

United States Representative. In light of this, and under the leave to extend my remarks in the RECORD, I include the following April 17, 1958, editorial which appeared in the Eugene (Oreg.) Register-Guard, an outstanding State daily, and my letter of April 29, 1958, written in reply:

#### MORE LEGISLATION, LESS FENCE MENDING

Fifteen months ago 435 United States Representatives were sworn in as Members of Congress. Last week, during the Easter recess, Congressman CHARLES O. PORTER, 1 of the 435, was touring this district, fence mending, sounding out his constituents and otherwise preparing for his reelection campaign. Other Members were touring other districts, but all with the same purpose in mind—campaigning. For no sooner does a Representative take office than his attention must be diverted from his legislative responsibilities to the first chore of the successful officeholder, getting elected.

The problem in the Senate is less acute. Senators, 96 of them, are elected for 6-year terms. A Senator, sworn in when Mr. PORTER was, need not run for reelection until 1962. Last year and this year and for the next couple of years he is free of the worry that he might be fired by the voters. He can, in theory at least, devote himself fully to legislative matters. For 4 years out of his 6 he can play the role of statesman, reverting to politician only in the months before election.

Would it not be better, some have asked, if the terms of Representatives were extended, perhaps to 4 years? Do not Members of the so-called lower House need opportunity for reflection, study and statesmanlike attitudes as much as Senators in the other wing of the Capitol? Several times it has been proposed that terms be so extended.

Such a change would require a constitutional amendment, for the Nation's basic law specifies the 2-year term. To understand why, we must understand the nature of the conglomeration of independent States that got together to form the new nation 170 years ago. States were equal in sovereignty. But some were more populous than others and demanded proportionately greater repre-

sentation in the new parliament. A compromise was struck. The upper House was to represent the States, with each State having two Members, Senators. The lower House was to represent the people, with seats distributed according to population. The Members of the upper House were to be chosen by State legislatures, Members of the lower by popular vote. This was the lower House to be the people's House, responsible to the people and quickly responsive to popular will. The Senate, in the thinking of some of the Founding Fathers, was to be a brake that could prevent the popular will from being put into law too quickly. This pattern was followed by most States, including Oregon, in the establishment of two-house legislatures, an upper house with long-term members and a lower house that could be turned out every other year.

The Nation has come a long way since 1787. In theory we are still a federation of equal States. But the reality is not with us the way it was in our national infancy. Senators are no longer elected by legislatures. Suffrage has been extended far beyond that envisioned by the Founding Fathers. Both Houses now are people's Houses. Experience has shown that changes in sentiment, even in the lower House, are usually small with the balance of power rarely shifting heavily in only one election. So close is the usual division in the Senate that changes in the popular mood are reflected there as readily as they are in the House.

In the view of this newspaper the American people would be well advised to think about changing their basic law to provide longer terms for House Members. We'd get more service from them if we permitted them to tend to their knitting instead of to their fence mending. Yet the prospects for such a change are not bright, if only because the initiative must come from the Central Government and not by individual State action as was the case with direct election of Senators.

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., April 29, 1958.  
To the EDITOR, EUGENE REGISTER-GUARD,  
Eugene, Oreg.

DEAR SIR: Naturally I was interested in your thoughtful editorial of April 17 entitled

"More Legislating, Less Fence Mending." I do not deny for a minute that I was fence mending or campaigning while I toured the Fourth District during the Easter recess. However, I believe that I am a better legislator by reason of my getting around the district and as long as I have the honor to represent southwestern Oregon in Congress I intend to make myself available for consultation and questions throughout the district when Congress is not in session.

A 2-year term does keep a Congressman alert to the fact that he must win and hold votes if he is to be reelected. Doing your job as a United States Representative, both in the legislative and in the errand boy functions, is the best kind of campaigning an incumbent can do.

The real trouble with the 2-year term, in my view, is not that fence mending takes time from legislative responsibilities but that campaigning costs so much money.

The Federal Government is a huge organization with tentacles reaching out and grasping each individual many times. A citizen feels better about a situation if he knows he has a Congressman who will go to bat for him if he needs help. He also likes to feel that he can make his opinions and ideas known to his elected Representative. So these trips a Representative makes around his district, whether they be fence mending or campaigning, are also an essential part of a Congressman's duties in that they overcome in part the impersonality of our Federal Government and thereby make our Union the stronger.

I personally would like to have a 4-year term, not because I dislike getting around the fourth district, but because of the financial burdens of a campaign. You are right when you say that the prospects of extending the 2-year term are at this time remote. There has been considerable talk among my colleagues of providing an additional assistant for each Congressman. This would be a tremendous help in assisting us to serve our constituents both in connection with mail and direct legislative duties. However, this being an election year, the prospects for this are not bright.

Sincerely,

CHARLES O. PORTER,  
Member of Congress.

## SENATE

TUESDAY, APRIL 29, 1958

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

O God, source of the light that never fails or fades, we would yield the flickering torch of our insufficiency to Thee. To Thy overshadowing presence we would lift up, in this hallowed moment, the thronging duties which haunt us day and night, the grievous problems affecting Thy children in all the world for which our human wisdom finds no answer.

Kindle on the altar of our hearts a flame of devotion to freedom's cause in all the world that shall consume in its white heat every less worthy passion. Strengthen our faith in each other. Heal the divisions which shorten the arm of our national might in this dread hour. Guard our lips from chilling criticism which may wound some comrade plodding bravely by our side. Bring our spirits into captivity to that

which is high and holy and of good report. May we rejoice in honor untarnished and the "well done" of the Master, rather than the applause of men. We ask it in the dear Redeemer's name. Amen.

#### THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 28, 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 April 24, 1958, the President had approved and signed the following acts:

S. 280. An act for the relief of Agapito Jorolan; and

S. 1841. An act to authorize the District of Columbia Board of Education to employ retired teachers as substitute teachers in the public schools of the District of Columbia.

#### REPORT OF NATIONAL CAPITAL HOUSING AUTHORITY—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States which, with the accompanying report, was referred to the Committee on the District of Columbia:

To the Congress of the United States:

In accordance with the provisions of section 5 (a) of Public Law 307, 73d Congress, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the National Capital Housing Authority for the fiscal year ended June 30, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 29, 1958.

#### EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the Presi-

dent of the United States submitting the nomination of Robert T. Bartley, of Texas, to be a member of the Federal Communications Commission, which was referred to the Committee on Interstate and Foreign Commerce.

#### LIMITATION OF DEBATE DURING MORNING HOUR

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

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

#### OIL—A POWER FOR PEACE

Mr. JOHNSON of Texas. Mr. President, it is my opinion that no man is better informed about problems affecting the American oil industry and the world oil industry than Gen. Ernest O. Thompson, longtime member of the Texas Railroad Commission.

General Thompson has often appeared before Congressional committees to share his knowledge regarding these problems. He has on numerous occasions been of great assistance in connection with legislation affecting the oil industry.

Recently, in an address in Corpus Christi, Tex., before the governor's economic study committee on oil exports, General Thompson spoke thoughtfully of oil as a power for peace in the world. His address is one that deserves the attention of all Members of Congress.

I ask unanimous consent that the text of General Thompson's address and the accompanying tables he used be printed in the RECORD, as a part of my remarks.

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

##### POWER FOR PEACE

(An address by Ernest O. Thompson before the governor's economic study committee on oil imports, Corpus Christi, Tex., Friday, April 25, 1958)

Never in our history as a nation has there been a time when the security and the peace of the world was more important than today.

The fast tempo of critical events in many parts of the world emphasizes the need of our being ever ready for defense of our democratic institutions.

It is of major importance to take notice that in many parts of the world it is oil that concerns so many nations at this time.

This is reasonable and easily understandable because oil is the power for peace or for war in the world today.

The Free World produces 15,325,700 barrels of oil daily while our contender for world leadership, Russia and her satellites, produce only 2,380,000 barrels of oil per day.

##### World crude oil production, January 1958

[Daily average in barrels]

Country or area:	
United States.....	6,865,000
Venezuela.....	2,492,000
Canada.....	482,000
Colombia.....	127,600

##### World crude oil production, January 1958—

Continued

[Daily average in barrels]

Country or area:	
Mexico.....	253,600
Other Western Hemisphere.....	325,300
Europe.....	228,900
Africa.....	66,600
Kuwait.....	1,315,400
Iraq.....	618,100
Saudi Arabia.....	978,400
Iran.....	847,000
Other Middle East.....	275,100
Far East.....	450,700

Total Free World.....	15,325,700
Estimated Russia and satellites..	2,380,000

World total..... 17,705,700

The reserves of oil in known and developed fields lie very heavily in the Middle East where it is estimated there are already 140 billion barrels of oil uncovered. These vast reserves have been found with very little drilling as compared with the reserves of 35 billion barrels in the United States.

Happily, much of this Middle East oil is under long-term concessions by American and British companies. But the fact remains, they lie under the reach of the Russian Bear.

Admiral Hoover testified that they could not long be defended. At best, the only thing that could be done by us and our allies would be to deny the use of the oil to the enemy by neutralizing the fields, making them unproductive for a time. Of course, it is plain that should Russia take the Persian Gulf oil areas and find the wells put out of production, it would require only a short time to drill wells beside the old ones; and they would soon be back in the oil-producing business.

Our force in Saudi Arabia is a small one—too small to offer any resistance to a real attack in force. But, of course, should Russia once attack these forces, the fat is in the fire.

##### IMPORTS OF OIL

In 1933, the total oil and products imported into the United States was 124,400 barrels per day.

In 1957, these oil imports had grown to the enormous figure of 1,544,400 barrels daily—of this, 996,700 barrels were crude and 547,700 barrels were products.

In my considered opinion, these excessive oil and products imports into this country are largely the cause of the condition in the drilling industry where we have 585 fewer rigs running today than were drilling at work a year ago.

In 1957, the United States drilled 4,000 fewer wells than were drilled in 1956.

It takes exploration and drilling and development to keep up our oil reserves. Oil reserves in the United States in 1957 dropped 350 million barrels as against the reserves of 36,336,981,000 barrels reserves at hand in the United States on December 31, 1956. We must encourage domestic oil production for our ever-expanding economy and for our very freedom in case of war. We cannot depend upon foreign oil for our own home shores' defense.

Russia has 500 new submarines, and these modern subs would sink oil tankers and deny us the foreign imports.

Therefore, it behooves us to build up our reserves at home and build adequate inland pipelines from Texas and the other mid-continent oil-producing States to the west coast and to the east coast.

I have so testified and constantly urged the building of these 2 pipelines—1 to the west and 1 to the east coast—so that, come war, we will not again see our coast-

wise tankers sunk off the shore, oftentimes in sight of people on shore.

These moves are needed for national security. The steel mills have the idle capacity to make the pipe. The construction would help bring us out of the so-called recession. There was never a better time to make available this oil as a power for peace in the world. We have the oil to fill the lines and keep them full; and this domestic oil can displace foreign crude, give employment to thousands of people eager for work. It can be done cheaper now than later, and I can see no reason for delay.

Logistics is the science of getting the right goods to the right place in the proper quantities at the right time.

Come war, there will be no time for delay of petroleum and its products. Defense of our homeland is always our prime mission.

Let us make America secure in her oil supply from the well to the end of pipelines to both ocean coastlines.

Security begins at home. Oil is the power for peace in the United States of America, provided we plan now to get it where it is needed.

We cannot depend on oil from across the oceans to protect us in our freedom.

It was a great disappointment to me, as I am sure it was to all of you, that the President did not make oil import control mandatory.

We have tried the voluntary plan and find it to be too slow in getting results. I am well aware that we will engender some feeling in some importing countries but all will recognize that when national defense is under consideration the United States must look to her own resources particularly petroleum reserves upon which our very existence as a free nation depends so completely at this time.

Security begins at home.

##### UNITED STATES RESERVE OIL-PRODUCING CAPACITY

We are not running out of oil. This statement needs to be impressed upon our people because of the drop in reserves indicated by the figures released lately.

The drop in reserves was, in my considered opinion, due to the fact that the United States drilled 4,000 fewer wells here at home than were drilled the previous year. Huge inventories plagued us because we stepped up production for supply to Europe when Suez was closed. Then when Suez reopened, the United States was left with this oil they no longer would buy, preferring to take Middle East oil instead.

Had we drilled the additional 4,000 wells, I am confident our reserves would have been showing a net gain.

In the 10 years, 1945-55, the United States produced 20.8 billion barrels of oil, yet increased our reserves by 10 billion barrels during the period.

On October 3, 1957, the National Petroleum Council, through its committee chairman, Mr. L. F. McCollum, of the committee on availability, released the finding that the total producibility of crude oil in the United States at the most efficient rate of production without physical waste was 9,867,000 barrels per day and that this maximum efficient rate could be maintained.

The total oil production of the United States as of March 29, 1958, was 6,295,775 barrels per day. This means we now have 3,571,225 barrels per day reserve producing ability for any emergency.

What is needed now is ample big-inch pipelines to the west coast from west Texas and to the eastern refining centers from the gulf and midcontinent areas. As of January 1, 1958, United States oil reserves were 36 billion barrels. We are not running out of oil. We need outlets.



A thumbnail picture of the United States reserves report follows:

Reserves	Dec. 31, 1956	Dec. 31, 1957	Change, 1957 versus 1956	Production	1956	1957	Change, 1957 versus 1956
Crude oil.....	30,434,649,000	30,800,405,000	+365,756,000	Crude oil.....	2,551,857,000	2,559,044,000	+7,187,000
Natural gas liquids.....	5,902,332,000	5,687,360,000	-214,972,000	Natural gas liquids.....	346,053,000	352,364,000	+6,311,000
Total liquid hydrocarbons.....	36,336,981,000	35,987,765,000	-349,216,000	Total liquid hydrocarbons.....	2,897,910,000	2,911,408,000	+13,498,000
Natural gas.....	237,774,569,000	246,569,255,000	+8,794,686,000	Natural gas.....	10,907,926,000	11,502,359,000	+594,433,000

Table showing growth of crude oil and product imports, natural gas liquids, and natural gas

[Shown in cubic feet and crude oil equivalent]

	Imports (thousands of barrels daily)			Natural gas (marketed product) (billion cubic feet)	Domestic crude oil production	Production natural gas liquids (thousands of barrels daily)	Natural gas as crude equivalent (thousands of barrels daily)		Imports (thousands of barrels daily)			Natural gas (marketed product) (billion cubic feet)	Domestic crude oil production	Production natural gas liquids (thousands of barrels daily)	Natural gas as crude equivalent (thousands of barrels daily)
	Crude	Products	Total						Crude	Products	Total				
1933.....	87.4	37.0	124.4	1,555	-----	92.6	710	1946.....	235.8	141.4	377.2	4,031	-----	317.1	1,841
1934.....	97.4	40.9	138.3	1,770	-----	100.2	808	1947.....	267.2	169.5	436.7	4,582	-----	362.1	2,092
1935.....	88.3	55.9	144.2	1,917	-----	107.8	875	1948.....	352.7	161.4	514.1	5,148	-----	400.8	2,344
1936.....	88.3	67.7	156.0	2,108	-----	116.8	987	1949.....	421.1	224.3	645.3	5,420	-----	430.4	2,475
1937.....	75.3	81.3	156.6	2,408	-----	134.7	1,099	1950.....	485.9	363.1	850.0	6,282	5,407.0	498.6	2,868
1938.....	72.4	76.4	148.8	2,296	-----	140.7	1,048	1951.....	490.6	353.8	844.4	7,457	6,158.1	561.0	3,405
1939.....	90.7	71.1	161.8	2,477	-----	141.5	1,131	1952.....	572.6	379.6	952.2	8,013	6,256.4	610.6	3,649
1940.....	116.6	112.2	228.8	2,660	-----	152.2	1,211	1953.....	647.8	386.4	1,034.2	8,397	6,457.8	653.6	3,834
1941.....	138.7	127.5	266.2	2,813	-----	221.5	1,284	1954.....	656.1	395.8	1,051.9	8,743	6,342.4	690.8	3,992
1942.....	33.7	64.8	98.5	3,053	-----	228.3	1,394	1955.....	782.0	466.1	1,248.1	9,405	6,806.7	770.8	4,294
1943.....	37.9	135.8	173.7	3,415	-----	240.3	1,559	1956.....	934.0	492.4	1,426.4	10,082	7,151.0	785.9	4,591
1944.....	122.4	129.7	252.1	3,711	-----	273.3	1,690	1957.....	996.7	547.7	1,544.4	10,639	7,175.0	805.6	4,858
1945.....	203.7	107.6	311.3	3,919	-----	306.9	1,789								

<sup>1</sup> Preliminary Oil and Gas Journal estimate.

### Imports: How the 8.9 percent imports cut will work

[Figures in thousand barrels daily]

Company	Present allocation	Cuts to be made by—					Company	Present allocation	Cuts to be made by—					
		Apr. 1, 1958 (-9.08 percent)	June 1, 1958 (-9.90 percent)	July 1, 1958 (-12.20 percent)	Aug. 1, 1958 (-13.73 percent)	Sept. 1, 1958 (-14.82 percent)			Apr. 1, 1958 (-9.08 percent)	June 1, 1958 (-9.90 percent)	July 1, 1958 (-12.20 percent)	Aug. 1, 1958 (-13.73 percent)	Sept. 1, 1958 (-14.82 percent)	
MAJOR IMPORTERS							SMALLER IMPORTERS—continued							
Atlantic.....		58.9	53.5	53.1	51.7	50.9	50.2	Lakehead Pipe Line.....	0.3	0.3	0.3	0.3	0.3	0.3
Gulf.....	111.6	101.3	100.6	98.0	96.3	95.1		Lake Superior.....						
Sinclair.....		62.2	56.5	56.1	54.6	53.7	53.0	Refining.....	5.0	4.5	4.5	4.4	4.3	4.3
Socony.....		67.1	60.9	60.5	59.0	57.9	57.2	Northwestern Oil.....	13.5	12.3	12.2	11.9	11.7	11.5
Standard (Calif.).....		66.8	60.7	60.2	58.7	57.7	56.9	Phillips.....	12.0	10.9	10.8	10.6	10.4	10.2
Standard (N. J.).....		72.0	65.4	64.9	63.2	62.1	61.4	Shell.....	7.5	6.8	6.8	6.6	6.5	6.4
Texaco.....		54.5	49.5	49.1	47.9	47.0	46.4	Standard (Ind.).....	29.8	27.1	26.9	26.2	25.7	25.4
Subtotal.....	493.1	447.8	444.5	433.1	425.6	420.2		Standard (Ohio).....	8.2	7.4	7.4	7.2	7.1	7.0
SMALLER IMPORTERS								Sun.....	50.4	45.8	45.4	44.3	43.5	43.0
Bay Refining.....	3.2	2.9	2.9	2.8	2.7	2.7		Southwestern.....	2.9	2.6	2.6	2.6	2.5	2.5
Cities Service.....	32.6	29.6	29.4	28.7	28.1	27.8		Texas Asphalt.....	2.3	2.1	2.1	2.0	2.0	2.0
Crown Central.....	5.0	4.5	4.5	4.4	4.3	4.3		Tidewater.....	34.2	31.1	30.8	30.0	29.5	29.2
Dow Chemical.....	.3	.3	.3	.3	.3	.3		Subtotal.....	289.7	263.2	261.5	254.9	250.3	247.3
Eastern States.....	18.3	16.6	16.5	16.1	15.8	15.6		Total, present importers.....	782.8	711.0	706.0	688.0	676.0	667.5
Gabriel Oil.....	7.5	6.8	6.8	6.6	6.5	6.4		New importers.....		2.0	7.0	23.0	37.0	45.5
Great Northern.....	33.0	30.0	29.8	29.0	28.5	28.1		Grand total.....	782.8	713.0	713.0	713.0	713.0	713.0
Hess, Inc.....	11.5	10.4	10.4	10.1	10.0	9.8		Net percent cut.....		8.9	8.9	8.9	8.9	8.9
International Refining.....	12.3	11.2	11.1	10.8	10.6	10.5								

<sup>1</sup> New allocation, but retroactive to July 1, 1957.

Source: Petroleum Week, Apr. 4, 1958.

### The new importers

Company	Date of allocation	Quantity (in barrels daily)	Company	Date of allocation	Quantity (in barrels daily)	Company	Date of allocation	Quantity (in barrels daily)
Aurora.....	Sept. 1, 1958	3,500	Ohio Oil.....	Aug. 12, 1958	3,500	United Refining.....	July 1, 1958	3,000
Clark Oil.....	Apr. 1, 1958	2,000	Pure Oil.....	June 10, 1958	5,000	Total.....	-----	45,500
Continental.....	Aug. 6, 1958	5,000	Republic.....	July 1, 1958	4,000			
Danahoe Refining.....	July 24, 1958	500	Sunray.....	Sept. 1, 1958	5,000			
Delta Refining.....	Aug. 3, 1958	3,000	Tennessee Gas.....	June 16, 1958	3,500			
Ingram.....	July 15, 1958	3,500	Texas City.....	July 1, 1958	4,000			

Source: Petroleum Week, Apr. 4, 1958.

TABLE 4.—Estimated proved reserves of liquid hydrocarbons in the United States

[Barrels of 42 U. S. gallons]

	Proved reserves as of Dec. 31, 1956	Changes in proved reserves due to extensions (new oil) and revisions during 1957	Proved reserves discovered in new fields and in new pools in old fields in 1957 <sup>1</sup>	Production during 1957 <sup>1</sup>	Proved reserves as of Dec. 31, 1957 (cols. (1) + (2) + (3) less col. (4))	Changes in reserves during 1957 (col. 5 less col. (1))
	(1)	(2)	(3)	(4)	(5)	(6)
Alabama <sup>2</sup>	37,537,000	3,301,000	-----	6,429,000	34,409,000	-3,128,000
Arkansas	360,193,000	12,092,000	2,360,000	32,546,000	342,099,000	-18,094,000
California <sup>4</sup>	4,083,085,000	335,497,000	15,645,000	368,744,000	4,065,483,000	-17,602,000
Colorado	375,295,000	-1,404,000	2,725,000	55,712,000	320,904,000	-54,391,000
Illinois	716,772,000	20,510,000	7,172,000	77,915,000	666,539,000	-50,233,000
Indiana	67,861,000	10,582,000	246,000	11,839,000	66,850,000	-1,011,000
Kansas	1,163,826,000	87,097,000	15,845,000	130,120,000	1,136,639,000	-27,187,000
Kentucky	155,693,000	4,636,000	2,679,000	19,261,000	143,747,000	-11,946,000
Louisiana <sup>4</sup>	4,690,361,000	365,780,000	166,154,000	345,528,000	4,876,767,000	186,406,000
Michigan	56,880,000	2,519,000	2,201,000	10,371,000	50,729,000	-5,651,000
Mississippi	424,208,000	19,606,000	10,095,000	39,958,000	413,951,000	-10,257,000
Montana	339,559,000	14,615,000	940,000	27,318,000	327,796,000	-11,763,000
Nebraska	69,365,000	13,185,000	8,116,000	20,472,000	70,194,000	829,000
New Mexico	1,249,536,000	-5,578,000	16,093,000	107,759,000	1,152,292,000	-97,244,000
North Dakota	40,196,000	19,083,000	61,340,000	2,663,000	37,538,000	-2,663,000
Ohio	214,834,000	10,272,000	16,000	5,572,000	280,921,000	66,087,000
Oklahoma	2,365,386,000	132,515,000	31,807,000	245,544,000	2,284,164,000	-81,222,000
Pennsylvania	137,867,000	261,000	131,000	8,309,000	129,950,000	-7,917,000
Texas <sup>4</sup>	18,163,028,000	751,474,000	168,496,000	1,256,241,000	17,826,757,000	-336,271,000
Utah	61,530,000	61,572,000	21,635,000	4,612,000	140,125,000	78,595,000
West Virginia	77,062,000	4,337,000	266,000	7,108,000	75,457,000	-2,505,000
Wyoming	1,417,038,000	155,538,000	10,693,000	112,886,000	1,470,883,000	53,845,000
Miscellaneous <sup>3</sup>	4,225,000	-3,000	50,000	656,000	3,616,000	-609,000
Total United States	36,336,981,000	2,017,487,000	544,705,000	2,911,408,000	35,987,765,000	-349,216,000

<sup>1</sup> Only a limited area is assigned to each new discovery, even though the committee may believe that eventually a much larger area will produce; for, in this report, the concern is only with actually proved reserves.

<sup>2</sup> See under heading "Imports of Oil."

<sup>3</sup> Crude oil only.

<sup>4</sup> Includes offshore reserves.

<sup>5</sup> Includes Alabama natural gas liquids; Arizona, Missouri, Nevada, South Dakota, Tennessee, Virginia, and Washington crude; and Florida crude and natural gas liquids.

TABLE 5-A.—Summary of proved reserves as reported prior to 1946

[Barrels of 42 United States gallons]

	Through revisions of previous estimates and extensions to known fields	Through discoveries of new fields and of new pools in old fields	Total through new discoveries, extensions, and revisions (cols. (1) + (2))	Production during year <sup>1</sup>	Estimated proved reserves as of end of year (col. (3) - (4))	Increase over previous year
	(1)	(2)	(3)	(4)	(5)	(6)
1936	-----	-----	-----	-----	13,063,400,000	-----
1937	2,792,790,000	928,742,000	3,721,532,000	1,277,654,000	15,507,208,000	2,443,868,000
1938	2,243,371,000	810,403,000	3,054,044,000	1,213,185,000	17,348,146,000	1,840,878,000
1939	2,058,455,000	340,667,000	2,399,122,000	1,264,258,000	18,483,012,000	1,134,866,000
1940	1,607,012,000	286,338,000	1,893,350,000	1,351,847,000	19,024,515,000	541,503,000
1941	1,538,989,000	429,974,000	1,968,963,000	1,404,182,000	19,589,296,000	564,781,000
1942	1,618,925,000	260,051,000	1,878,976,000	1,385,479,000	20,082,793,000	493,497,000
1943	1,202,368,000	282,418,000	1,484,786,000	1,503,427,000	20,064,152,000	-18,641,000
1944	1,556,192,000	511,308,000	2,067,500,000	1,678,421,000	20,453,231,000	389,079,000
1945	1,690,315,000	419,984,000	2,110,299,000	1,736,717,000	20,826,813,000	373,582,000
Dec. 31, 1945, estimated proved reserves of crude oil only (see note below)	-----	-----	-----	-----	19,941,846,000	-----

<sup>1</sup> See under heading "Imports of Oil."

