huff
Lawrence W. Jordan
Henry E. Kamman
John Kazalunas
Michael F. Keane, Jr.
John F. P. King
Arnold L. Klinkenberg
William A. Knight
Jack B. Lakes
William F. Lee
Arlan D. McClanahan
Ralph C. McCormick
Ernest J. McGrady
Ronald D. McKinney
James T. Magee, Jr.
John M. Mahoney
James A. Marks
Edgar C. Martin
Edward G. Maslyk
William B. Mayberry
David N. M. Meinecke
Neil Molsbee
Paul D. Morris
Alton E. Nicol
Giles R. Norrington
LaVerne E. Nourse
Wallace R. Nugent
Howard C. Oakley
Daniel H. Oblinger
Joseph J. O'Brien
Frank E. O'Dell
Joseph J. O'Ravits
Jimmy L. Patrick
Aaron O. Philibert, Jr.
George R. Polyak
Donald A. Powell
Thomas J. Power
Charles J. Ramsay
William G. Reddick
David H. Redmond
Richard C. Reynolds
William A. Richmond
Jules C. Rivera, Jr.
John A. Rohde
Richard L. Ross
Lee C. Rountree
Herbert H. Ruhl, Jr.
Jack M. Sands
James D. Schalk
Herman W. Schneider
John K. Shannahan
Paul H. Sheehan
Thomas A. Silvear
Jack R. Spence
Charles B. Sperry
Doyle R. Sprick
James T. Staulcup
Robert W. Swigart
William A. Szili
Richard H. Taylor
Jacque W. Telford
Samuel E. Thames
William L. Thomas
Daniel F. Trenski
Henry W. Tutterow, Jr.
Ronald C. Upton
Joseph G. Vindich
Carl W. Volz
Melvin N. Wall
Raymond Wells
Robert L. West
Joseph T. Whittlesey
William A. Wile
Howard C. Wood
Grant L. Yenerall

The following-named officers for permanent appointment to the grade of first lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Francis R. Allen
Donald C. Anderson
Richard K. Biel
Wayne V. Bjork
George J. Bollard
John D. Brandenhorst
John J. Burton
William C. Byrd, Jr.
Joseph J. Caputo
Brendan J. Cassidy
Brendan J. Cassin
Ralph L. Chapman
Arthur B. Clark
Thomas F. Conway
Denver T. Dale III
Kenneth W. Earls
Robert F. Eggers
Leonard W. Fahrni
William W. Hatch
Karl R. Heiser
Ralph E. Hicks
Charles E. Holcomb
Frederick J. Houle, Jr.
Will D. Isbell
Russell E. Jamison
Richard J. Johnson
Robert B. Kazmierczak
Richard V. Kearney
William L. Kent
Joseph B. Knotts
James E. C. Leavitt, Jr.
Arthur E. Lee
Howard V. Lee
Merle R. Leighty, Jr.
Arthur J. Liedel
Cornelius W. MacFarlan
James W. Marks
George F. McMahon, Jr.
Joe B. Noble
David E. Obuhanych
James E. Page
Thomas J. Penticost
James E. Ragsdale, Jr.
David A. Ramsey
Lonnie E. Ramsey
John J. Reasoner
Norman H. Smith
Rodgers T. Smith
Jerome P. Trehy
Cecil R. Trueblood, Jr.
Wilson A. Voigt
Edward F. Votaw
Robert L. Walsh
Robert T. Waters
Robert J. Woeckener
Richard F. Wood

The following-named officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Robert H. Andrews
Daryl E. Baker
Jerome L. Beck
John C. Buckley, Jr.
James F. Bugbee
James C. Caccivio
Michael D. Cerreta, Jr.
Hans S. Haupt
Joseph P. Hoar
John P. Landis
John J. Liati
Ronald B. McCrindle
Fred H. Mount
Gerald P. Murphy
George S. Prescott
James R. Sweeney
James E. Walker
William D. Young, Jr.

The following-named officer for permanent appointment to the grade of captain in the Marine Corps, subject to the qualifications therefor as provided by law:

Edward J. Megarr

The following-named officer for permanent appointment to the grade of colonel in the Marine Corps, subject to the qualifications therefor as provided by law:

Lewis N. Samuelsen

William W. Heath, ACCA, USN, to be a chief warrant officer, W-2, in the United States Navy, for temporary service subject to qualifications therefor as provided by law.

CONFIRMATION

Executive nomination confirmed by the Senate March 31, 1958:

UNITED STATES DISTRICT JUDGE

George Harrold Carswell, of Florida, to be United States district judge for the northern district of Florida.

WITHDRAWAL

Executive nomination withdrawn from the Senate March 31, 1958:

POSTMASTER

Clarence E. Harden to be postmaster at Tolono, in the State of Illinois.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 31, 1958

The House met at 12 o'clock noon.

Rev. Francis Czerniawski, of Cohoes, N. Y., offered the following prayer:

Our God and Father, Almighty Creator of the universe, who endowed all peoples with love of their countries and freedom, help us to understand, on the 40th anniversary of Byelorussian independence, that only freedom under Thee will lead our country and its people to happiness. We implore Thee, be merciful to us, to our people and our homeland, Byelorussia, which suffers in slavery. Restore our liberty and prosperity that we in freedom may glorify Thy holy name.

Bless this, our beloved country, the United States of America. Inspire, protect, and guide our statesmen leaders that the light of freedom may always burn brightly in the hearts of the United States and the flame spread to engulf all nations and peoples.

Our Father, who art in heaven, hallowed be Thy name; Thy kingdom come; Thy will be done on earth as it is in heaven. Give us this day our daily bread; and forgive us our trespasses, as we forgive those who trespass against us; and lead us not into temptation; but deliver us from evil.

Amen.

The Journal of the proceedings of Friday, March 28, 1958, was read and approved.

CONFEREES ON H. R. 9821

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that I may be excused as a conferee on the bill H. R. 9821, which has been sent to conference, and that the Speaker be authorized to appoint a substitute in my place.

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

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Tennessee [Mr. DAVIS] to serve as conferee, and the Senate will be notified of the action taken.

SHIPPING ARMS TO CUBA

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