NOTE.—Up to and including its figures on proved reserves of petroleum, as of Dec. 31, 1945, the committee combined under that heading the estimated proved reserves of cycle-plank and lease condensate. As of Dec. 31, 1945, the reserves so included totaled 884,967,000 barrels and as of Dec. 31, 1944, there were 668,701,000 barrels in-

cluded. Beginning with the report of Dec. 31, 1946, the figures in this table show crude oil and natural gas liquids. It is to be remembered that, previous to Dec. 31, 1946, not all classes of natural gas liquids were included. For this reason the totals for crude oil and natural gas liquids, as herewith recorded for 1946, 1947, and 1948, are not comparable with the figures recorded for years prior to 1946.

TABLE 5-B.—Summary of proved reserves as reported for 1946 and thereafter<sup>1</sup>

[Barrels of 42 United States gallons]

	New oil added during year			Production during year <sup>2</sup>	Estimated proved reserves as of end of year (col. (3) - (4))	Increase over previous year
	Through revisions of previous estimates and extensions to known fields	Through discoveries of new fields and of new pools in old fields	Total through new discoveries, extensions, and revisions (cols. (1) + (2))			
	(1)	(2)	(3)	(4)	(5)	(6)
Crude oil only:						
1946	2,413,628,000	244,434,000	2,658,062,000	1,726,348,000	20,873,560,000	931,714,000
1947	2,019,140,000	445,430,000	2,464,570,000	1,850,445,000	21,487,885,000	614,125,000
1948	3,398,726,000	396,481,000	3,795,207,000	2,002,448,000	23,280,444,000	1,792,759,000
1949	2,297,428,000	890,417,000	3,187,845,000	1,818,800,000	24,649,489,000	1,369,045,000
1950	1,997,769,000	564,916,000	2,562,685,000	1,943,776,000	25,268,398,000	618,909,000
1951	4,024,698,000	389,256,000	4,413,954,000	2,214,321,000	27,468,031,000	2,199,633,000
1952	2,252,860,000	496,428,000	2,749,288,000	2,256,765,000	27,960,554,000	492,523,000
1953	2,704,450,000	591,680,000	3,296,130,000	2,311,856,000	28,944,828,000	984,274,000
1954	2,287,231,000	585,806,000	2,873,037,000	2,257,119,000	29,560,746,000	615,918,000
1955	2,938,767,000	476,957,000	3,415,724,000	2,419,300,000	30,012,170,000	451,424,000
1956	2,507,114,000	467,222,000	2,974,336,000	2,551,857,000	30,434,049,000	422,479,000
1957	2,008,603,000	416,197,000	2,424,800,000	2,559,044,000	30,300,405,000	-134,244,000

<sup>1</sup> See note bottom of table 5-A.

<sup>2</sup> See under heading "Imports of Oil."



TABLE 5-B.—Summary of proved reserves as reported for 1946 and thereafter—Continued

(Barrels of 42 United States gallons)

	New oil added during year			Production during year	Estimated proved reserves as of end of year (col. (3) - (4))	Increase over previous year
	Through revisions of previous estimates and extensions to known fields	Through discoveries of new fields and of new pools in old fields	Total through new discoveries, extensions, and revisions (cols. (1) + (2))			
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Natural gas liquids only:</b>						
1946.....	(7)	(7)	(7)	(7)	3,163,219,000	.....
1947.....	192,237,000	59,301,000	251,538,000	160,782,000	3,253,975,000	90,756,000
1948.....	405,874,000	64,688,000	470,562,000	183,749,000	3,540,783,000	286,808,000
1949.....	294,211,000	92,565,000	386,776,000	198,547,000	3,729,012,000	188,229,000
1950.....	707,879,000	58,183,000	766,062,000	227,411,000	4,267,663,000	538,651,000
1951.....	648,497,000	75,494,000	723,991,000	267,052,000	4,724,602,000	456,939,000
1952.....	475,170,000	81,688,000	556,858,000	284,789,000	4,996,651,000	272,049,000
1953.....	648,047,000	95,922,000	743,969,000	302,698,000	5,437,922,000	441,271,000
1954.....	20,830,000	86,520,000	107,350,000	300,815,000	5,244,457,000	-193,465,000
1955.....	447,160,000	67,348,000	514,508,000	320,400,000	5,438,565,000	194,108,000
1956.....	715,764,000	94,056,000	809,820,000	346,053,000	5,902,332,000	463,767,000
1957.....	8,884,000	128,508,000	137,392,000	352,364,000	5,687,300,000	-214,972,000
<b>Total liquid hydrocarbons:</b>						
1946.....	(7)	(7)	(7)	(7)	24,036,779,000	.....
1947.....	2,211,377,000	504,731,000	2,716,108,000	2,011,227,000	24,741,660,000	704,881,000
1948.....	3,804,600,000	461,164,000	4,265,764,000	2,186,197,000	26,821,227,000	2,079,567,000
1949.....	2,591,639,000	982,982,000	3,574,621,000	2,017,347,000	28,378,501,000	1,557,274,000
1950.....	2,705,648,000	623,099,000	3,328,747,000	2,171,187,000	29,536,061,000	1,157,560,000
1951.....	4,673,195,000	464,750,000	5,137,945,000	2,481,373,000	32,192,633,000	2,656,572,000
1952.....	2,728,030,000	578,096,000	3,306,126,000	2,541,554,000	32,957,205,000	764,572,000
1953.....	3,352,497,000	687,602,000	4,040,099,000	2,614,554,000	34,382,750,000	1,425,545,000
1954.....	2,308,061,000	672,326,000	2,980,387,000	2,557,934,000	34,805,203,000	422,453,000
1955.....	2,840,927,000	544,305,000	3,385,232,000	2,739,700,000	35,450,735,000	645,532,000
1956.....	3,222,878,000	561,278,000	3,784,156,000	2,897,910,000	36,336,981,000	886,246,000
1957.....	2,017,487,000	544,705,000	2,562,192,000	2,911,408,000	35,987,765,000	-349,216,000

\* This detail not available for 1946.

## PUBLIC WORKS PROGRAM AND REPEAL OF THE EXCISE TAX

Mr. JOHNSON of Texas. Mr. President, the Senate has acted with due consideration of its constitutional role in the face of this recession. It has sought to pass bills which would create jobs in many fields, particularly in the field of needed public improvements and has stressed better roads, better houses, better schools, and better public works. Some of the measures have been vetoed; some have been signed reluctantly. All of them have met with the reaction that public works will take some time to have an effect upon the economy.

Mr. President, I know of no Member of this body who does not agree that public works and needed public improvements takes some time to get under way. We also believe that it is going to take forever if, instead of being administered, they are subjected only to argument about how long they are going to take.

In addition, we agree that the first essential to restoring prosperity is confidence in the Nation and in its economic system.

Mr. President, confidence is not bred solely by confident predictions. Confidence grows out of confident action.

Mr. President, I do not believe the Congress can stand idly by while men and women who need work and who want to work cannot find work. If public works are not going to be administered enthusiastically and with a proper sense of urgency, then I frankly say, Mr. President, that in this hour, when we have almost one million automobiles that cannot be sold; when the automobile dealer and the automobile purchaser are crushed with the burden of a heavy excise tax; when our great transportation media are slowed to a halt, so far as profit is concerned, and are suffering heavy losses because of the

excise-tax burden they must bear; when our economy is receding; and when even the economists who 3 or 4 months ago advised against a tax cut of any kind, are now flipflopping and changing their opinion, then I say, Mr. President, that if we cannot provide assistance through the medium of the public works that the Congress has authorized by measures which it has passed by overwhelming nonpartisan votes, other steps must promptly be taken.

I would remind the Senate and the rest of the country that the closest vote, I believe, taken in the Senate on any public-works measure was 5 to 1. The rivers and harbors bill was passed by the Senate by a vote of, I believe, 52 to 10 or 11. The roads bill was passed by a vote of, I believe, 84 to 4.

Mr. GORE. The vote was 86 to 4.

Mr. JOHNSON of Texas. I stand corrected; 86 to 4. I am glad to be corrected by the Senator from Tennessee, the author of that very fine piece of legislation.

The housing bill was passed by a vote of 86 to 0.

So, Mr. President, if any panic was involved in the votes which were cast on the bills dealing with those programs, it was panic on both sides of the aisle, because the patriotic Members of this body voted almost unanimously for them.

But, Mr. President, if those measures do not do the job, we shall have to turn to other measures, because it would cost us a great deal more to get out of a depression than to save ourselves from one.

I know that the Members of the Senate should not trespass upon the prerogatives of the House of Representatives, and also should not make predictions about what measures the House will pass. I know that all of us recognize

that the House of Representatives has a special responsibility in this field, and we are confident that the House will act at the proper moment.

But I am merely reflecting one viewpoint, as I see it, and that is what I wish to leave with the Senate—namely, that if the solutions we have provided for, by passing measures to expedite and speed up our military and public-works construction, rivers and harbors improvements, construction of houses, construction of schools, and construction of roads, do not get the job done, then there is nothing left for us to do but pass legislation that will get it done. I think the time is rapidly approaching when not only the House of Representatives but the Senate will have to take the responsibility for making a decision that will bring the much needed results.

## AMERICA'S FOURTH CELEBRATION OF INVEST-IN-AMERICA WEEK

Mr. WILEY. Mr. President, I have listened with interest to the advice just given to us by the distinguished majority leader. I wish to call attention to the fact that in a committee hearing this morning it developed that there are two second-hand automobiles sold for every new automobile that is sold. In 1955 more than 21 million automobiles were sold in the United States. In 1956 the number was reduced to probably 18 million, and last year likewise reduced.

Similarly, last year, Mr. President, 18 million pounds of milk were produced in Wisconsin, but not all of that milk was consumed. We had overproduction and inadequate distribution.

The problem facing us requires that we analyze the facts and find the remedy. If one-third of steel production is used for the manufacture of automobiles, and if automobiles are overproduced and

cannot be sold, steel production will be reduced, unless other uses can be found.

Mr. President, all of us are aware that during the year there are a great many commemorative weeks and days. Some are of great significance; some are of less importance.

Beginning last Sunday, April 27, we, as a Nation, have been observing a significant weeklong occasion; it is the fourth annual National Invest-In-America Week.

I am glad the majority leader suggested we invest in confidence, that we jack up our confidence with deeds, not with words.

The purpose of this week is to remind every American that it takes sound investments to keep our country strong. Investments—where, how? Investments in jobs, in savings, homes, insurance, and sound securities. Money at work means men at work.

Naturally, the theme of Invest-In-America is particularly appropriate at the present time in our country. Why? Because we need to revitalize ourselves with confidence; we need to roll up our sleeves and go to work.

But that does not mean we should go off the deep end, where we will not get results, or we will have applied a remedy that is not a remedy at all.

In other words, rather than pessimism, rather than do-nothingism, it is up to us to meet our current problems with the traditional initiative and resourcefulness which we have always displayed.

I desire to say again, as I have said before on the floor of the Senate, we cannot always pass the buck to Washington. We have found in the past that does not do. In the thirties we tried to pass the buck, and we did not cure our economic troubles. We had to get into a war before we found a solution. We do not want a war this time. What we want is a commonsense remedy applied to the conditions as they exist—to the patient as he is.

I am sure, Mr. President, when we analyze the situation and diagnose the illness of the patient, we shall find what the disease is. In many cases it is, as I have said, overproduction of commodities which cannot be sold or disposed of.

When I say "we," I mean every single American. I mean every one of our 49 million families. I mean every holder of an insurance policy, every one of the approximately 9 million owners of securities in publicly owned corporations, every homeowner, everyone with a deposit in a bank or in any other savings institution, everyone who is a partner or an owner of a small business.

This is people's capitalism, but people's capitalism takes money—the money of tens of millions of citizens.

The National Industrial Conference Board, in the most recent statistics compiled, indicate that an average of \$17,000 per job is invested for employed Americans.

In some industries, where there is no alternative but to have a heavy capital investment in machinery and plant, the cost per worker is even higher.

The source of the \$17,000 or more, must be the mass of the American people

themselves, for it is they who represent the largest pool of capital available.

So, I want to commend the national sponsors of Invest-in-America Week, along with all the many local groups throughout our land.

I should like to point out that each year the Invest-in-America concept has grown. It is nationally recognized and nationally observed. It is advertised on radio and television, in the newspapers, and in industrial publications. It is included in the radio-TV bulletin of the advertising council.

In calling attention to this occasion, I feel it is one important way by which I, for one, can help keep America strong by keeping our economy growing.

I was pleased to act in a similar fashion last year when I called attention to the third annual observance, as recorded in the CONGRESSIONAL RECORD, volume 103, part 3, pages 3668-3671.

I send to the desk several items which will illustrate the significance and background of Invest-in-America.

The first is a leaflet, which is a part of the fine kit sent to investment groups throughout our country. The leaflet is entitled "Why Should I Be Interested in Invest-in-America?"

The second is an article from last Sunday's issue of the Milwaukee Journal. It describes the fine program of Invest-in-America Week throughout my own State of Wisconsin. It points out, for example, to cite but one instance of investment, that last year the residents of my State invested no less than \$21 million in shares of investment companies—and this is only one phase of Wisconsin's investments.

Thirdly, as an indication of the high caliber of the men and women associated with this national project, I include a list of the 1958 officers and directors of Invest-in-America Week, nationally, as well as a list of the able individuals here on the local scene who are carrying out the grassroots effort.

I ask unanimous consent that all of these items be printed in the RECORD.

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

#### WHY SHOULD I BE INTERESTED IN INVEST-IN-AMERICA?

If you're a wage earner, capital investment is as necessary to your job as is the food that nourishes your body. Dollars saved and invested build plants, stores and offices, create more and better jobs and bigger payrolls, and make your own job more secure.

If you're a woman, women own over one-half of the capital of America and have the responsibility to see that it is used wisely. Your invested savings exercise a key role in keeping our economy strong and healthy.

If you're a teacher you have the opportunity to teach youth the basic facts of our business system—that competitive enterprise is the only proved system in the world that constantly creates more jobs and provides more of the good things of life—that savings and investment are the key which will unlock the jobs of the future.

If you're in industry you know that an average investment of \$17,000 is required to supply the tools necessary to create a single job, and \$17 billion of new capital must be found for jobs for the million persons who join our work force every year. In bringing home this fact to more people, the Invest-

in-America program helps to stimulate the flow of capital needed to provide these jobs.

If you're a farmer you understand the capital need for land and machinery to produce more food for our fast-growing population and raw materials for new and expanding industry.

If you're a small-business man you are aware of the necessity for capital in starting a new business, expanding an established one, developing new products and services. You encourage savings and create capital, and you employ more people as savings permit growth.

If you're a student, in America you have the right to get a free public education and the opportunity for unlimited study. Only through the American enterprise system do you get both education and limitless opportunities for employment.

If you're in the financial community you recognize that "finance is the lifeblood of competitive enterprise" and that widening acceptance of this axiom increases the flow of venture capital and strengthens our economy.

If you're in public relations you use channels capable of reaching millions with the Invest-in-America message about competitive enterprise and individual freedom and opportunity. What better way to use your mediums than to promote the Invest-in-America plan—safeguarding and promoting America's future.

[From the Milwaukee Journal of April 27, 1958]

#### GROUP CALLS ATTENTION HERE TO IMPORTANCE OF INVESTMENT—EXHIBITS AND POSTERS PLACED TO PUBLICIZE INVEST-IN-AMERICA WEEK

Just about everyone in Milwaukee—or in Wisconsin or the entire United States for that matter—has a personal interest in a "week" being observed this week. This is Invest-in-America Week, a promotion supported by financial institutions and industry. The theme is: "Money at work means people at work." A committee headed by Roth S. Schleck, an assistant vice president of the First Wisconsin National bank, developed the attention to be given the week in Milwaukee.

This attention primarily consists of posters and displays. Lobby exhibits can be seen at the Marshall & Ilsley, Marine National Exchange, and First Wisconsin Second Ward office banks. The committee is sponsor of an exhibit in one of the windows at General Mitchell field.

#### FAR-REACHING MEANING

Schleck will appear on local television programs to plug the observance, and the illuminated sign on the city hall will be given over to a message on Wednesday. Manufacturing firms are displaying posters on bulletin boards and, where possible, devoting space in their house organs.

While "investment" more commonly connotes buying of stocks and bonds, its meaning actually is far reaching, the national chairman for the observance points out. Walker L. Cislser, president of Detroit Edison Co., said in a statement:

"This year, more than ever before since the week was first observed (in 1949), our country has a real stake in every dollar invested by every individual in a bank account, an insurance policy, a home, a bond, a share of stock, or in an annuity or retirement fund.

"This is the money which helps provide the capital with which we can expand our industries and create new jobs and higher living standards for all of our people."

#### TWENTY-ONE MILLION DOLLARS IN MUTUAL FUNDS

Figures illustrate just how huge such investments can become in even one community or State.



For instance, the stock of 35 large and small Milwaukee companies which have public ownership is owned by tens of thousands of persons across the country. These 35 have 33,479,059 shares of common stock outstanding, representing at current market value nearly \$9 billion. Allis-Chalmers, the State's largest manufacturing company, alone has 8,141,435 outstanding shares, spread among more than 56,000 share owners and representing a market value of more than \$195 million.

Residents of Wisconsin last year invested more than \$21 million in shares of investment companies (mutual funds).

The Milwaukee Co., an investment firm, in a recent survey found that 37 corporations with headquarters or principal plants here had 15,556 stockholders in Milwaukee, and that 66 Wisconsin corporations had 115,814 Wisconsin stockholders.

#### MILLIONS ARE CAPITALISTS

Thousands of Milwaukeeans have bank savings accounts. As of March 26, according to the Chicago Federal Reserve Bank, time (savings) deposits in Milwaukee member banks totaled \$323 million.

Thousands also own insurance policies, either individually or through group plans at their place of employment.

The National Invest in America Committee, describing Americans as "capitalists," notes that 25 million own their homes, more than 100 million hold insurance policies, more than 21 million have savings accounts, and nearly 9 million are shareholders in industry and business.

In industry, the committee points out, an average investment of \$17,000 is required to supply the tools necessary to create a single job, and \$17 billion of new capital must be found for jobs for the million persons who join the work force every year.

The National Invest-in-America Committee, Inc., 11th floor, Chamber of Commerce Building, 121 South Broad Street, Philadelphia, Pa., Pennypacker 5-9320:

#### OFFICERS

Chairman, National Invest-in-America Week, April 28-May 4, 1957, T. S. Petersen, San Francisco, Calif.

Chairman of the board, Frederic A. Potts, Philadelphia, Pa.

Vice chairman, J. Earle Jardine, Jr., Los Angeles, Calif.

Chairman, executive committee, Walter A. Schmidt, Philadelphia, Pa.

Secretary, Rudolf F. Vogeler, Philadelphia, Pa.

Treasurer, Alexander Biddle, Philadelphia, Pa.

Counsel, Samuel R. Rosenbaum, Philadelphia, Pa.

Executive secretary, Kathryn M. Duffy.

#### DIRECTORS

James B. Black, San Francisco, Calif.

John F. Bunn, Jr., Philadelphia, Pa.

J. Whitney Bunting, New York, N. Y., chairman, eastern division, Invest-in-America Committee.

Daniel J. Cullen, San Francisco, Calif., chairman, western division, Invest-in-America Committee.

Robert A. Dowling, New York, N. Y.

Wilfred D. Gillen, Philadelphia, Pa.

Lee S. Harris, Jr., Philadelphia, Pa.

Dr. Louis P. Hoyer, Philadelphia, Pa.

John Latshaw, Kansas City, Mo., chairman, central division, Invest-in-America Committee.

Ruddick C. Lawrence, New York, N. Y.

Howard C. Petersen, Philadelphia, Pa.

Mrs. Mary G. Roebing, Trenton, N. J.

Elliott H. Sharp, New York, N. Y.

C. A. Sienkiewicz, Philadelphia, Pa.

Edward Starr, Jr., Philadelphia, Pa.

Reese H. Taylor, Los Angeles, Calif.  
Franklyn Waltman, Philadelphia, Pa.  
T. Johnson Ward, Philadelphia, Pa.  
Phelps Witter, Los Angeles, Calif.

Invest-in-America Week, promote the American free-enterprise system by investing in jobs, savings, homes, and insurance and securities, 1616 K Street NW., Washington, D. C., Sterling 3-3535:

Chairman, Barnum L. Colton, president, National Bank of Washington.

Vice chairman, Richard L. Johnson, Merrill, Lynch, Pierce, Fenner & Smith.

W. Jeffries Chewning, Jr., chairman, American ideals committee, Washington Board of Trade.

Treasurer, W. S. Martindill, vice president and secretary, Perpetual Building Association.

#### COMMITTEE

E. C. Baltz, president, Perpetual Building Association.

Daniel W. Bell, president and chairman of the board, American Security & Trust Co.

Hulbert T. Bisselle, president, Riggs National Bank.

Everett J. Boothby, president and chairman of the board, Washington Gas Light Co.

Joseph P. Burke, Jr., president, District of Columbia Savings & Loan League.

Morris Cafritz, president, Cafritz Construction Co.

Howard C. Drake, president, Washington Board of Trade.

R. Roy Dunn, president, Potomac Electric Co.

Philip L. Graham, publisher, the Washington Post and Times Herald.

Harvey B. Gram, Jr., chairman, Washington branch, Philadelphia-Baltimore Stock Exchange.

Frank A. Gunther, president, District of Columbia Bankers Association.

Howard W. Kacy, president, Acacia Mutual Life Insurance Co.

Francis J. Kane, president, Merchants & Manufacturers Association.

Edward J. Kyle, president, Washington Real Estate Board, Inc.

Benjamin M. McKelway, editor, the Evening Star.

Matt Meyer, business manager, the Washington Daily News.

Dr. Arch C. Scurlock, president, Greater Washington Industrial Council.

Robert B. Swope, president, Southern Oxygen Co.

Philip M. Talbott, president, Chamber of Commerce of the United States of America.

Walter N. Tobriner, president, District of Columbia Board of Education.

Richard C. Vierbuchen, president, Junior Chamber of Commerce of Washington, D. C.

H. Holmes Vogel, vice president and general manager, Chesapeake & Potomac Telephone Co.

Millard F. West, Jr., chairman, education committee, southeastern group, Investment Bankers Association.

#### REPORT ON CONTRACTS NEGOTIATED FOR RESEARCH AND DEVELOPMENT PURPOSES

The PRESIDENT pro tempore laid before the Senate a letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a report on contracts negotiated for research and development purposes, for the period July 1 through December 31, 1957, which, with the accompanying report, was referred to the Committee on Government Operations.

#### PETITIONS AND MEMORIALS

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

By the PRESIDENT pro tempore:

The petition of Carolyn Jones, of Chicago, Ill., favoring the enactment of the bill providing for mutual security; to the Committee on Foreign Relations.

#### RESOLUTIONS OF GENERAL COURT OF COMMONWEALTH OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], and myself, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Legislature of the Commonwealth of Massachusetts, memorializing Congress to enact legislation changing the method of computing the base pay in the Armed Forces of the United States.

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

Resolutions memorializing Congress to enact legislation changing the method of computing the basic pay for members of the Armed Forces of the United States

Whereas there is now pending before the Congress of the United States legislation, including S. 3081 and H. R. 9979 which would change the method of computing the basic pay for members of the Armed Forces in accordance with the recommendations of a special committee headed by Ralph J. Cordiner, president of General Electric Co.; and

Whereas the military forces need a means for attracting and retaining skilled personnel in order to maintain a deterrent power for peace during these times of advancing technology and threat of aggression; and

Whereas the Armed Forces do not have the means to compete for trained personnel urgently needed for the defense of this country, and a significant factor in their inability to do so is the inadequacy of the present compensation structure; and

Whereas the proposed changes in military pay are based on merit rather than longevity, will bring military pay more in line with the pay standards of industry and will offer greater reenlistment incentive for highly trained personnel; and

Whereas the program of the Cordiner Committee, while making possible at least a 15-percent improvement in the combat capability of the United States Armed Forces, would by the year 1962, or sooner, result in savings and gains up to \$5 billion a year in the cost of national defense; Now, therefore, be it

Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation to revise the existing pay structure in the Armed Forces; and be it further

Resolved, That the secretary of the Commonwealth transmit forthwith copies of these resolutions to the President of the United States, to the presiding officer of each branch of the Congress, and to each member thereof from this Commonwealth. Senate, adopted April 15, 1958.

IRVING N. HAYDEN,

Clerk.

House of representatives, adopted in concurrence, April 21, 1958.

LAWRENCE R. GROVES,

Clerk.

A true copy. Attest:

FRANCIS X. AHEARN,

Deputy Secretary of the Commonwealth.

# CONCURRENT RESOLUTION OF NEW YORK LEGISLATURE

Mr. JAVITS. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD a memorial of the New York State Assembly; the memorial deals with the continuation in operation, during the entire year, of Camp Drum.

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

## Resolution 215

Concurrent resolution memorializing Congress relative to the stationing of troops at the United States Army installation known as Camp Drum, in Jefferson County in New York State

Whereas in recent years the facilities of the United States Army installation known as Camp Drum in Jefferson County in New York State have been utilized only during certain months of each year; and

Whereas the commanding general of the First Army and the commanding general of the Continental Army of the United States have recommended that training troops should be stationed at Camp Drum during the entire year; and

Whereas the above-mentioned commanding generals as well as many other Army officers who are familiar with the situation have stated that the above stationing of troops at Camp Drum would not only be beneficial to the morale of the officers and troops who are trained there but would also improve their training and efficiency; and

Whereas the carrying out of such recommendation would eliminate much shifting and transportation of troops and would not involve any increased expenditure of funds: Now, therefore, be it

*Resolved (if the Senate concur),* That the Congress of the United States be and it hereby is respectfully memorialized to take such action as may be necessary to provide that the above-mentioned Camp Drum shall be utilized and kept in operation during the entire year; and be it further

*Resolved (if the Senate concur),* That copies of this resolution be transmitted to the President of the United States, the Secretary of the Senate, the Clerk of the House of Representatives and the Secretary of the Army and to each Member of Congress duly elected from the State of New York and that the latter be urged to exert every effort toward accomplishment of the purpose of this resolution.

By order of the assembly.

HUSLEY B. BWKOUSKI,

Clerk.

In senate, March 26, 1958.

Concurred in without amendment.

By order of the senate.

WILLIAM S. KING,

Secretary.

# IMMIGRATION AND NATURALIZATION LAWS—RESOLUTION

Mr. HUMPHREY. Mr. President, the second annual AFL-CIO institute on human relations sponsored by the St. Paul Trades and Labor Assembly in cooperation with the Minnesota Labor Committee of the Jewish Labor Committee met on Saturday, March 29, in St. Paul, Minn.

I ask unanimous consent that the resolution on immigration and naturalization laws adopted at that conference be printed in the RECORD, and appropriately referred.

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

## RESOLUTION ON IMMIGRATION ADOPTED AT THE SECOND ANNUAL LABOR INSTITUTE ON HUMAN RELATIONS, ST. PAUL, MINN., MARCH 29, 1958

Adopted by the St. Paul Labor Institute on Human Relations, Saturday, March 29, 1958, at the Como Park Junior High School.

Whereas issues of immigration policy have always been of direct concern to the American Federation of Labor-Congress of Industrial Organizations; and

Whereas the McCarran-Walter omnibus immigration law embodies many discriminatory provisions and flagrantly violates the most elementary principles of justice, fairness, and democratic procedure which causes immeasurable harm both at home and abroad; and

Whereas some of these discriminatory provisions are as follows:

1. The national origin quota system which embodies racial prejudice against persons from eastern and southeastern Europe, Asia, and other areas of the world;

2. Discrimination between native-born and naturalized citizens;

3. Treatment of immigrants as potential subversives through severe deportation laws that include retroactive features providing for deportation for acts not unlawful when committed, together with a total lack of any statute of limitations, thus making every alien perpetually insecure.

We, therefore, assembled on this 29th day of March 1958, in a St. Paul labor institute, resolve as follows:

1. That every effort should be made by the American Federation of Labor-Congress of Industrial Organizations and its national legislative committee to secure a modification of the McCarran-Walter omnibus immigration law to bring it into conformity with the American standards of fairness and humanitarian justice.

2. That such modification at the same time should safeguard our country's national interests as well as the welfare and standards of American wage earners, with due regard to America's responsibilities as the leader of the Free World and in conformity with the general policies and objectives of the American Federation of Labor-Congress of Industrial Organizations.

3. That particularly the Immigration and Naturalization Act be revised in the following aspects:

(a) The national origins quota system and other provisions which make race, ancestry, or place of birth the standard of admission should be eliminated. Instead, immigrants should be admitted on the basis of national need, individual merit, and the reuniting of families.

(b) Deportation as a form of punishment should be abolished. Persons should be liable to deportation only if they entered the country illegally or if they are temporary visitors and remain beyond their permitted period of stay in the United States.

(c) All distinctions between native-born and naturalized citizens should be abolished.

(d) The law should be revised to make certain that fair procedure and due process is followed in all immigration and nationality proceedings.

(e) That provision for emergency refugee entry into the United States be expanded to include any victims of religious, racial, or political persecution and tyranny either through the existing parole provisions (sec. 212) (d) (5) or by amendment of our refugee relief laws.

4. That we call for the adoption of a new immigration law along the lines of the bill introduced into the 84th Congress by Senators Lehman, Humphrey, Morse, Pastore, Green, Murray, Kennedy, Magnuson, Ke-

fauver, Langer, Chavez, McNamara, and Neuberger called the Immigration and Citizenship Act of 1955, which provides for an immigration policy not based on the discriminatory concept of superior and inferior nationalities, and which corrects the other inequities of our present law, set forth above.

5. That we go on record urging that labor, capital, religious, fraternal, and civic organizations in the city of St. Paul organize themselves as a committee for the revision of the McCarran-Walter Immigration Act and that this group work and hold seminars to inform St. Paul citizens of the injustices of the McCarran-Walter Immigration Act and the need for revision.

6. That copies of this resolution shall be forwarded to each of the local unions participating in this conference to the central labor bodies in St. Paul, Minneapolis, and Duluth, and to the Minnesota State Federation of Labor, AFL-CIO, and to the Minnesota Representatives and Senators in Congress.

## FILLING OF CERTAIN POSITIONS IN THE POSTAL SERVICE—RESOLUTION

Mr. HUMPHREY. Mr. President, I recently received a resolution adopted at the St. Paul Trades and Labor Assembly meeting earlier this month, relating to the filling of positions in the postal service.

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 Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Whereas during recent years the Postal Inspective Service has expanded its operations into the field of management of post offices; and

Whereas a law enforcement body of this type, by its very nature of operations, is incompatible with the modern concept of an employee-management relationship; and

Whereas the use of the inspection service to usurp functions and responsibilities of local postmasters has in many instances reduced the postmaster to the position of impotent figurehead; and

Whereas employee morale and production is adversely affected when employees must work under the domination of those who so frequently act in the capacity of detective, judge and jury; and

Whereas a subcommittee of the House Post Office and Civil Service Committee sometime ago recommended that the inspection service be restricted to their traditional function of safeguarding the mail, preventing frauds, etc.; and

Whereas the Minneapolis region, which consists of North Dakota, South Dakota, Minnesota, Wisconsin, and a part of Michigan, has a vacancy in the position of regional director which is the top job of management in this region, and does not have Senate confirmation even though the post is over postmasters who need Senate approval; and

Whereas in the best interest of the postal service, this position should be filled by someone who can promote and recognize the value of good personnel relations: Now, therefore, be it

*Resolved,* That the St. Paul Trades and Labor Assembly go on record as being opposed to the practice of having vacancies in the upper levels of the postal service filled by appointments of postal inspectors to such positions, and favors the practice of filling such positions by qualified individuals from the Post Office Field Service, or the business or professional field, and be it further



*Resolved*, That a copy of this resolution be sent to Senators THYE and HUMPHREY, and our entire Congressional delegation from Minnesota requesting their support in protesting to the Postmaster General the filling of this vacancy with a post office inspector.

WALTER O. NOREEN,  
President, Local 65.

#### YOUTH CONSERVATION CORPS— RESOLUTION

Mr. HUMPHREY. Mr. President, as the sponsor of Senate bill 3582, to establish a Youth Conservation Corps, I was pleased to receive a resolution adopted by the Farmers Union Local 429, Lewiston, Idaho, endorsing this bill.

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

FARMERS UNION LOCAL, No. 429,  
Lewiston, Idaho.

Whereas since the beginning of World War II the conservation of our natural resources, such as forest reserves, watersheds, and national parks have been largely neglected on a national basis; and

Whereas unemployment, particularly among young people now entering the work force; and

Whereas these young people could very profitably be employed in conservation work necessary for the protection and development of our natural resources so vital to the prosperity and recreation of future generations of our people; and

Whereas the Civilian Conservation Corps, in operation before World War II, clearly demonstrated its value, not only in a material way, but also in the development of our youth, physically, mentally, and spiritually; and

Whereas it is clear that such a program would be very beneficial to all segments of our people now and in the future: Therefore be it

*Resolved*, By Farmers Union Local No. 429 that we favor the passage of (S. 3582) authorizing the establishment of a Youth Conservation Corps.

HERBERT HOWE, President.

The above resolution was adopted unanimously at the April 10 meeting of local No. 429.

#### RESOLUTION OF EXECUTIVE COUNCIL, MINNESOTA INDUSTRIAL ARTS ASSOCIATION

Mr. HUMPHREY. Mr. President, at their spring meeting, the executive council of the Minnesota Industrial Arts Association adopted a resolution requesting that specific reference be made to the industrial arts in Senate bill 3187, the National Defense Education Act, which I cosponsored.

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

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

MINNESOTA INDUSTRIAL ARTS ASSOCIATION,  
Anoka, Minn., April 23, 1958.  
Hon. HUBERT H. HUMPHREY,  
Senate Office Building,  
Washington, D. C.

DEAR SIR: In our spring meeting of the executive council of the Minnesota Industrial Arts Association it was resolved that—

"Whereas in large part, the subject matter of industrial arts is an application of science, math, and the other basic disciplines,

"Whereas the distinctive uniqueness of industrial arts is the opportunity for first hand manipulative experiences in solving problems through the use of tools and materials,

"Whereas in a very real sense such experiences help young people to understand and feel one of our strongest heritages, sometimes referred to as 'yankee ingenuity.' When Americans lose the desire and ability to build, the America we now know will have vanished."

In consideration of the above statements we of the Minnesota Industrial Arts Association executive council request that you endeavor to have included in the National Defense Act of 1958, Senate bill 3187 the following: Specific reference to and provisions for industrial arts.

Then to make the paragraph read: "Science, engineering, math, foreign languages, industrial arts, and the other disciplines to promote the development of technical skills essential to the national defense.

Sincerely,

HORACE M. MAYO,  
Legislative Chairman.

#### RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at 12:15 the Senate stand in recess, subject to the call of the Chair, and that when the Senate resumes its session the morning hour may be resumed. During the recess ceremonies will take place in connection with the dedication of the bust of the late Alben W. Barkley.

The PRESIDENT pro tempore. Is there objection?

There being no objection, at 12 o'clock and 15 minutes p. m., the Senate took a recess, subject to the call of the Chair.

At 12:48 p. m., on the expiration of the recess, the Senate reassembled and was called to order by the President pro tempore.

#### ADDITIONAL MORNING BUSINESS

The PRESIDENT pro tempore. Morning business is still in order.

#### REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 2170. An act to authorize the Secretary of the Interior to consummate desirable land exchanges (Rept. No. 1498);

H. R. 4115. An act to authorize the conveyance of certain lands in Shiloh National Military Park to the State of Tennessee for the relocation of highways, and for other purposes (Rept. No. 1497); and

H. R. 5149. An act to provide that whenever public lands have been heretofore

granted to a State for the purpose of erecting certain public buildings at the capital of such State, such purpose shall be deemed to include construction, reconstruction, repair, renovation, and other permanent improvements of such public buildings, and for other purposes (Rept. No. 1496).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, with amendments:

S. 1818. A bill to direct the Secretary of the Interior to acquire certain lands as an addition to the Fort Frederica National Monument (Rept. No. 1499).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, without amendment:

S. 3371. A bill to amend the act of August 25, 1916, to increase the period for which concessionaire leases may be granted under that act from 20 years to 30 years (Rept. No. 1495).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2592. A bill to amend the law relating to the execution of contracts with Indian tribes (Rept. No. 1501);

S. 2594. A bill to transfer certain property and functions of the Housing and Home Finance Administrator to the Secretary of the Interior, and for other purposes (Rept. No. 1502); and

H. R. 7681. An act to authorize the Secretary of the Interior to convey certain land with the improvements located thereon to the Lummi Indian Tribe for the use and benefit of the Lummi Tribe (Rept. No. 1503).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, without amendment:

S. 3138. A bill to authorize the preparation of a roll of persons of Indian blood whose ancestors were members of the Otoe and Missouria Tribe of Indians and to provide for per capita distribution of funds arising from a judgment in favor of such Indians (Rept. No. 1504);

H. R. 5624. An act to clear the title to certain Indian land (Rept. No. 1505); and

H. R. 8958. An act authorizing the Secretary of the Interior to convey certain Indian land to the diocese of Superior, Superior, Wis., for church purposes, and to the town of Flambeau, Wis., for cemetery purposes (Rept. No. 1506).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

S. 2530. A bill to designate the beneficiary of the equitable title to land purchased by the United States and added to the Rocky Boy's Indian Reservation, Mont. (Rept. No. 1507).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 8544. An act to provide for the restoration to tribal ownership of all vacant and undisposed of ceded lands on certain Indian reservations, and for other purposes (Rept. No. 1508).

#### BILLS INTRODUCED

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

By Mr. FREAR (for himself and Mr. WILLIAMS):

S. 3720. A bill to amend the act entitled "An act authorizing the State of Delaware, by and through its State highway department, to construct, maintain, and operate a toll bridge across the Delaware River near Wilmington, Del.," approved July 13, 1946; to the Committee on Public Works.

By Mr. SALTONSTALL (for himself and Mr. CAPEHART):

S. 3721. A bill to authorize the Secretary of Defense to make monetary awards for inventive contributions to the national defense, and for other purposes; to the Committee on the Judiciary.

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

By Mr. THYE:

S. 3722. A bill for the relief of Ramsey County, Minn.; to the Committee on the Judiciary.

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

By Mr. BIBLE:

S. 3723. A bill to amend Public Law 522, 84th Congress (relating to the conveyance of certain lands to the city of Henderson, Nev.); to the Committee on Interior and Insular Affairs.

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

By Mr. MAGNUSON:

S. 3724. A bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel; to the Committee on Interstate and Foreign Commerce.

By Mr. WATKINS:

S. 3725. A bill to amend the Coordination and Watershed Protection and Flood Prevention Acts, to promote the conservation of wildlife, fish, and game, and for other purposes; to the Committee on Interstate and Foreign Commerce.

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

By Mr. MARTIN of Pennsylvania (for himself and Mr. CLARK):

S. 3726. A bill to authorize the Secretary of the Army to convey to the city of Philadelphia, Pa., certain piers and other facilities of the United States located in such city; to the Committee on Armed Services.

By Mr. PURTELL:

S. 3727. A bill to amend the Public Health Service Act, as amended, so as to clarify the functions and responsibilities of the Surgeon General with respect to international health activities, to encourage and facilitate international cooperation in the conquest of disease and the promotion of health, and for other purposes; to the Committee on Labor and Public Welfare.

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

#### INVESTIGATION OF RELATIONSHIP BETWEEN GOVERNMENT POLICIES AND RISE IN THE COST OF LIVING

Mr. PROXMIER. Mr. President, I submit a concurrent resolution to permit the Congress to try to develop the information it must have—but does not have now—if it is to solve the most serious challenge to the economic intelligence the Congress of the United States has ever faced. That challenge is how to provide for the growth which our economy must achieve if we are to survive the onrush of Soviet economic power, without the human misery caused by inflation.

Mr. President, within the last quarter century the Federal Government has become immensely important in the American economy. It has become a force driving Americans toward higher taxes,

higher income, and higher prices. Inflation has been as certain a cost of big government as have high taxes.

Anyone who makes honest appraisal of the outlook for an America that faces an ever more dangerous challenge from the Communist world must admit that the present policies of the Federal Government will, unless somehow we modify them, continue to shove prices continuously higher, for as far ahead as the mind's eye can see.

Mr. President, Congress owes to the American people the duty to find out just how it can discharge its massive and increasing responsibilities with the least possible upward pressures on prices.

What tax policies will help stimulate economic growth, but will restrain prices?

What labor policies will protect and improve the welfare of our working people, without shoving up prices?

What farm policies can bring prosperity to our farms, without either overburdening our taxpayers or increasing prices sharply?

What interest-rate policies will bring justice to the borrower and lender and a surging growth incentive to our economy, without creating inflationary pressure?

What Government procurement policies can best provide adequate and timely goods and services to our Government, without pushing up prices?

Mr. President, the weakest link in the chain of Government policies that should lead us to prosperity is in this field of price stability. Congress knows little about it. Every day we take steps that have a massive effect on the prices American citizens pay, with only a vague, fumbling, half-blind notion of just what the price consequences are.

Mr. President, this is why today I am submitting a concurrent resolution which calls for an investigation of the relationship between Government policies and the rise in the cost of living.

In connection with the concurrent resolution, Mr. President, I ask unanimous consent to have printed in the RECORD, following my remarks, a brilliant statement by Mr. Allen Dulles. In the statement he charges that in the onrushing Soviet economy, America faces its greatest peacetime challenge ever. His statement should make clear to every American, Mr. President, the true dimensions of our present economic quandary, and why it is so imperative that we act at once to secure information that will enable the great, slumbering giant that is the American free economy to arouse itself and win this struggle for economic supremacy without exploding in inflation.

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

[From the New York Times of April 29, 1958]

SPEECH OF ALLEN W. DULLES BEFORE UNITED STATES CHAMBER OF COMMERCE

(WASHINGTON, April 28.—Following is the text of a speech made today by Allen W. Dulles, Director of the Central Intelligence

Agency, before the United States Chamber of Commerce.)

The subject for your meeting today, "Dimensions of the International Peril Facing Us" (DIPFU), is a particularly appropriate one for the Chamber of Commerce of the United States. With its membership of 2,500,000 businessmen, your organization occupies a key position of influence in our Nation's approach to international as well as domestic problems.

It is also a timely subject for you to be considering. Today, the Soviet Union, through its very vocal leader, Khrushchev, is directly challenging the United States in the fields of industrial development and foreign trade and aid as well as in military matters. The other day he remarked, "To the slogan that says, 'Let us arm,' we reply with the slogan, 'Let us trade.'"

The economic challenge is a dual one. They are setting goals for their own domestic production to compete directly with our own and, to quote their words, "to get ahead of us in the economic race." The other phase of their challenge is through their foreign economic penetration program.

#### SOVIET POLICY DISCUSSED

I shall discuss both of these challenges. But before doing so, I shall analyze briefly the development of Soviet policy over recent years, as this, I feel, helps to explain why they have turned to the economic and industrial fields to promote their long-range international policies.

In the immediate postwar period, Stalin relied on military and paramilitary action and the military threat as the chief weapons for the advancement of Soviet aims.

It was with military force that the Soviet took over and established their control in the European satellites and repressed the democratic forms of government which tried to find root immediately after the war. It is with military occupation, force, and the threat of force that they still hold their position in central Europe.

Then in Iran, in Greece, and Berlin in the early postwar years, it was force and the threat of force that was used in the attempt to break down the Free World defenses. Through the Marshall plan and our growing military preparedness following Korea, this threat was contained in the West; but China was overrun by the Communists and northern Vietnam taken.

These and other military and subversive maneuvers alerted the Free World to the dangers of Stalin's policies. Our counter-measures tended to make them counter-productive. Stalin was posthumously discredited by Khrushchev. Stalin's programs were generally repudiated by his successors, who literally trembled at the risks he had taken at a time when the Soviet had no atomic capability to match our own. It is well, however, that Khrushchev's ruthless repression of liberty in Hungary with Soviet troops should stand as a reminder to us that Stalinist tactics may at any time be revived if the Soviet Union feels its vital interests are affected.

#### MOVES CALLED MORE SUBTLE

Today we face the subtler policies of Nikita Khrushchev. Will they be more or less effective than the Stalin policies in achieving the overall aims of international communism?

Of course, I do not mean to discount the seriousness of the Soviet military threat or its challenge in the scientific and technical fields on which advanced weapons systems depend. But as I see it, under its present policies, the U. S. S. R. does not intend to use its military power in such a way as to risk general war. They have a healthy respect for our retaliatory capability.

Furthermore, the Soviet success with Sputniks and in the field of ballistic missiles has



well alerted us to the military danger, and/or missile and other programs are receiving top priorities. We must, however, be ever watchful of the Soviet emphasis on the military applications of science and technology in order to anticipate any attempts at a breakthrough which would change the balance of military power.

Barring such a possibility, it is most probable that the fateful battles of the cold war will, in the foreseeable future, be fought in the economic and subversive arenas.

To understand the seriousness of the Soviet economic threat, it is essential to understand the Soviet economic and industrial base on which they are developing their economic penetration program.

Since 1928 the Soviet Union has developed rapidly from a predominantly agricultural and industrially underdeveloped country to the second largest economy in the world. Forced-draft industrialization, emphasizing heavy industry, was carried out by Stalin to prevent, to quote his words, "another beating of backward Russia by the more economically advanced capital countries."

Forced-draft industrialization continues in Russia today, and now the emphasis is more positive: namely, to meet Khrushchev's goal of "catching up and surpassing the United States in per capita production within the shortest possible historical period of time." This theme is being used not only as internal propaganda but also to propagate the Soviet faith abroad.

Comparison of the economies of the United States and the U. S. S. R. in terms of total production of goods and services indicates the U. S. S. R.'s rapid progress.

Whereas Soviet gross national product was about 33 percent that of the United States in 1950, by 1956 it had increased to about 40 percent, and by 1962 it may be about 50 percent of our own. This means that the Soviet economy has been growing, and is expected to continue to grow through 1962, at a rate roughly twice that of the economy of the United States. Annual growth overall has been running between 6 and 7 percent, annual growth of industry between 10 and 12 percent.

These rates of growth are exceedingly high. They have rarely been matched in other States except during limited periods of post-war rebuilding.

#### DOLLAR COMPARISON MADE

A dollar comparison of U. S. S. R. and United States gross national product in 1956 reveals that consumption—or what the Soviet consumer received—was less than half of total production. It was over two-thirds of the total in the United States investment, on the other hand, as a proportion of the gross national product in the U. S. S. R., was significantly higher than in the United States. Furthermore, investment funds in the U. S. S. R. were plowed back primarily into expansion of electric power, the metallurgical base, and into the producer goods industries. In these fields, it was over 80 percent of actual United States investment in 1956, and in 1958 will probably exceed our own. Defense expenditures, as a proportion of the gross national product in the U. S. S. R., were significantly higher than in the United States; in fact about double.

Soviet industrial production in 1956 was about 40 percent as large as that of the United States. However, Soviet heavy industry was proportionately larger than this overall average, and in some instances the output of specific industries already approached that of the United States. The output of coal in the U. S. S. R. was about 70 percent of that of the United States. The output of machine tools about double our own and steel output about half.

Since 1956, Soviet output has continued its rapid expansion. In the first quarter of 1958, Soviet industrial production was 11

percent higher than a year ago. In comparison, the Federal Reserve Board index shows a decline of 11 percent in the United States.

According to available statistics, in the first quarter of 1958, the Sino-Soviet bloc has for the first time surpassed the United States in steel production. The 3-month figures show that the U. S. S. R. alone turned out over 75 percent of the steel tonnage of the United States.

A recession is an expensive luxury. Its effects are not confined to our own shores. Soviet propagandists have had a field day in recent months, pounding away at American free enterprise.

Every Soviet speech, magazine article, or radio broadcast beamed to the underdeveloped nations plays up and exaggerates our economic difficulties. The uncommitted millions are being told by the Communists: "See, we told you so. Crises and unemployment are inevitable under capitalism. Communism is the only true road to social progress."

Our economy is giving the Communists a propaganda target as damaging, and I trust, as transitory as their own sputniks.

#### SOVIET TRADE GAINS NOTED

Continued Soviet industrial growth has had a counterpart in increased trade with the Free World. Over the last 2 years, their trade with the West has been moving ahead far more rapidly than it has within the bloc itself. About 70 percent of the U. S. S. R.'s increase in nonbloc trade in 1957 was with the industrial nations of Western Europe and, under agreements such as that just concluded with Germany, will expand still more.

Recent speeches by Soviet leaders—Khrushchev, [Anastasi I.] Mikoyan and Deputy Foreign Minister [Alersei V.] Zakharov—stress the U. S. S. R.'s desire to expand trade with the Free World.

Mr. Mikoyan, for example, said that the U. S. S. R. is "confident that with the establishment of normal trade relations a significant forward step will be taken along the road leading to the establishment of co-operative relations between the Soviet Union and the United States." This month, Mr. Zakharov told the United Nations Economic Commission for Europe that Western trade ministers should devote their energies to bringing about a long-run increase in East-West trade.

Soviet capabilities to export petroleum and metals—aluminum, tin, zinc, and ferroalloys—is increasing. The U. S. S. R. is already a supplier in a few traditional Western metals markets. Over the years, the U. S. S. R. may well become a major source of many such industrial necessities to Western Europe.

This seems particularly likely if Khrushchev's 1972 commodity goals prove to be realistic.

Take, for example, petroleum. By 1972, the Soviets plan to produce as much crude oil as we in the United States do today. Even allowing for substantial increases in domestic consumption, they could export about 2 million barrels a day. Today, all of Western Europe consumes about 3 million barrels a day.

A start has already been made on the pipeline needed to bring the crude oil from the Ural-Volga Basin to the Baltic.

Soviet ability to use trade as a weapon to advance its political aims will increase in a direct ratio to their success in realizing their economic goals.

For example, once they have penetrated Western European markets to the extent that these markets become substantially dependent on Soviet industrial raw materials they will have available a new and formidable weapon of economic warfare. By withholding supplies, by capriciously raising prices, or by dumping commodities, the

Soviets in effect will have a seat at the council table of the great industrial nations of Europe.

#### FLASH-IN-PAN IDEA REJECTED

During the Suez Canal crisis we saw a brief glimpse of Soviet capabilities to grant or withhold economic favors through the forms of its own petroleum exports. The increase in sales of metals and petroleum to Free World countries, which moved sharply upward in 1958, is not an economic flash in the pan. It is a reflection of growing Soviet industrial capacity.

Further, their governmental setup is well adapted to waging economic as well as political warfare. They have no budgetary controls when it comes to diverting funds to particularly urgent national policies. There need be no prior consultations with parliaments or the people.

This, briefly described, is the Soviet economic base and foreign trade program, as we analyze it today. It is to this base that Moscow is adding its foreign economic penetration deals designed to wean to its camp the uncommitted and newly developing areas of the world.

It is important at the outset to note that Soviet credits and grants are not limited to those countries where there is an early prospect of acceptance of Communist doctrine.

Of the \$2 billion of development and military aid extended by the Sino-Soviet bloc over the last 3 years—and this is exclusive of intrabloc aid which is a substantial drain on the Soviet economy—large sums have gone to countries which are not now in the Soviet camp.

Let us get down to cases: In Egypt the Communist Party was outlawed at the time of the bloc's original military aid offers in 1955. Despite repeated crackdowns on Communist elements within the country since that time, the U. S. S. R. concluded a major \$175 million economic aid program with Egypt in 1957.

Communist influence in Syria has been reduced following its membership in the United Arab Republic in February of this year—even to the point where Khalid Bakdash, the leading Arab Communist fled the country. But the U. S. S. R. is going ahead with its \$170 million economic aid program and continues to supply arms under agreements worth \$100 million. The magnitude of this and other military programs raises the question as to who may be the eventual user of these arms.

#### OTHER EXAMPLES ARE GIVEN

The list of examples can be extended. Afghanistan is a monarchy. The Imam of Yemen is an absolute ruler. Both are recipients of large Soviet aid programs.

Soviet bloc economic penetration of Yemen provides a striking instance of the use of trade and aid as an investment in disorder.

Yemen is strategically located at the entrance to the Red Sea from the Gulf of Aden. It commands one entrance to all Suez Canal traffic; the oil moving westward as well as goods moving from Europe to the East.

Soviet overtures were appealing to the Imam because the bloc was willing to supply him with arms, while the West would not. Arms in Yemeni hands on the scale contemplated can only create more trouble in the Middle East. They will fan the Imam's dispute with the British and with local sultanates over the borders of the Aden protectorate.

The Soviets were quick to sense the opportunity to create disorder by giving aid to Yemen. They moved quickly. In less than 2 years, this small country of some 4 million people has been granted \$80 million in credits. Additional offers of over \$20 million are currently outstanding. Arms valued at \$30 million have been delivered. A Soviet

and Czech military mission of some 65 advisers is currently in Yemen for training assistance.

Even the Red Chinese have joined in with an offer of a loan of \$15 million. If all proposed projects are carried out, the Communists will play a key role in Yemen's economic, as well as military, development.

#### INTEREST RATE NO PROBLEM

The Communists have no interest rate problems. They have no legislative restrictions. The U. S. S. R. has developed an attractive package credit deal—long-term loans, generally for 12 years; 2.5 percent interest rates; repayment in surplus commodities, and room for bargaining on prices. They have devoted much effort to the native language training of the technicians they send with their aid to the newly developing nations.

Though the Communists eschew capitalist types of business organizations in their own country, they make liberal use of them abroad.

One of the most important of these is the Bank of China. It is a primary source of funds to the 12 million Chinese in Southeast Asia. These loans, controlled from Peking, often require appropriate gestures of support to the Communist regime in China.

Branches of the bank throughout the East promote the export and sale of Chinese Communist goods in the area. They also collect a vast store of economic and political information, both openly and by clandestine means.

#### PARIS BANK USED BY SOVIET

In Paris, for its European business, the Soviet uses a commercial bank called the Banque Commerciale pour l'Europe du Nord. It often serves as agent for effecting sales of Soviet gold in London and on the Continent and is the means through which Soviet credits are transferred to the satellites. It also maintains a widespread system of correspondent relationships with banking institutions throughout Europe and in this hemisphere and is one of the chief instruments for the financing of Soviet trade with the West and for obtaining information on trade opportunities.

In Latin America, there are a number of Communist front or bloc-associated organizations actively campaigning for closer commercial ties with the bloc. In Brazil, one of these has been offering to import and sell Russian automobiles at ridiculously low prices. When this fell through, it offered to import a complete auto factory from the U. S. S. R. While neither offer may have been serious, they had considerable propaganda value.

On a worldwide basis, the Soviet Union presents itself as eager to do business on terms attractive to the customer.

Moscow's foreign aid program has particular appeal in the undeveloped countries because Russia until so recently was an undeveloped country itself. For some reason, the recently liberated countries seemed to feel that the Kremlin has found a new and magic formula for quick industrialization which is the hallmark of becoming a modern state to many of these countries. They recognize American economic and industrial leadership in the world but they feel that the democratic process of economic development may be too slow.

#### DEVELOPMENT A CRUSADE

Soviet propaganda charges that it took the West 150 years to achieve industrially what the Soviets have built in a generation. In the newly developing countries, the drive for economic betterment has become a crusade, not always based on reason.

Also these countries feel that we in the United States are far ahead of them and that while they may aspire eventually to an economy something like that of the Soviet Union, they cannot, in the foreseeable future, hope

to reach the high standards of living of this country.

Factors such as these give a particular appeal to overtures from the Soviet Union. They are not able to see the invisible strings which are tied in with Soviet offers nor do they understand the subtle implications of Soviet subversive penetration which is a part of every economic package.

Each time that I prepare a summary of any phase of Soviet activities, whether it be in their domestic industrial development, their foreign economic exploitation activities, or their military defense preparations, I am impressed by the efforts which the Soviet make to keep secret the details of their operations.

If their motives in the military, industrial and economic fields, are, as they claim, peaceful and defensive, why should this be the case? Why are we not entitled, before we accept their protestations regarding peaceful coexistence, to ask that there should be a franker disclosure of their activities—something comparable to the disclosure made by the free countries of the world?

#### NUCLEAR TESTS SHIELDED

For example, before their recent offer of a suspension of nuclear testing, they themselves had just completed a series of nuclear tests, concentrating a great number of tests in a short period of time. For example, three tests occurred within a single 2-day period in an unprecedented burst of activity.

This was done behind a cover of secrecy except for announcements that our Government itself made of the Soviet tests. But by and large, their activities in nuclear testing remain quite unknown, particularly in those countries which are being filled with Soviet propaganda against testing.

The nature of their military aid programs such as I have described above have, by and large, been kept as secret as the Soviet could manage. An even tighter veil of secrecy is kept around almost all phases of their military establishment.

The details of our own aid programs, as well as of defense expenditures and military production, with few exceptions, are available to the world through our newspapers. In contrast, the Soviets release only the annual ruble total of what they call defense spending.

It is our best estimate that the announced Soviet defense budget as published to the world actually covers little more than half of the rubles they are now putting into military activities.

As long as this secrecy remains a cardinal tenet of Soviet practice it is extremely difficult to accept Soviet protestations of a desire for peaceful relations as expressing their real intentions.

#### END OF SECRECY SUGGESTED

It is true, and it is an encouraging sign, that exchanges of visits are being arranged, particularly in the cultural, technical, and academic fields. This may well help to a better mutual understanding, but that understanding will be very incomplete until it is broadened to a point where the barriers of secrecy are removed. It is this very secrecy which makes meaningful agreements so difficult to reach.

One answer to Khrushchev's challenge to us should be a renewed challenge to them, as in the President's open sky proposal, to put an end to secrecy which breeds suspicion and doubt.

Undoubtedly one of the reasons for secrecy is to hide from the world some of the problems which the Soviet Union faces.

In the analysis I have given above, I have stressed their very real achievements, their growing power, and their rapid rate of progress. These factors we must not underestimate. However, the realization of many of the goals they have set depends on resolving some very real obstacles to success.

For example, Khrushchev has repeatedly promised his people startling improvements

in the quality of their diet. The realization of these dreams rests on a precarious agricultural base, whose crops over large areas, as we said in 1956, are vulnerable to serious drought. Further, Khrushchev has brought the antigeneticist, Lysenko, back into favor, a theorist whose plant and animal breeding ideas are regarded as nonsense by all competent Western scientists.

They are now engaged in a massive reorganization of the control of their industry, and this move toward decentralization has built-in, long-run dangers for any dictatorship such as that of the Kremlin today.

The myth of collective leadership has been abandoned and there are signs today of a reversal to a harsher line with consequences of a far-reaching nature. Khrushchev, despite his gregarious characteristics, as he assumes new positions of power and eliminates his rivals, becomes more and more an isolated and lonely figure.

#### CONVERTIBLE CURRENCY LACKING

As they enter into the field of international trade on a major scale they lack a convertible currency. They must help on the device of settling international balances in sterling or dollars. In essence, most of their trade must remain on something approaching a barter basis.

The ruble is not an international currency and within wide ranges its value is a matter of speculation, varying from the official rate of around 20 cents to a purchasing value of around 10 cents, to a quoted value for ruble notes in the Swiss market of only a few cents. But, of course, this latter rate is due to the fact that ruble currency can neither be legally imported into nor exported from the Soviet Union.

Possibly today the most acute problem facing Khrushchev is that of meeting the growing demands of the Russian consumer for a greater share in the overall production of the Soviet Union. With a gross national product of around 40 percent of our own, they put into the military sector a national effort roughly comparable to our own, leaving only a modest share for consumer goods.

If the Kremlin responds to popular pressures, they will be forced to give more and more to the consumer. This trend has already started. The Russians have somewhat improved living standards and the national output of such consumer goods as TV sets and washing machines has been stepped up. Some former armament plants are now producing civilian goods.

#### THREAT TO DICTATORS IMPLIED

All this may help to develop a society where people will have more opportunity to satisfy the individual yearning for a fuller life. Economic betterment, added to the massive educational system they have already installed, may help to build up generations of people more and more inclined to question the basic tenets of a totalitarian philosophy and less willing to tolerate the autocratic forms of government under which they are living.

Under Khrushchev, there has been, undoubtedly, some relaxations of the old Stalinist policy system, but every 2 steps in advance seem to be followed by 1 step backward as they wrestle with the problem of reconciling a measure of freedom with the stern line of Communist doctrine and discipline.

The fact that the leadership of the U. S. S. R. faces these very real problems is, however, no excuse whatever for complacency on our part. During and since the war, their leadership has faced even more serious problems and has surmounted them.

The economy of the Soviet Union has momentum and versatility and, while I predict that their people will undoubtedly press for an improvement of their lot, some real concessions can be made without fundamentally altering the general tempo of their present industrial and military programs.



Certainly here we have the most serious challenge this country has ever faced in time of peace. As this challenge is very largely based on the economic and industrial growth of the Soviet Union, it is one which concerns very directly the business leaders in our country.

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

The concurrent resolution (S. Con. Res. 85), submitted by Mr. PROXMIER, was referred to the Committee on Banking and Currency, as follows:

*Resolved by the Senate (the House of Representatives concurring), That the Joint Economic Committee, or any duly authorized subcommittee thereof, is authorized and directed to make a study of (1) the effect of policies of the Federal Government on the cost of living, with special reference to taxation, spending, interest rate, farm, labor, and antimonopoly policies, and (2) what measures the Government of the United States can take to prevent an inflationary spiral developing from governmental action designed to provide full employment and vigorous long-term economic growth.*

#### ACCELERATED RECLAMATION CONSTRUCTION PROGRAM

Mr. ANDERSON submitted the following resolution (S. Res. 299), which was referred to the Committee on Interior and Insular Affairs:

Whereas there is now urgent need for additional supplies of water for irrigation and related multiple purposes by the increasing population in the 17 Western States under the reclamation program; and

Whereas hearings and reviews by the Committee on Interior and Insular Affairs have demonstrated that these urgent needs can be met even in part only by speedy completion of Federal reclamation projects and the start of new construction in other areas; and

Whereas there is acute unemployment in many of the areas where these projects are under construction or planned, and also in the industries and services throughout the Nation that supply the materials and equipment for project construction; and

Whereas the sense of the Senate, expressed in Senate Concurrent Resolution 68 and Senate Resolution 148, is that construction of civilian public works should be accelerated, and that expeditious progress should be made in the conservation and development of the Nation's land and water resources; and

Whereas hearings before the Committee on Interior and Insular Affairs have demonstrated that many urgent water needs can be fulfilled, and the acute local and widespread unemployment can be met in part at least by new starts in the construction of additional authorized projects along with acceleration of developments already under way; and

Whereas the President of the United States on March 12 sent to the Congress \$45,773,000 in supplemental appropriation estimates for fiscal year 1959 for reclamation projects under construction, and \$25 million for a loan program under the Small Projects Act principally for rehabilitation of existing non-Federal irrigation projects, but abstained from recommending any new starts; and

Whereas the committee commends the President for recognizing in his supplemental estimates the urgency for providing additional funds for the upper Colorado River storage project (including \$14 million for Glen Canyon Dam, \$7 million for Navaho Dam, and \$8 million for Flaming Gorge Dam; \$7 million for Trinity division, Central Valley project, California, and varying

amounts for other going construction projects); and

Whereas there are other critical areas in the West in addition to those included in either the original or supplemental estimates where the need is equally urgent for acceleration of reclamation construction especially with respect to so-called new starts of reclamation developments: Now, therefore, be it

*Resolved, That it is the sense of the Senate that Federal reclamation project construction during the fiscal year 1959 should proceed that year at the rate of approximately \$330 million (a 50 percent increase over the total of original and supplemental budget estimates, including limited additional funds for general investigations and advance planning) and that construction should be started on not less than 20 additional authorized projects, with preference to those developments where engineering has been completed and actual work can be begun promptly; and that consideration be given to prompt authorization of additional feasible reclamation projects that will contribute to the objectives of this resolution.*

#### MONETARY AWARDS FOR INVENTIVE CONTRIBUTIONS TO NATIONAL DEFENSE

Mr. SALTONSTALL. Mr. President, on behalf of myself, and the Senator from Indiana [Mr. CAPEHART], I introduce, for appropriate reference, a bill designed primarily to stimulate contributions of a technical, scientific or management improvement nature.

Since sputnik and our consequent realization that the space age was upon us, we as a nation have been more concerned than ever with the importance of technical and scientific achievement in our own country. It is no understatement to say that the security and welfare of our Nation depends upon our being technologically superior. World leadership will depend in the years ahead as much on our scientific know-how as it has in the past on our political and diplomatic. We have also come to realize that the organization by which we manage our defense affairs must be as efficient as possible and must be fully equipped to meet its enormous responsibilities on a split-second basis.

The job of maintaining technological superiority and continuing to stimulate scientific advances is a job for our whole Nation. We cannot expect to exploit the scientific barriers of the future by simply designating a group or an agency of the Government to be responsible. We must have the contribution of all our talented citizens wherever they may be. The H-bomb, for example, was developed by a group of scientists working independently and with the AEC in their university laboratories. The jet engine was developed by a British Air Force officer who conducted the necessary research as a hobby. We must in the years ahead make rapid use of scientific and technical knowledge wherever it is developed.

The bill which I am today introducing vests authority in the Secretary of Defense to reward any person, whether a private citizen, a corporation, or a person in the military service as a civilian or in uniform. The award is to be made based principally upon the value of the contribution to the national defense.

"Inventive contribution" is defined as any plan or proposal for the improvement or management procedure or technique within any defense agency, or any plan or proposal for the application of any patented or unpatented technical or scientific innovation for use by any defense agency.

This legislation which I am proposing is not new or original. Many comparable suggestions have been made in the past. The first legislative proposal of this nature was offered in the 82d Congress, and there are currently bills pending in this Congress to effect the same purpose. The bill which I have offered, which will be clear from the section-by-section analysis which I have prepared, is, however, varied in some significant ways from previous proposals. Furthermore, I believe that events of the past 6 months have demonstrated dramatically the need for this type of legislation. Our national security demands that authority be vested in the Federal Government to reward those outstanding contributions which prove to be of value to our national defense in helping us further scientific, technical, and management problems.

The Department of Defense has consistently favored this type of legislation. There may be a number of modifications which the executive branch would want written into this bill, and I hope that the bill will have the benefit of constructive suggestions by all interested parties so that the final legislation will reflect our best efforts designed to stimulate and encourage technical and scientific advances for national defense. One simple illustration may be helpful in explaining the potential benefits of this kind of legislation. Let us suppose that an inventor has designed an extremely helpful item, perhaps, for purposes of illustration, an amplifying tube which will greatly increase the effectiveness of our electronic equipment. Naturally, the inventor wants this to be available to our Defense Establishment at the earliest possible time, but he also wants to be assured that he will be properly compensated. He cannot divulge his secret to industry or to the Defense Department, for he could quickly lose his proprietary interest. Moreover, the Defense Department is without authority at the present time to pay the inventor. They perhaps may be able to reward him by offering him some sort of contractual arrangement. But if the invention has great potential, they can in no way give him a fitting reward, and once the idea is divulged they are without authority to compensate him. So the inventor naturally seeks protection under our patent laws; but it takes several years to receive a final patent, and in this intervening period, which in many cases would be in excess of 3 years, the Defense Department has been without the benefit of a potentially vital technical improvement. Even after the patent is issued, the inventor must go through complicated legal proceedings, sometimes being forced to sue for infringement. And, also, there is the very real damage that the inventor, without significant financial resources, cannot afford the long and

costly procedure in obtaining his patent, and in this case the invention may be lost forever. How much better it would be, in the interest of our national security and in the interest of treating equitably those persons who do produce technical and scientific advances, if this invention could be made immediately available to our Defense Establishment and the inventor given immediately proper compensation.

One of our principal objectives with the Defense Establishment has been to create incentives. The military pay bill which we are now considering is designed primarily on the recommendations of the Cordiner Committee to create incentives for qualified and trained persons to remain on military duty. We try to create incentives for our industries manufacturing in the defense effort. The preferred basis on which we now contract with them is called an incentive contract. It seems to me only consistent with this objective that we create incentives for creative individuals, whether they are in military service or in private life, to use their best talents in furthering our defense effort.

The potential gain from stimulating such activity on the part of inventors and scientists would, I am confident, outweigh many times the minor costs incurred.

I have drafted this bill in cooperation with some of the leading patent attorneys in the Defense Establishment. One of the gentlemen with whom I have conferred received national recognition a few years ago for his outstanding treatise on this subject. He pointed out then, in 1951, the desperate need for a system whereby individual genius can be stimulated to make contributions for our national defense and he pointed out the total inadequacies of our patent law system to achieve this objective.

I hope this bill will have the serious and earnest attention of all interested persons.

In the years ahead our Nation's strength and security may depend upon our ability to beat another nation to a technical achievement, and when a matter of weeks or months may make the difference between security and disaster we cannot afford to discourage genius, we cannot afford to create a monopoly on new ideas.

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

The bill (S. 3721) to authorize the Secretary of Defense to make monetary awards for inventive contributions to the national defense, and for other purposes, introduced by Mr. SALTONSTALL (for himself and Mr. CAPEHART), was received, read twice by its title, and referred to the Committee on the Judiciary.

#### RAMSEY COUNTY, MINN.

Mr. THYE. Mr. President, I introduce for appropriate reference, a bill to provide for the payment of \$30,351.89 in lieu of taxes to Ramsey County, Minn. This amount represents the taxpay-

ment which would have become due and payable by a private citizen had he held title to certain property in Ramsey County in 1954. The property was at that time held by the Department of the Navy, and the property was, therefore, not taxable by the county.

To explain further the facts of this situation, Mr. President, I ask unanimous consent that letters which I have received from the county attorney of Ramsey County, and from the Comptroller General of the United States, be printed in the RECORD as part of my remarks, and that they be referred to committee, together with the bill.

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

The bill (S. 3722) for the relief of Ramsey County, Minn., introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on the Judiciary.

The letters presented by Mr. THYE are as follows:

COUNTY OF RAMSEY,  
STATE OF MINNESOTA,  
St. Paul, Minn., March 28, 1958.

HON. EDWARD J. THYE,  
Senate Office Building,

Washington, D. C.

DEAR SENATOR THYE: Since January 17, 1956, when our county assessor received a letter from the Office of the General Counsel of the Department of the Navy, we have been endeavoring to collect a payment in lieu of real estate taxes for 1954 on the property at 1902 West Minnehaha Avenue, at the corner of Prior, in St. Paul. This property was owned by the Reconstruction Finance Corporation and was later transferred to the ownership of the Department of the Navy. During the RFC ownership, and since then under Navy ownership, it has been operated by Engineering Research Associates, which is now a part of Remington Rand Univac.

Considerable correspondence was had between the Department of the Navy and county officials, and in May of 1957 Mr. Ernest R. Welhaven, chief auditor in the office of the county assessor, and Mr. Robert G. Flynn, one of my assistants, went to Washington and conferred with Mrs. Martha Colmetz, General Counsel for the Department of the Navy; Mr. Albert H. Stein, Deputy General Counsel; and Mr. Morris Amchan, assistant counsel, Bureau of Ships of the Department of the Navy.

It appeared that under Public Law 388, 84th Congress (40 U. S. C. A., secs. 521 to 524 inclusive), payments could be made to the county of Ramsey for the benefit of the State and the various other governmental subdivisions of a sum of money in lieu of real estate taxes. The Federal law states in short that where real property has been transferred on or after January 1, 1946, from the RFC to any Government department and the United States has continuously held title since such transfer, then on each date occurring on or after January 1, 1955, and prior to January 1, 1959, on which real property taxes levied by any State or local taxing authority with respect to any period become due, the Government department which has custody and control of such property shall pay to the appropriate State and local taxing authorities an amount equal to the amount of the real estate tax which would be payable to such State or local taxing authority on such date if such real estate had been owned by a private citizen on such date.

You, having paid real estate taxes in Minnesota for a great many years, know that the

tax is levied as of May 1 (say, 1954), and becomes due and payable on and after the first Monday in January (of, say, 1955). The Minnesota law will not permit the county treasurer to collect such a tax prior to such first Monday in January.

In discussing this matter with the representatives of the Department of the Navy, we stated we believed that under the wording of the law we were entitled to a payment in lieu of taxes for the year 1954, which taxes became due and payable on January 3, 1955. We called the attention of such representatives to the fact that if the provisions of this law were not extended, we would not be able to collect in lieu of the tax for 1958, which would not become due and payable (or even collectible) until January 5, 1959, and hence we would lose a taxpayment both at the beginning of the period fixed by law and at the end thereof.

It appeared to us that the representatives of the Navy Department possibly agreed with the correctness of our position. However, on October 22, 1957, we received a letter from Mr. Morris Amchan, assistant counsel, Bureau of Ships of the Department of the Navy, the final paragraph of which reads as follows:

"The Bureau is unable to recommend payment covering the tax for the calendar year 1954 because of a ruling by the Comptroller General of the United States barring such payments. This ruling, copy of which is herewith enclosed, would also bar payment of any taxes that may be due subsequent to December 31, 1958, even though such taxes relate to a period prior to such date."

Copies of Mr. Amchan's letter and copy of the opinion of the Comptroller General of the United States hereinabove referred to are enclosed.

To be very frank, we were surprised that anyone can interpret Public Law 388 so as to preclude our county from collecting the taxes for the year 1954. We concede that under the wording of the Federal law we would not be entitled to the 1953 taxes, which would not become payable or collectible until January 5, 1959, and this despite the excerpts from statements made at the hearings before the committee of the House of Representatives prior to the passage of this law. (Pages 4 and 5 of the letter of the Comptroller General.)

The taxes for 1954, in lieu of which we think we ought to get a remittance from the Department of the Navy, amount to \$30,351.89.

We would appreciate greatly you taking this matter up with the Comptroller General, or with the General Counsel of the Department of the Navy, or, if he has any supervision over the legal opinions or actions of the Comptroller General of the United States, with the Attorney General of the United States.

Yours very truly,

JAMES F. LYNCH,  
County Attorney.

COMPTROLLER GENERAL OF THE  
UNITED STATES,

Washington, D. C., April 14, 1958.

HON. EDWARD J. THYE,

United States Senate.

DEAR SENATOR THYE: This refers to your letter of April 2, 1958, enclosing a copy of a letter (dated March 28, 1958) you received from the county attorney, Ramsey County, Minn., concerning the entitlement of the county to a payment in lieu of taxes on certain real property for the year 1954 under Public Law 388 (69 Stat. 721, 40 U. S. C. 521-524). The county attorney in his letter contends, in effect, that since real property taxes for the year 1954 became due and pay-



able in Minnesota on and after the first Monday in January of 1955, the county is entitled to a payment in lieu of taxes for the year 1954 under section 703 of Public Law 388.

The Bureau of Ships of the Department of the Navy, which Department apparently has custody and control of the real property involved, advised the county concerning the in-lieu payment as follows, quoting from the county attorney's letter:

"The Bureau is unable to recommend [to the Department of the Navy] payment covering the tax for the calendar year 1954 because of a ruling by the Comptroller General of the United States barring such payments. This ruling, copy of which is herewith enclosed, would also bar payment of any taxes that may be due subsequent to December 31, 1958, even though such taxes relate to a period prior to such date."

You request that we review the matter carefully and advise as to whether it is our considered opinion that the Navy cannot recommend payment in lieu of taxes because of previous rulings by us.

Public Law 388 directs various departments and agencies of the Federal Government to make payments in lieu of taxes with respect to certain properties transferred to them from the Reconstruction Finance Corp., on or after January 1, 1946. Apparently the real property here involved falls within the purview of that statute. Section 703 of Public Law 388 provides, in pertinent part, that: " \* \* \* on each date occurring on or after January 1, 1955, and prior to January 1, 1959, on which real property taxes levied by any State or local taxing authority with respect to any period become due, the Government department which has custody and control of such real property shall pay to the appropriate State and local taxing authorities an amount equal to the amount of the real property tax which would be payable to each such State or local taxing authority on such date if legal title to such real property had been held by a private citizen on such date and during all periods to which such date relates."

However, section 704 (c) of that Public Law under subheading "Limitations," provides:

"Nothing contained in this title shall establish any liability of any Government department for the payment of any payment in lieu of taxes with respect to any real property for any period before January 1, 1955, or after December 31, 1958."

In our decision of April 17, 1957, B-130749 (36 Comp. Gen. 713) to the Secretary of the Air Force, we said in connection with the foregoing provisions of law, that:

"It is clear that the provisions of section 703 are subject to the limitations contained in section 704, including the limitations set forth in subsection (c) of the latter section. Therefore, under Public Law 388 there is no authority to make a payment in lieu of taxes on any real property for any period prior to January 1, 1955. Hence, it is clear that under that public law your Department may not make a payment in lieu of taxes on the property in question for the calendar year 1954, regardless of the date the taxpayment is due." (See also B-130749, June 25, 1957.)

It is clear from the foregoing that under Public Law 388 as interpreted by our decision of April 17, 1957 (36 Comp. Gen. 713), the Department of the Navy is precluded from making a payment in lieu of taxes for the year 1954 to Ramsey County on the property in question, regardless of the date the taxes for that year (1954) became due the county.

Your question is answered accordingly.

Sincerely yours,

JOSEPH CAMPBELL,  
Comptroller General of the  
United States.

## CONVEYANCE OF CERTAIN LANDS TO CITY OF HENDERSON, NEV.

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to amend Public Law 522 of the 84th Congress, which authorized the Secretary of the Interior to convey to the city of Henderson, Nev., approximately 6,859 acres of federally owned land, upon payment by the city into the Treasury of the United States the fair market value of the lands, not more than 5 years after the Secretary has notified the city of the purchase price, based upon his appraisal.

The bill is very brief, and I ask unanimous consent that it be printed in the RECORD immediately following my remarks, together with Public Law 522 of the 84th Congress, which is also brief.

Public Law 522 was enacted to afford the city of Henderson an opportunity to obtain land by which to expand and grow so that the town could proceed and properly take its place with the other Nevada cities.

The city of Henderson is completely surrounded by federally owned land. Therefore, without such legislation the city is absolutely landlocked. At the present time, an individual cannot buy a lot to build a home, there is no place to build a city hall, sewage-disposal plant, water reservoir, or any recreational facility whatsoever, as well as the lack of an opportunity to expand industrially.

Because it was felt that the appraisal figure of the lands, as provided in Public Law 522, would be an amount that the city's financial structure could readily absorb, it was expected that the purpose of the legislation would be accomplished. However, as it has turned out, the appraisal price of the lands is at such a high figure it will be virtually impossible for the city to acquire any substantial part of the lands under the package-purchase provisions of Public Law 522.

Therefore, my purpose in introducing this bill to amend the law is to permit the city of Henderson to make partial or piecemeal purchases of the lands subject to Public Law 522, without relinquishing its right to purchase all or part of the remaining area. The city would still be subject to the 5-year limitation contained in Public Law 522.

This amendment would enable the city to expand and grow in an orderly fashion, as it properly should, thereby carrying out the true intention of Congress, as declared in Public Law 522.

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

The bill (S. 3723) to amend Public Law 522, 84th Congress, relating to the conveyance of certain lands to the city of Henderson, Nev., introduced by Mr. BIBLE, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.,* That the act entitled "An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.," ap-

proved May 14, 1956 (70 Stat. 156), is amended by adding at the end thereof the following new section:

"Sec. 3. Nothing contained in the preceding provisions of this act shall be construed to preclude the city of Henderson, Nev., from purchasing, in accordance with such preceding provisions, only such portion or portions of the above-described lands as such city elects, nor shall the election by such city to purchase only a portion or portions of such lands be construed to constitute a waiver or relinquishment of any of its rights under this act to purchase the remainder of such lands, or any portion thereof."

Public Law 522, presented by Mr. BIBLE, is as follows:

[Public Law 522, 84th Cong. ch. 270, 2d sess.]  
S. 2267

An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.

*Be it enacted, etc.,* That the Secretary of the Interior shall issue to the city of Henderson, Nev., upon the payment by the city into the Treasury of the United States, not more than 5 years after the Secretary has notified the city of the purchase price, of an amount equal to the fair market value of the lands to be conveyed as determined by the Secretary upon the appraisal of those lands, a patent for the following-described lands, situated in the State of Nevada and comprising approximately 6,859 acres (all range references are to the Mount Diablo base and meridian):

(1) All of sections 2, 3, 4, and 24, township 22 south, range 62 east.

(2) All of section 33, township 21 south, range 63 east.

(3) The east half of section 8; the east half of section 17; east half of section 20; west half of section 21; the east half and the northwest quarter of section 28; all of sections 30, 31, and 32; all in township 22 south, range 63 east.

SEC. 2. The conveyance authorized by this act shall be made subject to any existing valid claims against the lands described in the first section of this act, and to any reservations necessary to protect continuing uses of those lands by the United States.

Approved May 14, 1956.

## AMENDMENT OF COORDINATION AND WATERSHED PROTECTION AND FLOOD PREVENTION ACTS

Mr. WATKINS. Mr. President, I introduce, for appropriate reference, a bill intended as a substitute for Senate bill 2496, a measure I originally introduced last July 8, to amend the Coordination Act of 1934, as amended.

This bill is essentially the suggested draft revision proposed by Secretary Seaton in the official report of the Department of the Interior on Senate bill 2496. The language proposed by Secretary Seaton has the concurrence of the Department of Agriculture and the Department of the Army.

As author of the bill, I have made a slight addition to this recommended draft. My modification consists of a new proviso added as subsection 3 (g) of section 1 and subsection 12 (2) (b) of section 2. This proviso directs that resources or water rights authorized by this act be accomplished in accordance with the water laws of the respective State or States involved. This language is typical of State water rights provisos which have been incorporated in recla-

mation legislation for many years. Its inclusion will make this legislation more acceptable to the 17 Western States, many of which have constitutional provisions assigning control of water and water appropriation rights to the State.

This measure is ready for hearing before the Senate Interstate and Foreign Commerce Committee, and the chairman, the Senator from Washington [Mr. MAGNUSON], has informed me that the hearing will be scheduled in the near future by the committee, which has taken an active interest in this forward-looking legislation.

In order that the text of the revised bill and the Interior Department's report on the measure can be distributed widely before the forthcoming hearing, I request unanimous consent to have printed in the RECORD at the conclusion of my remarks a copy of the report, and the revised language of the bill as reintroduced today.

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

The bill (S. 3725) to amend the Coordination and Watershed Protection and Flood Prevention Acts, to promote the conservation of wildlife, fish, and game, and for other purposes, introduced by Mr. WATKINS, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.,* That sections 1 through 4 of the act entitled "An act to promote the conservation of wildlife, fish and game, for other purposes," approved March 10, 1934, as amended (16 U. S. C. 661-664), are amended to read as follows:

"For the purpose of recognizing the vital contribution of our wildlife resources to the Nation, the increasing public interest and significance thereof due to expansion of our national economy and other factors, and to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs through the effectual and harmonious planning, development, maintenance, and coordination of wildlife conservation and rehabilitation for the purposes of this act in the United States, its Territories and possessions, the Secretary of the Interior is authorized (a) to provide assistance to, and cooperate with, Federal, State, and public or private agencies and organizations in the development, protection, rearing, and stocking of all species of wildlife, resources thereof, and their habitat, in controlling losses of the same from disease or other causes, in minimizing damages from overabundant species, in providing public shooting and fishing areas, including easements across public lands for access thereto, and in carrying out other measures necessary to effectuate the purposes of this act; (b) to make surveys and investigations of the wildlife of the public domain, including lands and waters or interests therein acquired or controlled by any agency of the United States; and (2) to accept donations of land and contributions of funds in furtherance of the purposes of this act.

"Sec. 2. (a) Except as hereafter stated in subsection (h) of this section, whenever the waters of any stream or other body of water are proposed or authorized to be impounded, diverted, the channel deepened, or the stream or other body of water otherwise

controlled or modified for any purpose whatever, including navigation and drainage, by any department or agency of the United States, or by any public or private agency under Federal permit or license, such department or agency first shall consult with the United States Fish and Wildlife Service, Department of the Interior, and with the head of the agency exercising administration over the wildlife resources of the particular State wherein the impoundment, diversion, or other control facility is to be constructed, with a view to the conservation of wildlife resources, i. e., by preventing loss of and damage to such resources as well as providing for the development and improvement thereof in connection with such water resource development.

"(b) In furtherance of the aforesaid purposes, the reports and recommendations of the Secretary of the Interior on the wildlife aspects of such projects, and any report of the head of the State agency exercising administration over the wildlife resources of the State, based on surveys and investigations conducted by the United States Fish and Wildlife Service and such State agency for the purpose of determining the possible damage to wildlife resources and for the purpose of determining means and measures that should be adopted to prevent the loss of or damage to such wildlife resources, as well as to provide concurrently for the development and improvement of such resources, shall be made an integral part of any report prepared in or submitted by any agency of the Federal Government responsible for engineering surveys and construction of such projects when such reports are presented to the Congress or to any agency or person having the authority or the power, by administrative action, or otherwise, (a) to authorize the construction of water resource development projects or (b) to approve a report on the modification or supplementation of plans for previously authorized projects, to which this act applies. Recommendations of the Secretary of the Interior shall be as specific as is practicable as to features recommended for wildlife conservation and development, lands to be utilized or acquired for such purposes, the results expected, and shall describe the damage to wildlife attributable to the project and the measures proposed for mitigating or compensating for these damages. The reporting officers in project reports of the Federal agencies shall give full consideration to the report and recommendations of the Secretary of the Interior and to any report of the State agency, on the wildlife aspects of such projects and the project plan will include such justifiable means and measures for wildlife purposes as the reporting agency finds should be adopted to obtain maximum overall project benefits.

"(c) Federal agencies authorized to construct and/or operate water-control projects are hereby authorized to modify or add to the structures and operations of such projects, the construction of which has not been substantially completed on the date of this act, and to acquire lands in accordance with section 3 of this act, in order to accommodate the means and measures for the aforesaid conservation of wildlife resources as an integral part of such projects: *Provided*, That for projects heretofore authorized by specific act of Congress (1) such modification or land acquisition shall be compatible with the purposes for which the project was authorized; (2) the cost of such modifications or land acquisition, as means and measures to prevent loss of and damage to wildlife resources to the extent justifiable shall be an integral part of the costs of such projects; and (3) the costs of such modifications or land acquisition for the development or improvement of wildlife resources may be included to the extent justifiable, and an appropriate share of the project costs may be allocated for this

purpose with a finding as to the part of such allocated costs, if any, to be reimbursed by non-Federal interests.

"(d) The cost of planning for and the construction or installation and maintenance of such means and measures adopted to carry out the aforesaid conservation purposes of this section shall constitute an integral part of the costs of such projects: *Provided*, That such integral project costs for the development and improvement of wildlife shall not extend beyond those necessary for (1) land acquisition, (2) modification of the project, and (3) modification of project operations; but shall not include the operation of wildlife facilities nor the construction of such facilities beyond those herein described: *And provided further*, That, in the case of projects authorized to be constructed, operated, and maintained in accordance with the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), the Secretary of the Interior, in addition to allocations made under section 9 of the Reclamation Project Act of 1939 (53 Stat. 1187), shall make findings on the part of the estimated cost of the project which can properly be allocated to means and measures to prevent loss of and damage to wildlife resources, which costs shall not be reimbursable, and an appropriate share of the project costs may be allocated to development and improvement of wildlife resources, with a finding as to the part of such allocated costs, if any, to be reimbursed by non-Federal fish and wildlife agencies or interests.

"(e) In the case of construction by a Federal agency that agency is authorized to transfer to the United States Fish and Wildlife Service, out of appropriations or other funds made available for investigations, engineering, or construction, such funds as may be necessary to conduct all or part of the investigations required to carry out the purposes of this section.

"(f) In addition to other requirements, there shall be included in any report submitted to Congress supporting a recommendation for authorization of any new project for the control or use of water as described herein (including any new division of such project or new supplemental works of such project) an estimation of the wildlife benefits or losses to be derived therefrom including benefits to be derived from measures recommended specifically for the development and improvement of wildlife resources, the cost of providing wildlife benefits, including the cost of additional facilities to be installed or lands to be acquired specifically for that particular phase of wildlife conservation relating to the development and improvement of wildlife, the part of the cost of joint-use facilities allocated to wildlife, and the part of such costs, if any, to be reimbursed by non-Federal interests.

"(g) The provisions of this section shall be applicable with respect to any project for the control or use of water as prescribed herein, or any unit of such project hereafter or heretofore authorized for planning or construction, but shall not be applicable to any project or unit thereof authorized heretofore if the construction of the particular project or unit thereof has been substantially completed. A project or unit thereof shall be considered to be substantially completed when 60 percent or more of the estimated construction cost has been obligated for expenditure.

"(h) The provisions of this act shall not be applicable as follows: To those projects for the impoundment of water where the maximum surface area of such impoundment is less than 10 acres; and to activities for or in connection with programs primarily for land management and use carried out by Federal agencies with respect to Federal lands under their jurisdiction.



"Sec. 3. (a) Subject to the exceptions prescribed in section 2 (h) of this act, whenever the waters of any stream or other body of water are impounded, diverted, the channel deepened, or the stream or other body of water otherwise controlled or modified for any purpose whatever, including navigation and drainage, by any department or agency of the United States, adequate provision, consistent with the primary purposes of such impoundment, diversion, or other control, shall be made for the use thereof, together with any areas of land, water, or interests therein, acquired or administered by a Federal agency in connection therewith, for the conservation, maintenance, and management of wildlife resources thereof, and its habitat thereon, including the development and improvement of such wildlife resources pursuant to the provisions of section 2 of this act;

"(b) The use of such waters, land, or interests therein for wildlife conservation purposes shall be in accordance with general plans approved jointly (1) by the head of the particular department or agency exercising primary administration in each instance, (2) by the Secretary of the Interior, and (3) by the head of the agency exercising the administration of the wildlife resources of the particular State wherein the waters and areas lie. Such waters and other interests shall be made available without cost for administration: (a) By the aforesaid State agency if the management of the properties relate to the conservation of wildlife other than migratory birds; or (b) by the Secretary of the Interior, for administration in such manner as he may deem advisable, where the particular properties have value in carrying out the National migratory bird management program: *Provided*, That nothing in this section shall be construed as affecting the authority of the Secretary of Agriculture to cooperate with the States or in making lands available to the States with respect to the management of wildlife and wildlife habitat on lands administered by him.

"(c) When consistent with the purposes of this act and the reports and findings of the Secretary of the Interior prepared in accordance with section 2 hereof, land, waters, and interests therein may be acquired by Federal construction agencies for the wildlife conservation and development purposes of this act in connection with a project as reasonably needed to preserve and assure for the public benefit the wildlife potentials of the particular project area: *Provided*, That before properties are acquired for this purpose, the probable extent of such acquisition shall be set forth, along with other data necessary for project authorization, in a report submitted to the Congress, or in the case of a project previously authorized, no such properties shall be acquired unless specifically authorized by Congress, if specific authority for such acquisition is recommended by the construction agency.

"(d) Properties acquired for the purposes of this section shall continue to be used for such purposes, and shall not become the subject of exchange or other transactions if such exchange or other transaction would defeat the initial purpose of their acquisition;

"(e) Federal lands acquired or withdrawn for Federal water-resource purposes and made available to the States or to the Secretary of the Interior for wildlife-management purposes, shall be made available for such purposes in accordance with this act notwithstanding other provisions of law.

"(f) Any lands acquired pursuant to this section by any Federal agency within the exterior boundaries of a national forest shall, upon acquisition, be added to and become national forest lands, and shall be administered as a part of the forest within which they are situated, subject to all laws appli-

cable to lands acquired under the provisions of the act of March 1, 1911 (36 Stat. 961), unless such lands are acquired to carry out the national migratory bird management program.

"(g) Any acquisition, withdrawal, administration, or transfer of water, water resources, or water rights necessary to carry out the provisions of this act shall be accomplished in accordance with the water laws of the State or States in which such action is taken.

"Sec. 4. Such areas as are made available to the Secretary of the Interior for the purposes of this act pursuant to sections 1 and 3 or pursuant to any other authorization shall be administered by him directly or in accordance with cooperative agreements entered into pursuant to the provisions of section 6 of this act and in accordance with such rules and regulations for the conservation, maintenance, and management of wildlife, resources thereof, and its habitat thereon, as may be adopted by the Secretary in accordance with general plans approved jointly by the Secretary of the Interior and the head of the department or agency exercising primary administration of such areas: *Provided*, That such rules and regulations shall not be inconsistent with the laws for the protection of fish and game of the States in which such area is situated (16 U. S. C. A. 664): *Provided further*, That lands having value to the national migratory bird management program may, pursuant to general plans, be made available without cost directly to the State agency having control over wildlife resources, if it is jointly determined by the Secretary of the Interior and such State agency that this would be in the public interest: *And provided further*, That the Secretary of the Interior shall have the right to assume the management and administration of such lands in behalf of the national migratory bird management program if the Secretary finds that the State agency has withdrawn from or otherwise relinquishes such management and administration."

SEC. 2. The Watershed Protection and Flood Prevention Act, as amended (68 Stat. 666, 70 Stat. 1088), is hereby amended by adding thereto a new section as follows:

"Sec. 12. (a) When the Secretary approves the furnishing of assistance to a local organization in preparing a plan for works of improvement as provided for in section 3:

"(1) The Secretary shall so notify the Secretary of the Interior in order that the latter as he desires may make surveys and investigations and prepare a report with recommendations concerning the conservation and development of wildlife resources, and participate, under arrangements satisfactory to the Secretary of Agriculture, in the preparation of a plan for works of improvement that is acceptable to the local organization and the Secretary of Agriculture.

"(2) Full consideration shall be given to the recommendations contained in any such report of the Secretary of the Interior as he may submit to the Secretary of Agriculture prior to the time the local organization and the Secretary of Agriculture have agreed on a plan for works of improvement. The plan will include such of the technically and economically feasible works of improvement for wildlife purposes recommended in the report by the Secretary of the Interior as are acceptable to and agreed to by the local organization and the Secretary of Agriculture, and such report of the Secretary of the Interior shall, if requested by the Secretary of the Interior, accompany the plan for works of improvement when it is submitted to the Secretary of Agriculture for approval or transmitted to the Congress through the President.

"(3) The costs of making surveys and investigations and of preparing reports con-

cerning the conservation and development of wildlife resources shall be borne by the Secretary of the Interior out of funds appropriated to his Department.

"(b) Any acquisition, withdrawal, administration or transfer of water, water resources, or water rights necessary to carry out the provisions of this act shall be accomplished in accordance with the water laws of the State or States in which such action is taken."

Sec. 3. There is hereby authorized to be appropriated and expended, such funds as may be necessary to carry out the purposes of this act.

The report presented by Mr. WATKINS is as follows:

UNITED STATES  
DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
Washington, D. C., April 1, 1958.

HON. WARREN G. MAGNUSON,  
Chairman, Committee on Interstate  
and Foreign Commerce, United  
States Senate, Washington, D. C.

DEAR SENATOR MAGNUSON: Your committee has requested a report from this Department on S. 2496, a bill "to amend the act entitled 'An act to promote the conservation of wildlife, fish, and game, and for other purposes,' approved March 10, 1934, as amended, known as the Coordination Act."

If amended as suggested in this report, we recommend that S. 2496 be enacted.

S. 2496 is identical to a draft bill that was developed initially by this Department in response to a request from the organization of the State fish and game agencies. That draft bill was submitted to the Governors of all of the States in January 1957 for review and comment. Upon the receipt of these comments, we incorporated various improvements in the draft and it was submitted also for review and consideration to the other affected Federal departments. We enclose a revised text for the bill with the recommendation that it be substituted for the present language of S. 2496.

This proposed legislation, if enacted as recommended by this report, would amend the first four sections of the Fish and Wildlife Coordination Act of March 10, 1934, as amended by the act of August 14, 1946 (60 Stat. 1080). Also it would add a related section to the Watershed Protection and Flood Prevention Act, as amended (68 Stat. 666, 70 Stat. 1088).

This proposal is in the public interest. It will provide for more effective integration of a fish and wildlife conservation program with Federal water-resource developments. It will establish clearly the authority of project construction agencies to provide for the enhancement of fish and wildlife resources as an integral part of water-project development. It will also continue and strengthen the present authority of these agencies to provide for the mitigation of damage to these important resources.

In addition, the proposal will:

1. Provide authority for the withdrawal of public lands to provide areas for fishing purposes (present law contains such authority for hunting purposes). The proposed amendment would also provide for the development of access to hunting and fishing areas over public lands.

(2) Authorize the acceptance of donations of land and contribution of funds for furtherance of the purposes of this act.

(3) Clarify the application of the act to navigation and dredging projects, whether these are undertaken by the Federal Government or by non-Federal interests under permit from the United States Corps of Engineers.

(4) Authorize the acquisition of land by project construction agencies for fish and wildlife conservation purposes in connection with Federal water-project development, subject to review and approval by the Con-



gress of such acquisition proposals for individual projects; this authority is particularly needed to carry out most fish and wildlife conservation measures.

(5) Make the act clearly applicable to previously authorized projects provided that the construction of these projects is not substantially completed.

(6) Simplify the procedures under which Federal project lands, that are found to be valuable for the national migratory bird program, can be assigned to State fish and game departments for management.

(7) Amend the Watershed Protection and Flood Prevention Act (68 Stat. 666, 70 Stat. 1088) to provide for the application of the principles of the Wildlife Coordination Act to the small watershed program, while leaving full control of the program with local groups and the Secretary of Agriculture.

To summarize, we wish to emphasize that this Coordination Act has proven to be of great benefit to the Nation in protecting and preserving our fish and wildlife resources; however, in carrying out our responsibilities under the act, we find that there is need for improvement in it. This view is shared by all of the State Governors, whose fish and game departments also have opportunities for conservation activities under the act. Also, the national conservation organizations and commercial fishing interests for several years have strongly urged the strengthening of the act.

We believe the very great significance of fish and wildlife resources, in the economy and life of our Nation, is reflected in the results of a nationwide survey of hunting and fishing that was made by this Department. A copy of the report on our survey was sent to each Member of the Congress by this Department on February 7, 1957. That report shows that approximately 25 million persons, 12 years of age, or over, hunted or fished in 1955. This is one out of every five in that age group. These persons spent approximately \$3 billion, conservatively estimated, in their hunting and fishing activities. This is about the same as all the households in the United States spent for electricity in 1955.

The Congress has given increased recognition to the fish and wildlife resources of this country through enactment of the Fish and Wildlife Act of August 8, 1956 (70 Stat. 1119). This legislation enhanced the position of fish and wildlife activities in the Federal Government and incorporated a declaration of policy by the Congress noting the importance of fish and wildlife resources to the national economy and food supply and to the health, recreation, and well-being of our citizens. The act also stressed the need to maintain and increase these resources through proper development and management. The Congress directed the Secretary of the Interior, among other things, to take such steps as may be required for the development, management, advancement, conservation, and protection of the fisheries and wildlife resources, and to make such recommendations for additional legislation as deemed necessary. Our proposals relating to the Coordination Act are responsive to these instructions.

As previously indicated, we have discussed this proposed legislation with other interested departments, including, particularly, the Department of Agriculture and the Department of the Army. The bill as transmitted herewith has their concurrence.

In view of the increasing need for fuller consideration of fish and wildlife resources in the planning and construction of Federal water projects, the increasingly severe competition for land and water on which fish and wildlife resources must be sustained, the very great proportion of the citizens of the Nation who are vitally concerned with the welfare of fish and wildlife resources, the very strong support for strengthening the Coordination Act among the State governors and the conservationists of the Nation, we

strongly urge favorable consideration of this proposal by the Congress.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

FRED A. SEATON,  
Secretary of the Interior.

#### AMENDMENT OF PUBLIC HEALTH SERVICE ACT, RELATING TO INTERNATIONAL HEALTH ACTIVITIES

Mr. PURTELL. Mr. President, I introduce, for appropriate reference, a bill which has a single objective, namely, to enable the Surgeon General of the Public Health Service more effectively to promote the cause of peace through promoting the cause of health throughout the world.

When the President delivered his state of the Union message to the Congress at the beginning of this session he received an enthusiastic response, without regard to party membership, in calling upon this Nation to wage peace through worldwide cooperation in the conquest of cancer, heart disease, and other diseases. Truly this is a battle which can unite men of good will in all walks of life and in all parts of the world.

While no one agency of the Federal Government has exclusive responsibility for leading this crusade against disease and ill health, there can be little doubt that the United States Public Health Service will be the principal focus of professional and scientific leadership. Its corps of public health specialists and the research scientists in its National Institutes of Health must take the initiative in this program of international health cooperation.

While the statutory authority available to the Surgeon General is generally adequate, it would be helpful if a clarifying amendment were added to the Public Health Service Act. The purpose of this amendment would be to define affirmatively in that act the basic role of the Service in international health matters. Much of the authority now employed is derived from other statutes, with the result that the actual role of the Service in this field is nowhere clearly defined. For the same reason, it is sometimes necessary to employ cumbersome interdepartmental arrangements which could be eliminated if the authority of the Surgeon General were more clearly defined.

As I have already indicated, it is largely clarifying legislation. It confers no major new powers on the Surgeon General; nor does it authorize any new appropriations. It does, however, provide the Surgeon General with a clearer and more adequate definition of his responsibilities and authorities—with particular attention to the promotion of international cooperation in the exchange of scientific information and assistance in the war against disease.

With this more adequate statutory base, with the expression of Congressional interest and support which its enactment would convey, and with the enthusiasm for this program already evidenced by the Surgeon General and the Secretary of Health, Education, and Wel-

fare, I am confident that the next few years will witness a gratifying example of how to wage peace through a program of international health cooperation.

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

The bill (S. 3727) to amend the Public Health Service Act, as amended, so as to clarify the functions and responsibilities of the Surgeon General with respect to international cooperation in the conquest of disease and the promotion of health, and for other purposes, introduced by Mr. PURTELL, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

#### AID TO EDUCATION THROUGH RETURN OF INCOME TAXES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of April 24, 1958,

The names of Mr. MORSE and Mr. MURRAY were added as additional cosponsors of the bill (S. 3687) to provide financial assistance to the States for educational purposes by returning to the States a portion of the Federal income taxes collected therein, introduced by Mr. PROXMIER on April 24, 1958.

#### LABOR LEGISLATION

Mr. WILEY. Mr. President, yesterday I heard the distinguished majority leader praise Senators whose views coincided with his. I was about to say something at that time about those who courageously presented to America the challenges which really exist in the important field of labor legislation. I could mention five or six Senators on this side of the aisle, including the minority leader. They presented to America the real issues of the labor problem. I am satisfied the American people realize the real issue—will constructive legislation come forth? That takes nothing away from the fine work which was done by the majority leader in selling his proposition, but he could have been a little charitable and have given credit to Senators on this side of the aisle who spoke so forcefully and clearly, and, I may add, sensibly in outlining the real problem that exists. For instance, let us consider one matter. We are all agreed that there must be a secret ballot. We have it when we vote for our public officers.

We of the minority have seen our amendments for a secret ballot rejected; likewise our amendment for protection against sweetheart contracts. Also rejected was our amendment to require the publication of financial reports, and so forth. The McClellan report shows up the job. Legislation must be broadened to give some real protection to the rank and file of labor.

I wish to say, as was said yesterday time and time again by the minority leader and other Senators, we are waiting now to see the fruit of the promises which were given, and so is America waiting. I received telephone calls this morning from labor people, who said,



"Senator, do you think the promises made by the majority leader will be fulfilled?" I said, "I hope so."

The PRESIDENT pro tempore. The time of the Senator has expired.

#### PROPOSED EXCLUSION OF IMPORTATION OF CERTAIN ARMS OR AMMUNITION

Mr. PURTELL. Mr. President, I wish to associate myself with the bill to amend section 414 of the Mutual Security Act of 1954 introduced yesterday by my colleague, the junior Senator from Massachusetts [Mr. KENNEDY].

I had prepared a bill proposing a similar amendment which I shall not now introduce. Senator KENNEDY's amendment and the amendment I had prepared would prohibit the importation or reimportation into the United States of arms or ammunition manufactured for military purposes.

The American sporting arms industry and its distributors are being seriously injured by the tremendous increase of imports of surplus military rifles and ammunition purchased abroad from our allies, whom we are arming under our military aid program. Certainly it is not the intent of Congress that weapons shipped to our allies should become, through importation, an economic enemy of our own weapons industry.

To aggravate the situation, foreign-made surplus rifles are being imported into the United States and sold at prices with which our American producers cannot hope to compete. In this respect, I have been informed, much to my amazement, that in 1957 thousands of Italian Carcano rifles which the Italian Government found to be unsafe for military use, were imported into the United States. It is inconceivable to me that we allow this situation to exist when it not only presents a threat to the American arms industry, but also poses a threat to the safety of American purchasers of rifles declared unsafe by a foreign government.

Connecticut's Representative MORANO originally introduced the same amendment in the House and, as the Senator from Massachusetts stated yesterday, the House Foreign Affairs Committee favorably reported it without a dissenting vote.

I hope my colleagues in the Senate will share my deep concern over this problem and act favorably so that we may add this amendment to the existing law.

I point out, Mr. President, that in espousing this measure I do not mean to attack the present provisions of the Mutual Security Act. I have strongly supported and I continue to support our mutual security program.

#### ATTITUDES TOWARD NUCLEAR DEVELOPMENTS

Mr. MORSE. Mr. President, under date of April 22, 1958, I have received a letter from the Committee for Student Awareness, of the University of Oregon. I ask unanimous consent that that letter, together with my reply, dated April 24, 1958, be printed in the body of the RECORD. I ask unanimous consent also

that an article entitled "Temporary Test Suspension Would Enhance United States Position," written by William Cook, and published in the university's student newspaper, the Oregon Daily Emerald, be printed in the RECORD.

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

#### COMMITTEE FOR STUDENT

#### AWARENESS,

UNIVERSITY OF OREGON,

Eugene, Ore., April 22, 1958.

The Honorable WAYNE L. MORSE,

The United States Senate,

Washington, D. C.

DEAR SENATOR MORSE: Our society is faced with a compelling problem. This problem broadly speaking involves nuclear attitudes, disarmament, and questioning. Perhaps this all sounds vague, but as we progress, we hope to make clear to you how we feel.

A few short days ago a play called *E=MC<sup>2</sup>* was presented by the University of Oregon theater. Its theme was a future era in which all nations had possession of intercontinental ballistic missiles and nuclear warheads operated by pushbuttons. At the underground headquarters of SAC in San Francisco an earthquake is mistaken for an enemy attack. Retaliation comes before clarification, and a final chapter of catastrophe is written in the book of man. The last line of the play disturbingly echoed, "What are you going to do about it?"

Before we could complacently shrug our shoulders and say, "Oh, nothing" or deny the whole presentation as ridiculous, we were forced to ask some tough questions. In the following paragraphs we would like to present these questions.

First, does the American public have adequate information regarding the harm done humankind by raised levels of radioactivity resulting from nuclear tests?

Second, is the public aware of what an all-out attack on the United States with thermonuclear weapons would do?

Third, what has the role of the Atomic Energy Commission been in making information public and what should it be?

We suspect the executive branch of the Government of deliberately withholding information and fostering misinformation. The instrument of this action has been the Atomic Energy Commission. Fortunately, much of the information regarding the effects of radiation on human life does not lend itself to secrecy. If a person wants to dig deep enough he can find a vast number of unresolved problems. Scientists, well qualified in the field, state that the permissible level of radioactivity is as much a moral as scientific problem. The Bulletin of the Atomic Scientist, a monthly magazine, presents fairly objective, informed evaluations of problems of this nature.

This information has not reached the general public. What the public has received are statements that the positive good from atomic tests outweighs the risks involved. At best this is a nonpublic opinion in lieu of information from which the public should make a decision. Instead of this they receive apologies from Teller and Latter that we open the door to aggression by renouncing atomic weapons. This is not the issue, but it is used to overpower a petition by 9,000 other scientists recently presented to the United Nations. Perhaps it is desirable to develop clean explosives, but we must remember they are precisely the type that will not be used in an all-out war.

The issue of bomb testing involves political as well as moral questions. What of a future when all nations have atomic weapons? Will any peace be safer than the precarious power structure preceding the last two modern wars? Will we not regret our failure to work out collective security and

atomic control even if the endeavor only includes non-Communist areas?

For the public decision, which must resolve moral, political, and security questions, adequate and accessible public information is imperative. When the press has access only to what Government feels expedient to release, decision can easily be removed from the people. We feel the AEC informational endeavor proposes not to inform the public opinion but to form it in accordance with a preconceived mold. The AEC must not be allowed to gravitate into a Goebbels propaganda ministry.

Any information you could give this committee would be appreciated. We thought it important for you to know how we, as the silent generation, feel about this situation. In the Oregon Daily Emerald, the campus daily student publication, debate on the editorial page by both student letters and members of the Emerald staff has centered around this and related issues. We are enclosing an editorial by William Cook pertaining to this problem.

We remain respectfully yours.

Karen J. Horton, Page B. Mahler, Yasumaca Kuroda, Jim Maxson, Elizabeth Jollie, Robert William Adler, Julie Pingle, Mary Minor, Diane Day, Douglas W. Fuller, Kathryn Thurston, Charles Land, Paul J. Clark, Helen Knight, Gary Sala, Ralph G. Swenston, George M. Boyet.

APRIL 24, 1958.

#### COMMITTEE FOR STUDENT AWARENESS,

University of Oregon,

Eugene, Ore.

DEAR FRIENDS: I thank you for your letter and the enclosure of April 22. I feel far better when I read your letter and the editorial from the Emerald than I do when I read State Department bulletins.

Please accept my sincere congratulations for thinking through the issue as you have. You certainly seem to be on the right track. You have a job to do in bringing these questions and the evidence bearing upon them to the attention of as many students as possible and to as many people beyond the campus as you can reach.

I agree that the administration and the Atomic Energy Commission have suppressed and pooh-poohed information so that the job of informing the public accurately must be performed by the press, private groups, and individuals.

I will not pretend to know the ultimate solution to the problems of nuclear testing, disarmament, and the avoidance of war, but I do believe with you that the emphasis upon military preparation is negative and sterile. I have always advocated adequate military strength to discourage attack. But that is not an end. It is only a preliminary. The end we seek is the resolution of problems so as to prevent war. I do not know whether the Russians are really willing to negotiate on outstanding differences, but I do know that by appearing to refuse to meet with the Russians by insisting upon continuing nuclear tests we are being convicted before the world as warlike, while the Russians undeservedly appear to be the champions of peace.

I believe that the United States should waive nuclear tests and put forward reasonable concrete proposals for negotiations which will put the Russians to the test of sincerity before the world. I do not think that our proposals can be so one-sided or inflexible that Russian refusal will not carry with it its own condemnation. To date and for a very long time the Russians have been running rings around us and we have been losing ground militarily, in propaganda, and losing ground to the Russians by economic penetration.

The United States should welcome Russia's challenge to economic competition.

This is the area in which we can best them, if only we have the will and the imagination. But here, too, timidity and inflexibility seem to grip the President and Secretary of State. However, public demand by groups such as yours can have, if they are widespread enough and insistent enough, a considerable effect upon national policy.

Finally, might I observe that I do not find your generation to be so silent. That is all to the good. We particularly need the vigor and idealism of youth if we are ever to break out of the habits of conduct which have led mankind to its present state.

With kindest regards,

Sincerely,

WAYNE MORSE.

P. S.—Enclosed you will find some of my recent statements on the Senate floor, on radio and television, and before the public concerning disarmament and the cessation of nuclear testing.

#### TEMPORARY TEST SUSPENSION WOULD ENHANCE UNITED STATES POSITION

(By William Cook)

For the past several days the letters column of the Emerald has been filled with a pro and con discussion of whether the United States should continue testing nuclear weapons. In any discussion of nuclear weapons and their testing, some unknown and unanswered questions must be acknowledged.

First, is the level of radioactivity deposited in the atmosphere by nuclear weapons testing actually harmful to living cells, particularly those of humans? Is the average 2 percent rise in radiation which we're getting from nuclear fallout actually harmful? And are deposits of the long half-lived radioactive element strontium-90 building up in our bones to a dangerous or potentially dangerous level?

The Atomic Energy Commission says the radioactive fallout from testing is not dangerous; Linus Pauling and his petitioners—working from the same data—say it is; we, who ultimately hold the decision, don't know whom to believe.

Second, do the Russians, perhaps overburdened with the cost of the present arms race, want to call a breather by suspending their tests in the hope that other nations will do the same?

Or is their suspension announcement a red herring to divert world notice from the fact that their recently completed test series was reportedly the dirtiest ever in terms of nuclear fallout?

We don't know if the Soviet Union, which wants a summit conference badly, really wants to make genuine concessions—provided they are reciprocated—or if they are simply making a propaganda play.

Third, what is the position of the United States in the world today? Do we command respect among the nations of the world with our policies or are we branded as a nation which really doesn't want peace badly enough to give even an inch to try to achieve it? Are we so convinced—officially at least—of the rightness of our position that we are blinded to alternative solutions or to changes in strategy?

Fourth, how do we regard the so-called tide of neutralism which is reportedly sweeping through our NATO allies in Europe? Are our European allies willing to try for a peace at almost any price or are the neutralists merely a highly vocal minority?

Here are some observations we can make:

We know the whole Communist bloc is committed to a doctrine of eventual world domination. This should always be acknowledged when dealing with the Soviet Union, but we also shouldn't let this doctrine stand in the way of attempting to achieve short-range goals—such as controls on testing which could lead to more peaceful coexistence.

We have learned from hard experience that the only way to deal effectively with the Soviet Union is from a posture of strength—and this implies the strength of world opinion, diplomatic skill, and economic power, as well as military strength.

If we have a posture of strength we can then give concessions and exact them in return. Without such strength we are crippled—especially around a conference table.

We already possess a strong military force oriented around the use of nuclear weapons. We possess enough nuclear weapons to destroy the Soviet Union several times over.

The military problem of nuclear weapons is principally concerned with the devices to deliver them—missiles and long-range bombers, for example. We are behind the Soviet Union in developing missiles; we are ahead of the Russians in the development of nuclear weapons.

It now appears that nearly all nuclear explosions can be detected around the world. The tiny bomb which was exploded inside the Nevada mountain was detected as far away as Alaska. The larger bombs can be detected easily with seismographs and upper air samples.

The United States has called for an end to the arms race, controls on nuclear weapons production and testing, and controls on the use of outer space. And the United States has suffered at least three major propaganda setbacks since the sputniks.

From these data and arguments several tenable positions can be logically taken. One in particular can be suggested which would involve a minimum of risk and a maximum of possible gain.

We could suspend our nuclear testing—at least until after what looks like the inevitable summit conference later this year. This concession would cost us little in a military sense, for the tests are only to try clean humanitarian bombs (that is, ones which produce less fallout than present bombs).

We would stand to gain a favorable climate of world opinion for the present uncertain one.

Since the Russian test suspension is contingent upon other nations also suspending their testing, they would be in a position at a summit conference to say they halted their tests but that no other nation would. For a summit conference would come after our nuclear tests, which start next month.

At the summit conference we could find out if the Soviet Union is really willing to make some first steps toward the disarmament which we eventually want. If the Soviet suspension announcement is a bluff, we would call it, and at least be able to tell the world of it and score a propaganda victory. And then, if we wanted, we could return to testing nuclear weapons.

But if the Soviet Union is really willing to suspend nuclear testing, then we must not ignore what could be a first step toward ending the present arms race.

#### INTERNATIONAL DISARMAMENT POLICY

Mr. SMITH of New Jersey. Mr. President, the letter from President Eisenhower to Chairman Khrushchev which was released yesterday continued this administration's consistent policy of seeking all reasonable means toward a sound international disarmament agreement. This policy has been pursued in a number of positive proposals which the Russians have repeatedly met with a propaganda barrage of meaningless counterproposals.

The President's letter answered Khrushchev's April 22 rejection of his

proposal to begin technical studies of the specific steps necessary to control nuclear testing. In his reply the President renewed his offer, pointing out that such studies would avoid a great deal of delay in reaching political agreement. I ask unanimous consent that the text of the President's letter of April 28 be printed at this point in the body of the RECORD.

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

TEXT OF LETTER FROM THE PRESIDENT TO NIKITA S. KHRUSHCHEV, CHAIRMAN OF THE COUNCIL OF MINISTERS OF THE UNION OF SOVIET SOCIALIST REPUBLICS

DEAR MR. CHAIRMAN: I have your communication of April 22 in reply to mine of April 8. I regret that it is not an affirmative response to my proposal.

You refer in your letter to the question raised recently by the Soviet Union in the United Nations Security Council which also touches upon the disarmament question. I am sure that you would agree that with the growing capabilities in the Soviet Union and the United States of massive surprise attack it is necessary to establish measures to allay fears. The United States has just asked the Security Council to reconvene in order to consider the establishment of an international inspection system for the Arctic zone. The United States has submitted a constructive proposal to this end. I urge you to join with us in supporting the resolution of the United States now before the Council. Your support of this proposal and subsequent cooperation would help to achieve a significant first step. It would help to reduce tensions, it would contribute to an increase of confidence among states, and help to reduce the mutual fears of surprise attack.

The United States is determined that we will ultimately reach an agreement on disarmament. In my letter of April 8, I again proposed an internationally supervised cutoff of the use of new fissionable materials for weapons purposes and the reduction of existing weapons stocks by transfer to peaceful purposes; an agreed limitation or suspension of testing; open skies, and the international use of outer space for peaceful purposes.

As an effective means of moving toward ultimate agreement on these matters and other disarmament matters, I proposed that we start our technical people to work immediately upon the practical problems involved. These studies were called for by the United Nations General Assembly. They would include the practical problems of supervision and control which, you and I agree, are in any event indispensable to dependable disarmament agreements.

The solution of these practical problems will take time. I am unhappy that valuable time is now being wasted.

You say that we must first reach a final political agreement before it is worth while even to initiate the technical studies. But such studies would, in fact, facilitate the reaching of the final agreement you state you desire.

For example, why could not designated technical people agree on what would be required so that you would know if we violated an agreement to suspend testing and we would know if you should commit a violation?

Would not both sides be in a better position to reach agreements if we had a common accepted understanding as to feasibility of detection or as to method of inspecting against surprise attack?

Studies of this kind are the necessary preliminaries to putting political decisions actually into effect. The completion of such technical studies in advance of a political agreement would obviate a considerable period of delay and uncertainty. In other



words, with the practicalities already worked out, the political agreement could begin to operate very shortly after it was signed and ratified.

I reemphasize that these studies are without prejudice to our respective positions on the timing and interdependence of various aspects of disarmament.

Mr. Chairman, my offer to you still and always will remain open. I hope you will reconsider and accept it. In that way we both can make an important contribution to the cause of just and lasting peace.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. SMITH of New Jersey. Mr. President, the same letter of the President also challenged Russia to prove its desire to reduce international tensions by supporting the United States resolution for an international inspection system in the Arctic, which the Security Council is considering today.

I ask unanimous consent that the resolution be printed at this point in the RECORD.

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

RESOLUTION INTRODUCED IN THE UNITED NATIONS SECURITY COUNCIL BY THE UNITED STATES

The Security Council, considering further the item of the U. S. S. R. of April 18, 1958; noting the development, particularly in the Soviet Union and the United States of America, of growing capabilities of massive surprise attack; believing that the establishment of measures to allay fears of such massive surprise attack would help reduce tensions and would contribute to the increase of confidence among states; noting the statements of certain members of the Council regarding the particular significance of the Arctic area; recommends that there be promptly established the northern zone of international inspection against surprise attack, comprising the area north of the Arctic Circle with certain exceptions and additions, that was considered by the United Nations Disarmament Subcommittee of Canada, France, the United Kingdom, the Soviet Union and the United States during August 1957; calls upon the five states mentioned, together with Denmark and Norway, and any other states having territory north of the Arctic Circle which desire to have such territory included in the zone of international inspection, at once to designate representatives to participate in immediate discussions with a view to agreeing on the technical arrangements required; decides to keep this matter on its agenda for such further consideration as may be required.

Mr. SMITH of New Jersey. Mr. President, our representatives in the United Nations are to be highly commended for their constructive statesmanship in making this proposal, which masterfully revealed the hypocrisy of Russia's charges in the U. N. last week that American aircraft have been making threatening flights toward the Soviet Union in the Arctic area. As an editorial in the New York Times of April 28 stated:

It will not be as easy for the Russians to reject this proposal as it has been for them to distort and delay other plans for a more peaceable world.

I ask unanimous consent that the editorial entitled "An Arctic UNEF?" be printed at this point in the RECORD.

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

AN ARCTIC UNEF?

If the Russians are truly worried about American bombers carrying nuclear weapons over the Arctic Ocean they should welcome the resolution the United States will put before the Security Council tomorrow. Only last Monday, in the face of almost unanimous opposition, they withdrew a resolution calling upon the United States to refrain from directing its military aircraft, armed with atom and hydrogen bombs, toward the frontiers of other states, with a view to creating a threat to their security or of military demonstration. Now the United States, "noting the statements of certain members of the Council"—guess which—"regarding the particular significance of the Arctic area," suggests that the Council recommend the prompt establishment of a "northern zone of international inspection against surprise attack."

The new resolution names the Soviet Union and the other four members of the U. N. Disarmament Subcommittee, together with Denmark and Norway, as interested parties. Informally, the United States expresses a willingness to discuss other means of preventing surprise attacks and would gladly expand the field of discussion if the Soviets so wished.

It will not be as easy for the Russians to reject this proposal as it has been for them to distort and delay other plans for a more peaceable world. After all, who brought up the subject of a crisis in the Arctic? And what better answer could there be to the charge that we are getting ready to attack Russia by way of the polar regions than an offer from us to set up a neutral patrol—and this really is what the plan suggests—to make sure that we do not?

An international air patrol over the Arctic might not be as simple as the ground operations of the U. N. Emergency Force, which have kept a tolerable peace in the Middle East since late in 1956. But the thing could be done, if Russia honestly wanted it, and larger achievements might follow.

We shall wait, with some hopes, but not too much, to hear what Russia's professorial-looking ambassador, Arkady A. Sobolev, will have to say about this tomorrow.

Mr. SMITH of New Jersey. Mr. President, in a second editorial on the subject this morning, April 29, the Times emphasizes that the American proposal is "no mere propaganda device," but a constructive attempt to meet the serious dangers of surprise attack. I ask unanimous consent that the editorial, entitled "Against Surprise Attack," be printed at this point in the RECORD.

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

AGAINST SURPRISE ATTACK

At the request of the United States, the Security Council of the United Nations meets today to consider an American proposal for the establishment of an international inspection system for the Arctic regions. Its purpose is to allay the fear of surprise attacks across these areas. This proposal has been endorsed by President Eisenhower, with a personal appeal to Premier Khrushchev to support it.

In its timing, this latest American initiative takes advantage of an opportunity opened by the Soviets' protest to the Security Council against American nuclear bomber exercises over the Arctic. But the American proposal is no mere propaganda device. It is a serious effort to cope with the very real

dangers raised by the growing Soviet capacity for massive surprise attacks and the inevitable American precautions against an atomic Pearl Harbor. No free nation dare ignore this danger.

In point of fact, the American proposal merely uses a new opportunity to press home the "open sky" plans already submitted to the United Nations Disarmament Subcommittee. As detailed in a working paper last August, these plans offered not only inspection of most of Europe but also two alternatives for the Soviets to choose from—inspection of all the United States and Canada, in return for inspection of all Soviet Russia, or inspection primarily of Arctic regions. The Soviets, however, have rejected any aerial inspection of their territory as recently as the Khrushchev letter of April 23, and they have scoffed at aerial inspection of the Arctic on the ground that there was nothing to inspect "but polar bears."

Certainly the United States, having no aggressive intent whatever, would welcome a system of Arctic inspection with relief. Beyond that, in the words of President Eisenhower to Mr. Khrushchev, such inspection would provide a "significant first step" toward a broader application of inspection systems to prevent the possibility of surprise attacks over other regions besides the Arctic. It is with this thought in mind that the President reiterates his earlier proposal for setting the experts to work on the technical problems of armament inspection and control, as requested by the United Nations General Assembly, in order to facilitate broader agreements. But the Soviets have continued to insist on paper agreements first, and consideration of controls only after that, when they can reap the fruits of agreement while evading controls. The Security Council debate scheduled to begin today should clarify the issue.

DISPOSITION OF VESTED ENEMY ASSETS

Mr. SMATHERS. Mr. President, I ask unanimous consent that I may proceed for an additional 3 minutes beyond the 3 minute limitation in the morning hour.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMATHERS. Mr. President, it has come to my attention that the administration is drafting proposed legislation to deal with the disposition of vested enemy assets at a minimum cost to the American taxpayer of \$100 million. The administration proposal would authorize the payment of individual German claims up to \$10,000, after which payment would be made on a pro rata basis from any funds remaining to German corporations and individuals. Since this part of the proposal would exhaust the funds vested to pay American citizens having claims against the German Government, the administration proposes that the sum of \$100 million be appropriated to pay these claims. The administration assumes for the American taxpayer German's obligation and responsibility to its own citizens.

What disturbs me most is that all this is being proposed at a time when our own citizens are calling for tax cuts, for stricter economy in government, and for the institution of new domestic spending programs to bring to a halt the current recession.

I have previously discussed this matter on the floor of the Senate in some detail, specifically on August 8 of last year. At that time I said that there was no confiscation and no violation of the principle of the sanctity of private property involved in the vesting program insofar as the United States is concerned. If these principles are involved at all, and if they are being violated, the violation is on the part of the German Government and not the United States. There is absolutely no legal or moral obligation on the part of the United States to pay any German property claims. On the contrary, the United States has international obligations not to do so.

I have made a thorough study of the issues involved in this long-standing controversy. To me it is abundantly clear that the claims of German citizens and corporations should be submitted to the German Government and not to the United States.

The administration's proposal constitutes nothing but an outright giveaway, which attempts voluntarily to assume the German Government's obligation to compensate its own citizens—an obligation which Germany voluntarily and eagerly accepted at the end of World War II in order to avoid a staggering reparation debt amounting to no less than \$300 billion to the Allied Nations. It is inconceivable to me how any consideration can be given to a proposal of this type, since Germany today, in recapturing its position as one of the leading creditor industrial nations, has one of the strongest economies in the world. It needs no help from us to meet its obligations to its own people. Yet, despite these facts of life, the administration is spending valuable time and effort, which it could put to better use, trying to figure out how a debt which rightfully should be assumed by the German taxpayer can be transferred onto the backs of our own citizens.

Let me make another thing unmistakably clear. It is this: The administration must know that the so-called return program is only an opening wedge to the accomplishment of full return of these properties. This is exactly what happened after World War I—and as Senators know, history has a habit of repeating itself. Once the former enemy industrialists—who, by the way, stand to gain the most under the administration's proposal—obtain a foothold in the Treasury of the United States, there will be no stopping the big drive for the complete jackpot, estimated to be worth \$600 million. It will be difficult to prevent a full return of these assets should we abjectly capitulate to the principle that partial return is proper and lawful. Should this come to pass—and I fervently pray that it will not—the American taxpayer will be asked to cough up another \$300 million or perhaps \$500 million in tax money. The amount will be much greater if American citizens having claims against Germany are to be compensated at all. It will be double that amount if our allies demand that we live up to our obligation under the Paris Reparation Agreement to turn over to them the value of any vested assets

we renounce. Pursuing a limited giveaway policy ultimately will ripen into a full giveaway policy, all to the detriment of an already overburdened American taxpayer.

This type of high-level policy making is a source of profound regret to me. The vested enemy assets problem was fully and finally settled in 1946, as a part of the Paris Reparation Agreement. At that time it was agreed that the vested assets of this country were to be held by the United States to compensate American citizens with war losses. England, France, and the other allies were to do the same. Germany agreed to this in the Bonn Convention of 1952, and the provisions of the agreement were included in the Paris Protocol of 1954. The protocol was ratified by the Senate on April 1, 1955.

Germany, on the other hand, solemnly agreed to make its own people whole for any losses sustained by them. The failure of Germany to carry out its obligations and responsibilities to its own citizens is an internal problem with which we should not be concerned.

In 1948, the Congress enacted legislation to carry out the policy underlying the reparation agreement, specifically stating that the vested German and Japanese assets should be held and liquidated, and the proceeds utilized to pay American citizens who sustained war losses as a result of the destruction caused by our former enemies. Our allies have already made it clear that any reversal of the position which the United States has taken in this matter would be a source of great embarrassment to them.

Now, 10 years later, after high-paid lobbyists and agents, urging both partial and full return, have laid down barrage after barrage of propaganda, the present administration apparently has succumbed to their efforts. Its recent proposal advancing the cause of partial return merits prompt rejection by Congress.

Mr. President, I sincerely hope that the administration will reconsider its position before it presents this baseless, fruitless, and unnecessary spending program to Congress. The time has come to give full and final effect to the War Claims Act of 1948 by the complete liquidation of these vested properties and by making payment of all legitimate American war claims.

The interim use of these funds, and any balance remaining after the payment of all legitimate American war claims, should be utilized to promote and advance this country's life and death struggle with the Communists in the field of science. I have proposed legislation, which is presently pending before the Subcommittee on Trading With the Enemy Act of the Judiciary Committee, to accomplish this objective. The proposed legislation is identified as S. 2737. It is a practical solution of this long controversial issue.

Under the provisions of my bill, after the payment of legitimate American war claims, a revolving fund would be set up to provide scholarships to the deserving youth of our Nation in the field of engi-

neering and science. These scholarships would be administered through the National Science Foundation.

In this way, the proceeds of the last war would be wisely and profitably used to prevent another war, to advance the cause of democracy and, at the same time, to promote the educational superiority so essential to the maintenance of scientific supremacy.

#### PLEA FOR FEDERAL SUPPORT FOR EDUCATION

Mr. PROXMIRE. Mr. President, among those who speak for the right of our children to the best education the skills and the heart of our Nation can afford, none has a more eloquent voice or a more distinguished record than Mrs. Agnes E. Meyer. The wife of Eugene Meyer, chairman of the board of the Washington Post and Times Herald, Mrs. Meyer has for years been the people's lobby in speaking for the millions of children who have no voice today, but whose voices will rule the Nation's councils tomorrow.

Yesterday Mrs. Meyer appeared before the General Education Subcommittee of the House Education and Labor Committee, to plead once again for Federal support for education. Her statement ought to have the broadest possible circulation. I ask unanimous consent, Mr. President, that the testimony of Mrs. Meyer be printed in the *Record* at this point, in connection with my remarks.

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

#### PLEA FOR FEDERAL SUPPORT FOR EDUCATION

(Testimony of Mrs. Agnes E. Meyer before the General Education Subcommittee of the House Education and Labor Committee, April 28, 1958)

Gentlemen, my name is Agnes E. Meyer. I represent no organization. I cannot come before you with the resounding statement that I speak for X million people of some powerful lobby. But, since the beginning of World War II, I have probably visited more public schools in more parts of our country than any other nonprofessional. I have seen and suffered intensely from the evil effects upon our children when they go from poor, overcrowded homes to poor, overcrowded schools. I have also had the exhilarating experience of personal conversations with the resolute, brilliant youngsters whose minds and characters have blossomed under the influence of our finest public schools. That thousands upon thousands of our children should be denied an equal opportunity for self-development because they were born and grew up in impoverished areas of our country, has always seemed to me an unendurable injustice, yet a crime in a country as rich as ours. So if I represent any special group as I plead once more for Federal support to education I am making myself a spokesman for the multitude of American boys and girls whose lives have been blasted, and whose future development is still being frustrated because neither our Federal Government, nor the American people as a whole are sufficiently aware that such cruelty is commonplace in our great Nation. Since we have many first-rate elementary and secondary schools in the prosperous sections of our country, it is obvious that we could have equally good schools everywhere if the less productive States and communities could afford them.



You will hear many technical experts who will give you exact figures to show the disparity that exists in our educational system, and what this costs our Nation in loss of productive capacity. But I shall concern myself chiefly with the meaning of those facts to the security of our country. Therefore, I wish to make a flat statement at the outset of my testimony on behalf of Federal support for education, namely, that there is nothing wrong with our public school system that money cannot cure.

Why is this true? It is true because adequate funds would make it possible to have small classes in well-equipped buildings. If we could pay our teachers a wage commensurate with their responsibilities, more and better educated men and women would enter the profession. Although the greater part of our school system is obsolete in this post-sputnik era, our numerous schools where a modern curriculum exists and modern methods of education are practiced, could be used as models for the complete reorganization of our poorly endowed school systems. Despite all the criticism of our schools we have enough educational leadership in every State of this country to create a first-class public school system, if only the American people can be aroused to pay the price.

And pay the price we must—for today the development of every ounce of talent we possess is not merely a matter of justice and equality of opportunity—it is a life and death issue. All well-informed Americans know that we are losing the cold war for lack of trained personnel. Our inherent defense strength rests upon the quality of our manpower and brainpower. Says Arthur R. von Hippel, of Massachusetts Institute of Technology, in the March issue of the *Bulletin of the Atomic Scientists*: "There is a desperate urgency in our present situation. Our adversary is politically much more cunning than we are, and his technical strength is surpassing ours at a rapid rate. Shortly, we may be confronted with an ultimatum to surrender or be annihilated. This is the challenge, and against it our response has to be measured."

Gentlemen, that is not the statement of an hysterical pessimist. It represents the coldly considered judgment of a distinguished scientist who knows the Russian potential and our own. He expresses it in a plea for better coordination of research work at the university level. But the quality of scientists and researchers in our colleges and universities depends upon their preparation in our elementary and secondary schools.

Why in the face of such dire warnings is there such indifference to this vital question of improving our educational system through Federal support? It is due to the fact that our people are unaware of the danger to which they are exposed. Consequently they do not understand the central importance of education to the survival of our country and the freedom of mankind.

This is psychologically understandable. Despite the open and often repeated threats of the Communist leaders that their purpose is world domination, neither our political leaders nor the American people can comprehend that the freedom of our great, prosperous, and powerful Nation could ever be seriously threatened. Protected in the past by two oceans our Nation has heretofore been safe from all foreign invasion. We have no experience of tragedy. We have a history of progress and success which makes it difficult for us to adjust our thinking to the perils of the nuclear age. Therefore it is not surprising that anyone who says that the Communists are outmaneuvering us on every front and that we are in danger of imminent disaster sounds like a Cassandra. Our minds are well aware, especially since the launching of the sputnik, that we are losing our position of world leadership. But in our hearts we feel too secure and too certain

of ultimate victory. As a result there is no sense of urgency to improve our chaotic society and to make our Nation strong enough to cope with the manifold foreign and domestic problems that confront us. We think there will always be time to do next year what we fail to do now. As a result there is an indifference even in the Congress to Federal support for education. Unless we awaken from this dream world we shall regret it to the end of time.

It is only natural that our political leaders should give first priority to military defense and foreign policy. But in a thermonuclear age even military preparedness and the implementation of foreign affairs, depend upon the development of a vast reservoir of highly skilled manpower of many different kinds. We also need highly trained personnel that can guide our complex society here at home—a society bound to become far more complex now that automation is already coming into use. Unskilled labor will become a drug on the market when complicated machines produce goods in a small fraction of the time and labor now required. Dr. Norbert Wiener of the Massachusetts Institute of Technology in his book on *Cybernetics* warns up: "Taking the second industrial revolution as accomplished, the average human being of mediocre attainments or less, has nothing to sell that is worth anyone's money to buy." Obviously we must train the majority of our population for the higher skills needed in an automated system of production, or we shall have an unemployment situation which will make this depression and even that of the thirties look insignificant. So dangerous a situation might tempt our people to accept dictatorship in preference to social chaos.

Thus in the fact of the rapidly expanding power and influence of the U. S. S. R., there is but one chance that we can hold our own whether in military defense, foreign affairs, or domestic social stability—the power of education must be expanded at once to overcome the power of ignorance if our Nation is to achieve genuine defense and the genuine security for which we yearn.

The U. S. S. R. still uses the threat of nuclear war but they will not resort to war because they are justified in believing that they can win their objective—world domination—without it. The cold war has been shifted by the crafty leaders of the Kremlin from a competition in physical strength to a competition in brains. At this very moment the outcome of what has now become a hot war, is being fought in the classrooms of the U. S. S. R. and the United States of America. We must heed the warning of Lloyd V. Berkner, member of the President's Scientific Advisory Council, in his article *Earth Satellites and Foreign Policy*. "The year 1957 may well stand in history as the point in time at which intellectual achievement forged ahead of weapons and national wealth as instruments of national policy. The achievement of the Soviet satellite," says Dr. Berkner, "has demonstrated to Americans what they refused to believe before that they are in a race for intellectual leadership, when they hadn't realized that there was a race. In the complacency of our assumed technological lead, we have confused our high standards of living and material prosperity with intellectual stature. It is an extravagant and dangerous mistake," concludes Dr. Berkner.

Why do we find ourselves in this frightful predicament? Why do we have to acknowledge that the Russians have snatched from us the economic, intellectual, and psychological leadership of the entire world? Largely because we have never examined the real reason why the U. S. S. R. has forged ahead so fast that it is now threatening our

supremacy in productive capacity including the productivity of missiles. We never examined the real reason why the U. S. S. R. is such an astute and dangerous enemy—we entertained the naive conviction that Communist authoritarianism must crumble from within because nothing so hostile to our self-satisfied and self-righteous democracy could long endure.

Our fatuous pride was due to the fact that we overlooked the true reason for the ever-increasing power of the Russian Communists—their faith that cultivation of the human mind is the greatest single source of power.

While we have been neglecting our schools as never before, the Russians from the moment the Bolsheviks came to power in 1917, have devoted the same close attention to educating the young and old as they did to the development of their armed forces and the administration of their economy. They have always spent a higher percentage of their total income on education than we have. As a result in 40 years they have transformed a semifeudal, illiterate population into an advanced industrial nation whose productivity rivals our own and exceeds it in many respects. It is a wholly admirable, it is a fantastic achievement; no wonder the underprivileged nations throughout the world say to themselves: "If Russia did it, we can do it." As George S. Counts states at the end of his momentous book, *The Challenge of Soviet Education*: "Education is one of the most fundamental realities of the Soviet system. The Bolshevik leaders from the first have regarded education with utter seriousness, far surpassing in this respect the leaders of any free society on the earth. They regard education as a mighty weapon in the cause of communism. Without their vast system of educational agencies, the Bolsheviks would not be standing in the position of power they occupy today."

Let's face it. The Soviet leaders have always had a deeper insight into the relationship between national education and national power than we have. They had the foresight to implement this faith by creating a public educational system that reaches into every hamlet. Out of sheer necessity, the Russian political strategists have developed more foresight than ours and the Russian people work harder than ours. Recently while speaking to our American observers of the Russian elections, Khrushchev predicted (according to the *New York Times*, March 19) that in the future the United States will always lag behind the Soviet Union in scientific achievements. He said this would be so not because Americans were less talented than Russians but because only in the Soviet Union did all young men and women have the opportunity to develop their talents. And on April 11 he said communism would win the struggle with us not by war but by raising labor productivity, increasing the output of goods and building up its economy. To all of these warnings—which are no idle boasts—we Americans remain indifferent. I fear this is due to the fact that we take Russian education no more seriously than we take our own. Yet we must face this educational challenge realistically or we shall soon find ourselves in the position of a second-rate world power.

Gentlemen, this is what the Congress and the American people must realize, that we have to build a new strength into our Nation—and the greatest source of strength is education. In this scientific era knowledge is power as never before.

This was emphasized in the 1958 Parliament of Science conducted by the American Association for the Advancement of Science in the following paragraph:

"The urgent need to develop fully the intellectual resources of our Nation requires



a prompt and thorough recognition of the basic importance of education in our society. Our schools and colleges will be able to contribute fully to the solution of the problems that now confront us only if the improvement of the teaching profession is accorded a high priority among our major concerns. We must compensate teachers at levels which reflect the degree to which the destiny of the Nation depends on teaching of the highest quality. Only through such a realistic approach can we hope to solve the quantitative and qualitative shortages which now seriously limit what schools and colleges are able to accomplish."

I realize full well that we cannot waste our national substance. I am as conscious as any other taxpayer that expenditures for armaments will increase to astronomical figures. But the Nation's peril is such that our people must stop wasting their substance on more and more gadgets and luxuries. We must accept a new primacy of values with education as our highest goal.

We must be willing to make sacrifices for education now, lest we be obliged to make heavier sacrifices later. Let me use the armaments program as an example. Why are we suddenly obliged to multiply our appropriations for bigger and deadlier missiles? Because policy under this administration has been made by the Bureau of the Budget. Even our military security, until sputnik woke us up, was sacrificed to a balanced budget. As a result we must now accelerate our plans for military offense and defense at a far heavier cost, for it is always true that haste makes waste. The same need for a costly crash program in the educational field will arise in the future unless we begin at once to appropriate adequate sums for the year-by-year improvement of education. Of course the Bureau of the Budget will argue all the more strenuously that we spend nothing on education since we have now been forced to spend such gigantic sums on missiles and satellites. Gentlemen, the control of the purse and thus the making of national policy belongs to the legislative branch of our Government. I hope that you will make it clear to the executives who have allowed the Bureau of the Budget to usurp these powers, that you the legislators put the safety of our country above monetary considerations, and that in this national crisis we must move quickly to improve the quality and quantity of our education throughout the country. Even if such a decision on your part would involve higher taxes, I am convinced the American people would be willing to pay them if they know how perilous the world is in which they live and must continue to live.

Therefore I call upon you to support primarily H. R. 10763 and in a modified form H. R. 10381. Moreover we should not think of these bills as Federal aid—as if it were a form of charity. The Federal Government has long recognized its responsibility to share with the States and the localities the responsibility for the education of our children. Now that share must be increased.

Gentlemen, the only bill before you that meets the need for school construction and for increasing teachers' salaries—the two most crucial problems of our public school system—is the one introduced by Mr. METCALF in the House and Senator MURRAY in the Senate. Other witnesses will describe in detail the shortage of trained teachers and the shocking conditions of classroom overcrowding, often in obsolete buildings, that have grown more acute every year in many sections of our country. As background for my argument, I shall merely state that despite all the efforts made by the States and localities approximately 2,300,000 children are in excess of present school capacity. We have a shortage now of some 142,000 classrooms. This means that not

only these 2.3 million children receive an inadequate education, it means that they overcrowd the existing schoolrooms and lower the educational standards of millions of other children. At the same time, due to the high birthrate we must provide additional classrooms for 1 million more children every year. Despite the extraordinary efforts of the States to keep abreast of their school construction needs, the limited financial resources in many old established communities and the new suburban towns are not sufficient to eliminate the classroom bottleneck.

At the same time there is a critical teacher shortage due largely to the pitiful salaries they receive in many of our States.

H. R. 10763 provides \$1 billion in the fiscal year 1959 and raises this yearly to four or five billion which the States would be empowered to use either for school construction or for the increase of teachers' salaries or both, depending on the primacy of their needs. This appropriation added to the continuing efforts of the States and localities would enable them gradually to overcome their most acute difficulties. If the grants to the States for construction are made quickly enough, the program would create greatly needed employment. I cannot help criticizing the administration and the Congress for a public works program that calls for highways, housing, and post offices, but no schools. For every new highway would create new communities and every new community needs schools, for which the funds would be lacking.

But an emergency program for school construction must not be allowed to take the place of a long-range program. For we can catch up with our educational problems only if we work at their solution year by year for at least 5 years to come.

The increase of teachers' salaries must inevitably accompany any program to build more schools if we are to attract young men and women in greater numbers, of the quality now needed to improve our educational standards. The Nation since sputnik is particularly concerned with the shortage of science and mathematics teachers. I have preached for years that this shortage could never be overcome unless salaries were raised. Every year for years we graduated several thousand science teachers only to have most of them absorbed by industries that can afford to pay them a living wage. It is futile to think we can counteract this trend until teaching salaries are commensurate with those offered in the business world.

At the same time I am opposed to raising the salaries of mathematics and science teachers while ignoring other salary scales as is proposed by the administration bills. Such a procedure would undoubtedly create difficult problems of administration and destroy teaching morale in every school in the country. Furthermore we need scientists who know history, languages and the social structure of which they are an integral and influential part.

The 1958 Parliament of Science, conducted under the American Association for the Advancement of Science, stated explicitly: "Both public policy and the welfare of science require an educational system that is strong at all levels and in all fields of knowledge. Efforts to advance science at the expense of other fields of learning would harm all fields of learning and the society they serve."

We hear constantly that Soviet curriculum is overweighted with scientific studies and that this is the secret of Russia's technological, economic, and political progress. Gentlemen, this is not true. In the Russian 10-year middle school, attended by approximately 30 million pupils from 7 to 17 years of age, the curriculum is not only rigorous but carefully balanced. As both Russian parents are usually working people, Khrush-

chev is now rapidly developing public boarding schools, already attended by 75,000 boys and girls, which, as he put it, would complete for its students "the transition from the lower stage of communism to its higher stage" and "bring up the builders of a new society, individuals of great spirit and lofty ideals, wholeheartedly serving their people who are marching in the vanguard of all mankind." To be sure the Russians emphasize science but against a background of history, literature, languages and geography. They are "marching in the vanguard of all mankind" and capturing world leadership because they never send economic or technological advisers to foreign lands unless they can speak the language plus the native dialects, understand the agricultural and economic needs of the people whom they are supposed to advise and understand enough about their psychology and customs to win their sympathy.

Now, gentlemen, I am not pointing out how well adjusted the Soviet education is to Communist purposes of world domination with the idea that we should copy their curriculum. The essence of the challenge of Soviet education is this: We must strive to develop an educational system and philosophy which will serve the purposes of a free society as effectively and imaginatively as the Soviet education serves the purposes of despotism.

In the main this philosophy consists of giving each child the education best suited to his individual capacities. The localities must now realize that public education has a responsibility to the Nation. The Federal Government, on the other hand, must also realize that the diversity of American education must be preserved. Furthermore, the time has come when our Federal Government must not only support public education but cooperate closely with the Federal and State departments of education on certain educational needs of various Government agencies. We could make no greater mistake than to introduce the authoritarian guidance of the Soviets; but there is no reason why our expert school counselors should not point how and where our most gifted students could best use their talents to serve the Nation. For example, if we are going to develop teachers and technologists who can speak French, German, Italian, Japanese or Chinese, Russian, Hindi, or whatnot, we shall never produce enough unless they are given prospects of a career in which such knowledge can be applied. Henceforth, we must regard education not only as the path to self-development and an enlightened citizenry, but as an indispensable means for building a strong Nation capable of the world leadership that has been thrust upon us.

That is why a scholarship program such as that proposed in H. R. 10381 is essential. It provides for 40,000 scholarships awarded by the State educational commissions; and during each of the 5 succeeding years it authorizes 40,000 additional scholarships every year. Mr. ELLIOTT's term "national defense scholarships" is well chosen. But they should not be confined, as is set forth in other bills, to scientific studies. Our need for trained personnel is so acute and so varied, that the recipients of these scholarships should be chosen on merit, and merit includes character and diversity of talent as well as intellectual achievement. We cannot afford to be sentimental about allowance for so-called environmentally handicapped students. We have more than enough able boys and girls who do not go to college for financial reasons. The Educational Testing Service reports that last year 150,000 of our top-grade high-school graduates did not go to college for lack of funds. We must reserve these scholarships for those highly qualified students. We cannot afford any other policy.

Persons awarded scholarships under H. R. 10381 are paid \$1,000 per year which is less



than the average tuition fee at the leading private universities. The actual cost to these universities per student is between \$2,500 and \$3,000. If the Federal Government wishes to help the private universities as well as the student, the scholarships should be increased if the recipient is accepted by one of these institutions. There is nothing new in this proposal. In the GI bill for scholarships after World War II a cost of instruction allowance was included.

As these scholarships grow in number from year to year, I have no doubt they will have a galvanizing effect on the ambitions of our public-school students not only in the secondary but even in the elementary grades. If one criticism of our public schools is justified it is that our children are not encouraged to work hard. Partly this is due to the false theory that every child should be promoted regardless of achievement. Partly it is due to the fact that many school curricula are obsolete and do not grip the children's attention. Hard work is the result of intense interest and interest cannot be aroused when the teachers have so many students that their energies are sapped by the problem of discipline. Furthermore, the overcrowding of our classrooms makes it impossible to separate the bright and the subnormal children. This egalitarianism we can no longer afford. It is just as discouraging for the children with low I. Q.'s as it is for those with high I. Q.'s. We must now institute the several track system which permit children to progress according to their abilities. There is nothing undemocratic about this since the children in the lower groups get more individual attention especially in remedial reading and move to the next higher group as soon as they get ready for promotion. It is indeed the most democratic way of educating our children since it gives each child equality of opportunity, and the individual attention it needs.

Such a graded system is all the more necessary now that we must absorb in our white schools thousands of Negro children whose education has been neglected and therefore lag 2 or 3 years behind the white children in scholastic achievement. Without a system of homogeneous grouping according to individual abilities, the assimilation of a large proportion of Negro students would retard the education of the white children. We can overcome this difficulty and improve the education of both races, if the States and communities have enough money to accelerate the education of the Negro children and make a success of integration. To do this we must have not only smaller classes and more young teachers of great ability, but better school equipment, health programs, and other auxiliary services, psychiatric consultants and guidance experts aware of the stresses and strains to which the Negro children, their parents and the teachers themselves are exposed, especially during the period of transition.

Gentlemen, we cannot fail to make a success of school integration, if only because we need the talents of our Negro fellow citizens. Therefore the Powell amendment is a great disservice to Mr. Powell's fellow Negroes. To maintain that no State or locality which has not already integrated its schools should have Federal aid, is short-sighted. For the South has a more acute lack of classrooms than any other section of our country. And you can't desegregate schools you haven't got. As for the areas where desegregation has been achieved, if we do not show the South that with effort, intelligence, and ample financial resources, integration can be a success, we shall strengthen the revolt of Southern reactionaries against the law of the land, and destroy the unity of our country here at home and its prestige abroad.

Gentlemen, I have brought up many aspects of our educational problems; I have

done it because it is impossible to understand the need for Federal support of education to our States and communities unless we see and feel the complexity of the problems and the need to solve them.

If the American people recognize that the very future of our country will be won or lost in our public classrooms, they will surely be willing to pay the price for the Nation's survival and growth. A new world civilization is in the making in this era of rapid evolution. The question is: Who will determine its character, the free nations or the Communists? I fear our people still entertain the naive conviction that history is on our side and that western democracy will always prevail in its battle against authoritarianism. What is more, we actually persuaded the other free peoples to believe in us and our boastful attitude. Yet at this very moment we face a turning of the tide when more and more of the uncommitted peoples are beginning to think that democracy is decadent and that communism represents the future need of mankind.

To regain the prestige we used to enjoy in foreign lands we must prove that democracy has a greater vitality than communism, the vitality of a free people determined to preserve their freedom. I ask you to imagine what an electrifying influence it would be throughout the world, when it becomes known that our great country—the first to undertake the revolutionary idea of educating all its citizens—had lived up to this faith and begun a new era of giving every child an equal opportunity for self-development.

That our people are becoming gradually aware of the need to improve our educational system, cost what it may, is indicated by a recent poll taken in New Jersey. The vote of adult citizens was 64 percent that Congress should help the States with Federal support of their schools. If you took a similar poll among your constituents, I am sure you would get a similar result. The people are not vocal enough because the average citizen is confused by the multiplicity of claims on the Federal Treasury. But what are Congressional leaders for if not to make articulate the priorities of need in their electoral districts? It is habitual in American thinking that the States should support the public schools. But quite apart from the fact that most of our States are financially overextended in their attempts to keep up with the pressing need for more and better schools, we simply cannot wait upon the slow tempo of progress if this question is left to the States and localities.

This slow tempo is not due to failure of the people to realize the urgency of the problem. Many States and localities are anxious to do what they know should be done; they do not lack the will; they lack the financial resources. With the deepest sincerity and solemnity I wish to say this. Our Nation is poised on a watershed. The way we turn now may mean salvation or destruction of freedom for us and for mankind. What happens to American public education will determine what happens to America. And what happens to America will determine the course of history for generations to come.

#### PROTESTS AGAINST JACKSONVILLE BOMBINGS

Mr. JAVITS. Mr. President, all of us have read and have been shocked by the stories, published in this morning's press, relating to the outrageous bombings of a Jewish synagogue and a Negro school in Jacksonville, Fla.; the discovery of 54 sticks of dynamite in a Birmingham, Ala., synagogue; and the threats from an organization terming itself the Confederate underground. This tragic series

of events is a continuation of similar happenings in the recent past.

They are not isolated incidents, but are part of a pattern of intimidation and coercion of those who would obey, or even not oppose, the law of the land on integration in the public schools. The threats are directed not only against those directly affected by the bombings—in the latest incident, Jews and Negroes in Jacksonville—but against all who would oppose, or would even seem to oppose, the continued refusal of their constitutional rights to Negroes. I am sure that every Senator, regardless of his views on the substantive question of public-school integration, must be saddened by manifestations of terror and lawlessness in our home communities.

In the Senate, we can help to dispel this atmosphere. The confirmation of the nomination of Gordon M. Tiffany, to be the Executive Director of the Civil Rights Commission, created by law last year, should be accomplished without delay. On April 2, hearings were held by the Subcommittee on Constitutional Rights, and I am informed that further consideration has been held over until next week.

Equally important is confirmation of the nomination of Mr. W. Wilson White, to be Assistant Attorney General to head the Civil Rights Division of the Department of Justice. On February 4 and 25, hearings were held on the qualifications of Mr. White; and I am informed that further action is pending, subject to call of the chairman of the Judiciary Committee. I strongly urge that the action be taken.

Further action lies before the Congress. It is my understanding that the Department of Justice, through the FBI, is investigating certain of the bombings and the threats; but the jurisdiction under which the Justice Department operates is unnecessarily narrow, and calls for immediate amendment of the existing criminal law. Under present law, a conspiracy to intimidate a judge in the exercise of his duties is punishable as a crime; but intimidation and threats made by a single individual are not subject to Federal jurisdiction or to investigation by the FBI unless by happenstance the threat is carried over interstate communication systems—a totally irrelevant factor in attempting to preserve Federal justice from intimidation. I have introduced Senate bill 3513, which in substance would provide that whoever, either alone or in conspiracy with others, by threats, force, or intimidation prevents or attempts to prevent, a Federal officer, including a judge, from carrying out his duties, or threatens to injure him because he has already done so, shall be fined \$5,000, or imprisoned for 6 years, or both. This bill, which is pending before the Judiciary Committee, also demands early action.

It takes little imagination to visualize the capital the Communists are making abroad of these incidents, which are not typical either of the United States or of the areas where they occurred, but do fit into the pattern of the slanderous descriptions of our country's problems

which are grist for the Soviet propaganda mills.

Would we delay for so long the marshaling of our forces to combat any enemy from without? Neither, then, should we delay the marshaling of our forces to combat an enemy from within—bigotry erupting into violence and terrorism. Those who perpetrate these incidents are—wittingly or unwittingly—in effect a fifth column for disorder and anarchy.

Mr. President, we can do something to help ourselves in this situation, and I hope very much we get at it promptly.

Mr. President, I say with humility that I hope others who feel as I do will express themselves very forcefully on this very serious matter.

#### HARLOWTON HIGH SCHOOL: ONE OF THE BEST

Mr. MANSFIELD. Mr. President, in Harlowton, Mont., we have a community which for years has been endeavoring to raise and to maintain higher standards of education. Harlowton High School offers 4 years in mathematics; 4 years in science, including physics and chemistry; 4 years in English and history; plus courses in foreign languages, home economics, woodworking, and vocational agriculture. The students who have graduated from Harlowton High School have been accepted by the outstanding universities and colleges of the Nation, including Dartmouth, Notre Dame, Stanford, and others, in addition to our own excellent Montana institutions of higher learning.

I was first impressed with the standards of the Harlowton High School 18 years ago, when I had the honor to give the commencement address to the students there. I am happy to note that the high standards in existence then have continued down to the present, and that the fine reputation of this outstanding high school is becoming better known with the passage of time.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD two articles from the Harlowton Times—one entitled "The Editor's Uneasy Chair"; and the other "Scholarship Dinner Tonight—McFarland To Be Speaker."

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

#### THE EDITOR'S UNEASY CHAIR (By Hal G. Stearns)

Wheatland County tonight pays tribute to the outstanding students of the Harlowton schools. All honor to these young people who have distinguished themselves academically. And all honor to our school board and officials who have provided this community with good schools—in which our children are able to get sound educations and go out into the world and do well. Our high school offers a curriculum that is so complete that a graduate taking the requisite subjects and applying himself properly, can obtain entrance to any college in the Nation. Harlowton's people can well be proud that they are willing to support schools of this caliber.

We are proud to have as the visiting speaker tonight Dr. Carl McFarland, president of Montana State University. He has built the

school into one of the standout universities in the land and this in spite of obstructive tactics by foes of education.

#### SCHOLARSHIP DINNER TONIGHT—McFARLAND TO BE SPEAKER

Harlowton and Wheatland County will honor 50 top-ranking students from the 7th grade through high school at a scholarship recognition dinner at the Moose Hall on Thursday evening, April 24, at 7. Over 200 will attend.

The Kiwanis Club is sponsoring the affair and will have 50 students as its guests. Parents and all others are cordially invited to attend. Dinner tickets are \$1.50 a plate.

Dr. Carl F. McFarland, president of Montana State University, will speak.

Certificates will be presented to each student in token of their excellent scholarship.

The honor students are:

Seniors: Richard Birgenheier, Laura Colby, Karen Johnson, Gary Johns, William Kotan, Charles Karnop, Larry Juelfs, Gene Leary, Jack Rietz, Terry Rieger, Hal Jo Stearns, Naomi Walker and Gary Wojtowick.

Juniors: Jerry Bjork, Allen Dettman, Sylvia Manseau, Betty June Thompson, and Patty Thomas.

Sophomores: James Holm, Thomas Johnson, Donna Kalberg, Kenneth Lode, Judy Grande, Joanne Sanders, Eugene Sondeno, Gloria Spatafore.

Freshmen: Esther Anderson, Curtis Bartz, Marjorie Hiner, James Kalitowski, Karen Karnop, Linda Lammers, Sandra Lode, Bob Thomson and Mike Wojtowick.

Eighth grade: Sandra Blumer, Dean Holmes, Sally Jelinek, Carolyn Jones, Colin Ripley, Sandra Larsen, Alida Lilley, Nancy Mielke, John Ortwein, and William Watson.

Seventh grade: Susan Amdor, Linda Dettmann, Bobby Franks, Sally Leary, and Kay Wojtowick.

President Carl McFarland holds these degrees: B. A. in history, Montana State University; M. A. in political science, 1929, MSU; LL. B., with honors, 1930, MSU; doctor of juridical science, 1932, Harvard; doctor of laws (honorary), 1949, MSU.

In 1932 he practiced law in Helena and the following spring the Montana Supreme Court made him its commissioner for the codification of Montana statutes.

In 1933 he was granted leave for a tour of duty in the Department of Justice, Washington, D. C., where he became the first assistant in the Department's Antitrust Division.

In 1937 he was appointed Assistant Attorney General in charge of the largest division of the Department of Justice. He resigned in 1939 to enter law practice in partnership with former United States Attorney General Homer Cummings.

He has been a regular lecturer in law at the University of Virginia, and has also lectured at other universities. He is the author of articles and books on law.

In 1946 he was honored when the New York University dedicated to him its annual volume surveying American law for the preceding year.

He was awarded the American Bar Association's 13th gold medallion for "conspicuous service in the cause of American jurisprudence." He became the first practicing lawyer to hold this honor, the other recipients being teachers, editors, and jurists such as Elihu Root, Oliver Wendell Holmes, and Charles Evans Hughes.

In the years immediately preceding his return to Montana, Dr. McFarland headed the law firm of McFarland and Sellers, in Washington, D. C.

He has been head of several American Bar Association committees and a member of its governing body, the house of delegates.

He became MSU's first alumnus president in 1951.

Since becoming president he has greatly expanded the institution's physical capacity, constructing many new buildings to take care of expanding enrollment and has worked diligently to improve the scholastic standards, until Montana University is nationally acclaimed in collegiate circles.

#### REPORT TO THE PEOPLE OF NEW YORK ON THE WORK DONE BY THE 85TH CONGRESS

Mr. JAVITS. Mr. President, this is the time of the year when I issue to my constituents a report on the work done thus far in the session of Congress. I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, my Report to the People of New York on the 85th Congress—Spring, 1958.

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

#### REPORT BY SENATOR JAVITS TO THE PEOPLE OF NEW YORK, 85TH CONGRESS—SPRING, 1958

This is the first report on the 2d session of the 85th Congress. It is the third report of this Congress intended to keep citizens of our State informed of the activities of the Senate and my part in them.

#### ECONOMIC OUTLOOK

The recession has replaced national security as the No. 1 national issue at this time. We must nonetheless constantly be alert to the critical national security situation which developed last fall when the capability of the U. S. S. R. to take a decided lead over us in missiles and rocketry first became apparent.

Heavy unemployment in several of our Nation's key industrial areas plus the large number of unemployed workers whose unemployment coverage has expired according to State law make it imperative for the Congress to reinforce now existing unemployment compensation levels and duration of benefits in the various States. I have joined in sponsoring a bill to provide for Federal payments to finance the extension of the duration of unemployment compensation payable under State laws by 50 percent of the State duration (for New York this means added 13 weeks) and have urged immediate Senate action on this measure so early passage can be achieved. This bill is entitled to first priority as an antirecession measure. Together with others of my colleagues, I requested the administration to effect by Executive order the channelling of Government contracts to areas with substantial unemployment. This has since been started and should be of major assistance to areas with heavy factory unemployment as Buffalo, Syracuse, Schenectady, Elmira, Utica, Suffolk County, Long Island, and other communities. Within our State Utica has already been one of the first beneficiaries of this policy. I am a cosponsor of the Economic Area Development Act to aid through revolving loan funds, aid to building public facilities, grants, and technical assistance to those areas hardest hit by an economic decline; this bill has safeguards against raiding of already industrialized areas by communities aided by the bill.

Also, I am supporting here measures to assure that the Federal Government will do everything possible to help provide employment. This means helping in cooperation with States and municipalities to build highways, schools, hospitals, low-income housing, urban renewal, slum clearance, and community facilities, based upon planning already done and which can be done promptly. I have been urging the President to call a management-labor White House conference



on the wage-price situation so that the private economy can contribute the maximum to dealing with the recession.

An income-tax cut has been suggested as an antirecession measure. While I would not relinquish any means to stem and reverse the recession trend, I believe there are vital reasons why other means should have higher priority. Income-tax cuts would tend to increase the deficit and make it harder for us to finance national defense. Also, an income-tax cut as an antirecession measure may not work this time as it did in 1953-54, as the problem is not so much a slackening off of the buying of cost-of-living items such as clothes and appliances, but rather a cutting down on the buying of homes and automobiles. Reduction in the excise taxes originally imposed during the war years must receive attention at this session of the Congress in any case due to the fact that such taxes expire June 30. An income-tax cut as an antirecession measure should also include tax reduction to help encourage the purchase of durable goods like automobiles, homes, and industrial equipment where we have had the biggest slackening off; help small business which needs tax help badly; and deal with special problems like health, college tuition, expenditures by teachers for further training, and similar matters.

The national debt limit was increased by \$5 billion to \$280 billion thus facilitating Federal financial operations. The Federal Reserve has finally lowered rediscount rates and reserve requirements, making easier the borrowing of money for business expansion and for construction and bringing about low interest rates. All of this will help. There is a grave responsibility on every legislator to do all that is possible to stem this recession and start us again on the upward march economically. I will do my full share, you may be sure.

#### PROSPECTS FOR PEACE AND FOREIGN AFFAIRS

President Eisenhower, in his letters to Premiers Bulganin and Khrushchev, made clear that any summit conference must be based on the Russians first giving some earnest of their intention to comply with solemn promises they had made in previous conferences and then ignored. Agreements must be mutually adhered to in order to be effective; broken promises include reunification of Germany by free elections, a promise to end the hate-U. S. A. campaign in the Communist bloc and sincere disarmament regulations. A summit conference which would serve only as an instrument for Communist propaganda and be devoid of actual performance by the Soviets would put the cause of a just peace further behind, not ahead. A summit conference is much desired now but by fortitude in our position and close cooperation with the U. N. and our allies of the Free World, we have the best chance to bring about a summit conference at least on disarmament with some hope of accomplishment.

It is my deep conviction that our foreign economic and technical assistance programs for the Free World nations are as essential to our national security as foreign military assistance expenditures. Our mutual security can be the difference between winning the cold war for free institutions or abandoning the field to the Soviets. The President's recommendations for increasing the foreign economic Development Loan Fund by \$625 million should be enacted.

A \$2 billion increase in Export-Import Bank loan authorization passed the Senate early this year and is now pending in the House.

The President has listed the measure now pending in the House of Representatives to extend the Reciprocal Trade Agreements Act for 5 years as a principal item in our national program to answer the challenge laid down by the Soviet in the economic field.

I am supporting vigorously this legislation. I have sponsored legislation to provide assistance to small-business concerns adversely affected by foreign trade through Small Business Administration loans and tax relief by means of rapid amortization of facilities injured by such trade.

I am sponsoring a measure to create a Special Joint Committee on Business-Government Foreign Policy Cooperation to make more effective the participation of the private sector of our economy in our foreign aid programs and in overseas development. The Commerce Department has since announced it will conduct such a study. I introduced legislation marking the 10th anniversary of brave Israel, which has proved to be our staunch friend and Free World ally in the Middle East.

Negotiations with the Soviet Government have led to an agreement on increasing the interchange of persons and to initiate exchange of broadcasts aimed at increasing mutual understanding. I am the sponsor of legislation to effectively implement such an exchange program. I worked for additional needed appropriations for our participation in the Brussels World's Fair. My bill to declare 1960 as "Visit U. S. A. Year" to attract tourists from other countries is receiving widespread support.

#### NATIONAL DEFENSE

The President's proposals for reorganization of our national defense establishment deserve support. The Rockefeller report on our Defense Establishment backs up the fundamental objective involved. The rapid pace of scientific development, the changing aspect of defense requirements and the necessity to maintain our armed services at maximum efficiency with a minimum of cost point up the importance of reorganization of the Defense Department, the Joint Chiefs of Staff and the armed services. I have cosponsored legislation to reorganize the Joint Chiefs and streamline the Defense Establishment.

Early this year Congress appropriated the \$1.26 billion emergency defense fund requested by the President to accelerate our response to the Soviet challenge in science and research in weapons—especially missiles and rocketry. On February 10 the Senate Committee on Exploration and Use of Outer Space was created; I had earlier introduced a measure to establish a Joint Congressional Committee on Earth Satellites and the Problems of Outer Space.

Legislation providing for an increase in compensation for active and retired officer and enlisted personnel of the armed services passed the House of Representatives. It has been favorably reported by the Senate Armed Services Committee and will have Senate action. It is the responsibility of Congress to enact legislation necessary to maintain the armed services at the maximum of efficiency and with fairness to those who serve. The Cordier Committee proposals are contained in the pending measure and I will give them great weight. Due regard must also be given to the pensions received by retired personnel, especially in the light of current increases in living costs.

The Senate adopted my amendment to include civil defense in the Community Facilities Act. This act provides \$1 billion of low-interest loans to aid States and local communities in the construction of such works as hospitals and health centers, public buildings, sanitary facilities, bridges, highways and parks. The bill passed the Senate and is now pending in the House. It is a sound antirecession effort.

I proposed legislation to expand the National Security Council by adding four public members to be appointed by the President and confirmed by the Senate and to require the Council to make an annual report to Congress and the people. The defense of our country requires a total effort not by the

Government alone; and the public should feel it shares in the great national decisions which are required. The recommendations of the Rockefeller report on our defense posture, including civil defense, merit higher priority Congressional attention and action. I shall be active in this vital effort.

#### AGRICULTURE

I voted against the measure which was subsequently vetoed for an across-the-board freeze of Federal farm price supports and acreage allotments for 1 year, while I voted for the resolution which unfortunately was defeated to freeze for 1 year dairy price supports. I believed there was particular stress in the dairy industry which I saw reflected in New York, and felt that the reduction in dairy price supports announced for April 1, related to requirements of law rather than simply to requirements of economics.

The Senate passed a 2-year extension of the Agriculture Trade Development Assistance Act (Public Law 480). One billion five hundred thousand dollars was authorized for the program for each of the next fiscal years; an added sum of \$500 million would be made available for fiscal 1958. This is vitally important food we have in surplus to help underdeveloped areas like India and Pakistan and newly developing areas like Israel and Ghana.

The Senate passed legislation to extend for 3 years the dairy-products program for the Armed Forces, to extend for 3 years the special school milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools, and to extend the accelerated brucellosis eradication program for 2 additional years, which I supported.

#### CONSUMERS AND SMALL BUSINESS

We are confronted with the anomaly of an increasing cost of living in the face of an economic downturn. Therefore, I have urged action on my measure to authorize the Senate Committee on Interstate and Foreign Commerce to investigate this situation and the extent and effectiveness of consumer services provided by Federal, State, and local governments and private groups.

I am a sponsor of the Small Business Tax Adjustment Act of 1958 which would allow for small business deductions for additional investment in depreciable property or inventory, provide for voluntary retirement plans, permit installment payments of estate tax of estate comprised primarily of small business holdings, allow use of new methods and rates of depreciation for used machinery, and increase minimum accumulated earnings credit.

I have also cosponsored the Small Business Capital Act to provide financial assistance to small business concerns through private, local or State development credit corporations, to establish small business investment associations and to make equity-type capital available through funds provided by the Small Business Administration.

I have been designated a member of the Antimonopoly Subcommittee of the Senate Small Business Committee. Hearings are presently in progress on problems of small business affected by monopolies.

#### CIVIL RIGHTS AND CIVIL LIBERTIES

Little Rock and similar experiences have shown us that the civil-rights law passed last year to protect voting rights and appoint a Civil Rights Commission falls short of the law needed to protect the civil rights of individuals. I have sponsored legislation to restore the basic provisions of Part III stricken in the Senate from last year's civil-rights bill. My bill authorizes the Attorney General, upon written complaint, to commence civil-injunction proceedings against local officials or those conspiring with them to deprive a citizen of his rights to equality under the law as to the use of parks, play-



grounds, schools, transportation facilities, and similar matters. The Constitutional Rights Subcommittee of the Senate Judiciary Committee has assured me it will hold hearings next month on pending civil-rights legislation, including my bill. I am a cosponsor with Senator Douglas and others for legislation to apply technical assistance, education, and mediation in helping school districts to properly comply with the Supreme Court decision requiring public-school desegregation.

Following recent bombings in some southern cities, I have sponsored legislation which will, in substance, provide that whoever, by threats, force, or intimidation, prevents or attempts to prevent a Federal officer, including a judge, from carrying out his duties or threatens to injure him because he has already done so shall be punishable for a felony.

As a member of the Senate Committee on Rules and Administration, I was a member of a special subcommittee of two to study proposed amendments to Rule XXII, the so-called filibuster rule. I submitted a report recommending a change which was later adopted by the full Rules Committee and ordered reported to the Senate for consideration. Passage of meaningful, effective civil-rights legislation depends upon our ability to meet the filibuster threat.

I am opposing a bill which would restrict the powers of the Supreme Court in interpreting the Constitution and protecting the constitutional rights of the individual against encroachment even by the legislative branch, as I believe such legislation would tend to destroy a traditional balance of power between the great independent branches of our Government and weaken the effectiveness of the constitutional assurances of individual liberty.

#### SOCIAL SECURITY, EDUCATION, AND HEALTH

Mindful of the burden imposed upon those receiving social security by the outside earnings limitation of \$1,200 yearly, I have sponsored legislation to remove this disqualification. The realities of the increased cost of living make necessary a continuing reappraisal of social-security benefits so that they may keep pace. Legislation to accomplish this objective is presently pending in the House of Representatives which first must act before the Senate can move.

It is generally recognized that a vastly expanded education program is needed to meet the challenge posed by the Russian gains in science and technology. While the administration's program is an excellent beginning, I believe it should be supplemented. I testified before the Senate Labor and Public Welfare Committee in behalf of my bill to establish a \$1 billion federally guaranteed loan program for college students on the analogy of the guaranty of mortgages under the FHA housing program. Being primarily a loan program, it would have a relatively slight impact on the budget. Teachers should be included in any student-loan program so as to encourage their continued education in areas of specialization.

I have also introduced a \$2.4 billion Federal aid to school construction bill following the pattern of the compromise bill worked out by the House committee at the last session of Congress. The bill provides a formula for allocation of construction funds based upon both a per pupil and a needs basis and calls for the allocation of \$600 million per year for 4 years for aiding needed school construction. The bill contains a provision requiring compliance with specific Federal court orders which may be issued for school integration.

There are other means to bring about such compliance, of course, where there is a will to do it, and this will affect my legislative handling of this provision as the school-construction aid bill's best interests may require.

#### HOUSING

Congress enacted into law a \$1.85 billion emergency housing program designed to encourage the building of some 200,000 homes and provide construction jobs for some 500,000. The new statute extends VA home-loan guaranty and direct-loan programs 2 years to July 25, 1960; provides an extra \$1 billion to the Federal National Mortgage Association to buy FHA and VA mortgages on new homes where the loans do not exceed \$13,500; an extra \$500 million to FNMA to be used to buy mortgages at the President's discretion in order to stimulate the economy; an extra \$300 million for direct VA mortgage loans; and \$50 million for the purchase of Capehart military housing mortgages. The law also lowers downpayments on FHA loans by requiring payment of 3 percent on the first \$13,500 of a mortgage (instead of \$10,000), 15 percent on the next \$2,500 (instead of \$6,000), and 30 percent on the rest (above \$16,000); and raises interest rates on veterans' home loans from 4½ to 4¾ percent. While I opposed the interest-rate increase, I supported the bill both in debate and with my vote.

I am sponsoring legislation, joined in by other Senators, authorizing \$500 million in new funds for urban renewal (the so-called slum-clearance program) approximately doubling the size and scope of the program previously proposed to Congress. Such projects are not make-work projects, but fill very definite community needs and can get underway quickly.

The FHA itself has eased home-buying terms by instituting a more favorable income ratio and not requiring cash for closing costs.

#### LABOR

The bill to provide for registration, reporting, and disclosure on employee welfare and pension benefit plans, the Welfare and Pension Plans Disclosure Act, has passed the Senate. This legislation is the result of disclosures of corruption and misuse of such funds affecting admittedly a small minority of unions but nevertheless presenting an intolerable situation harmful to all unions and the national interest. I supported the bill but opposed amendments to it dealing with the Taft-Hartley law generally in order to insure getting this reform accomplished without killing it by overloading it. Needed measures on the Taft-Hartley law such as those for periodic and secret elections of union officers, internal grievance machinery to protect the rights of individuals as union members, the special problems of construction workers, and the so-called no-man's land between State and Federal labor boards jurisdiction, are expected to come before us at this session.

I introduced legislation to eliminate discriminatory employment practices on account of age by Government contractors and subcontractors. Present law prohibits such discrimination on account of race, color, or creed, and also insures that fair labor standards and wages must be preserved; my bill would extend this coverage to include age discrimination. I urged enactment of the McGahan bill, a New York State statute to help workers 45 to 65 against discrimination in employment because of age; this bill has now been signed into law by New York's Governor. Age discrimination in employment deprives the Nation of a most important resource of experienced, skilled employees, adds to those requiring public assistance and deprives mature citizens of dignity, self-support and participation in constructive economic activity.

I have sponsored legislation to raise to \$1,500 to each claimant the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen thus bringing it more in line with current needs and economic conditions.

#### IMMIGRATION

Together with Senator Ives I introduced a bill establishing a commission to study the operation and effect of the McCarran-Walter Immigration Act with special emphasis on the national origins quota system. The commission would have the dual purpose of reviewing the operation of the national origins quota, bring before our people the facts on how our immigration policies are working out, and their importance to our position in the Free World's struggle for peace.

A measure regularizing the status as residents of some 25,000 Hungarian anti-Communist refugees is before the House; I shall work for the passage of this long-overdue legislation in the Senate.

#### NATURAL RESOURCES

Legislation was enacted accelerating the highway construction program by increasing by \$400 million to \$1.275 billion the fiscal 1959 authorization for federally aided primary, secondary, and urban roads; increasing by \$200 million to \$2.2 billion the authorization for the Interstate Highway System; and authorizing an additional 0.5 percent bonus on Federal aid in the Interstate Highway System conditioned upon the State's control of billboards (on the remaining 35 percent of roads, if a State regulates advertising the Federal Government will finance 90 percent, rather than two-thirds of the cost). I voted for these billboard restrictions. In the interest of scenic beauty and safety, the National Highway System should be as free as practicable from unsightly distractions.

New York has at Syracuse one of the largest forestry schools in the Nation. I have joined in sponsoring legislation for an expanded cooperative forest-research program with colleges of forestry.

#### POST OFFICE AND CIVIL SERVICE

Awaiting concluding Congressional action, following House and Senate passage, is a measure increasing all classes of postal rates. This includes raising first-class mail to 4 cents, the first such increase in a generation. I supported the rate increase as vital to minimizing the postal deficit approaching \$1 billion annually and to help finance urgently needed post office modernization, including a \$100-million project for New York City. Included in the bill is a much needed salary increase for tens of thousands of postal workers of 10 percent-11 percent. I also supported the Senate passed bill raising the salaries of civil-service workers by 7½ percent which is now pending in the House of Representatives.

#### VETERANS

The GI home loan program has been revived as I stated under the heading of Housing. This program is showing gratifying signs of new life with applications increasing at this time.

I oppose budget cuts at the expense of justice to our veterans; our country is not even now at such a dire financial peril point as to deny adequate hospitalization, finances and other help to veterans, their dependents and survivors who deserve it. Legislation for creation of a Senate Veterans' Affairs Committee is presently pending before the Rules and Administration Committee of which I am a member and I am working to bring about favorable consideration.

#### MATTERS OF SPECIAL INTEREST TO NEW YORK STATE

I have introduced S. 3168 authorizing the United States Surgeon General to establish a hospital on Ellis Island or elsewhere in New York State especially equipped for the treatment of narcotics addicts and for outpatient care as well. The Governor has assured State cooperation in establishing this much-needed facility. I am hopeful of



hearings on the bill offered by Senator Ives and myself by the Senate Labor and Public Welfare Committee as the necessary prelude to Congressional action.

The President vetoed the \$1.8 billion river and harbor bill as being loaded with excess and unapproved pork-barrel projects. A new administration bill has since been introduced in the Senate emphasizing essential programs. In addition, I have co-sponsored with Senator Ives legislation to authorize needed beach erosion work on Fire Island.

Mounting crime and juvenile delinquency rates emphasize the necessity for expeditious Congressional action. I am working for such consideration of appropriate legislation in which I have joined and am hopeful of Senate action before the end of the year.

I have also sponsored legislation providing legal defenders for persons accused of crimes in Federal courts without means to defend themselves; to curb charity rackets; making available in post offices information on procedures of registration and voting in Federal elections; and for social security coverage for New York Port Authority employees. My amendment to relieve from the Federal admissions tax community theaters, which include the New York Center performances, has become law.

#### CONCLUSION

Increasingly the people of our State write on matters of national interest. These letters are of invaluable aid in my work here and I sincerely hope that you will continue to express your views to me in this way or by visiting Washington.

### THE ARAB CAMPAIGN AGAINST AMERICAN JEWS

Mr. HUMPHREY. Mr. President, 2 years ago I had published in the CONGRESSIONAL RECORD a pamphlet, prepared by the American Jewish Congress, entitled "The Arab Campaign Against American Jews." A continuation of this study, entitled "Bigotry and Blackmail," has recently been released by the presidents of major American Jewish organizations.

The unfortunate record, Mr. President, is that our Government has not taken action with regard to the Arab boycott. This new study brings the account of that study up to date. Mr. President, I believe this document is suitable for wide circulation as a highly important contribution on another of the vulnerable aspects of the present conduct of the American foreign policy.

I ask unanimous consent that the text of this study be printed at this point in the RECORD.

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

[Released by the presidents of major American Jewish organizations, February 1958]

#### BIGOTRY AND BLACKMAIL—A REPORT ON THE ARAB BOYCOTT AGAINST AMERICANS

##### A STATEMENT BY THE PRESIDENTS OF MAJOR AMERICAN JEWISH ORGANIZATIONS

The Arab blockade and boycott of Israel has now been extended by the Arab League to a systematic boycott and blacklisting of any American enterprise that maintains permanent business connections with Israel or with Israel firms and indeed to a worldwide effort to boycott any business owned by Jews.

The Arab League maintains a public blacklist of American and other companies that

invest in Israel, maintain branches, assembly operations or distribution outlets there, or that license patents for Israel use.

American vessels that stop at Israel ports are denied permission to make calls at Arab ports.

American planes that land in Israel are forbidden to fly over Arab territories.

No American is permitted to enter an Arab land from Israel except on official business.

Americans who are Jews are a special target of the Arab boycott. Saudi Arabia, particularly, refuses to allow the Arabian-American Oil Co. or other concessionaires to employ Jews for work in Saudi Arabia. Most Arab League states refuse visas to Jewish travelers and some refuse to allow Jews to land even in transit. Saudi Arabia has prevailed upon our Government to screen American military, diplomatic, and civilian personnel so that no Jew is assigned to the United States airfield at Dhahran.

In July 1956 the United States Senate, in a resolution adopted unanimously, condemned religious discrimination against Americans by foreign countries. Our Government, however, not only has failed to voice vigorous objection to this discrimination but in fact thereafter renewed the discriminatory Dhahran Agreement. As a result, American Jews are no longer equally protected in their rights of citizenship.

The Arab League has been circulating questionnaires to chambers of commerce and individual companies throughout the world inquiring whether specified companies were controlled by Jews or employed Jews.

Holland, France, and Switzerland have denounced the Arab boycott and have instructed their nationals not to answer such questionnaires. West Germany has refused to yield to Arab threats to cease business with Israel. Our own Government, however, thus far has taken no public stand against the boycott.

The Arab boycott has been described recently by the Secretary General of the United Nations as a deadweight upon the efforts of the U. N. to achieve peace in the Middle East. The boycott is a chronic source of conflict which undermines American efforts to allay tensions in that area.

The Arab boycott of Americans is international intimidation; it thrives on appeasement and capitulation. We are confident that Americans deplore the Arab boycott and will want to resist this impairment of the rights and privileges of American citizenship. We are confident, too, that if the United States Government would strongly oppose this international blackmail and medieval bigotry, the Arab boycott against Americans inevitably would end.

In the light of the foregoing, we, the undersigned, declare our repugnance of the Arab boycott and urge all commercial firms to resist it with every legal means at their command. At the same time, we express our firm hope that our own Government will prohibit racial or religious discrimination against American citizens in the administration of any treaties or executive agreements to which it affixes its signature.

Dr. Philip S. Bernstein, chairman, American Zionist Committee for Public Affairs; Mrs. Moise S. Cahn, president, National Council of Jewish Women; Benjamin H. Chasin, national commander, Jewish War Veterans of the United States; Pinchas Cruso, chairman, Central Committee, Labor Zionist Organization of America; Dr. Maurice N. Eisendrath, president, Union of American Hebrew Congregations; Moe Falikman, chairman, American Trade Union Council for Labor Israel; Moses I. Feuerstein, president, Union of Orthodox Jewish Congregations of America; Dr. Miriam Freund, president, Hadassah, the Women's Zionist Organization of

America; Dr. Israel Goldstein, president, American Jewish Congress; Mrs. Rose L. Halprin, acting chairman, Jewish Agency for Israel; Adolph Held, chairman, Jewish Labor Committee; Bernath L. Jacobs, president, United Synagogue of America; Philip M. Klutznick, president, B'nai B'rith; Rabbi Irving Miller, chairman, American Zionist Council; Dr. Emanuel Neumann, president, Zionist Organization of America; Rabbi Isaac Stollman, president, Religious Zionists of America; Mizrahi-Hapoel Hamizrachi; David L. Ullman, chairman, National Community Relations Advisory Council.

#### I. INTRODUCTION

The Arab League boycott of Israel has now been extended to a systematic boycott of American companies maintaining business connections with Israel or Israel firms and, increasingly, of American Jews. This attack upon Americans takes various forms: the boycotting and blacklisting of American firms and vessels, the denial of entry and transit visas to American Jews, the barring of United States military and civilian personnel who are Jews from our airfield at Dhahran, Saudi Arabia, the obstruction of international travel by air, and similar interference with the rights and privileges of citizens of the United States.

In order to coordinate and intensify the boycott activities of its constituents, the Arab League has established a general boycott office in Damascus, Syria. Arab League boycott regulations are administered by the various branch boycott offices, whose activities usually fall within the responsibilities of each country's ministry of commerce. Blacklists are maintained in each branch office and Arab commercial and consular representatives abroad endeavor to expand the boycott. Arab diplomats accredited to the United States engage on our soil in efforts to direct the boycott against American Jews and against products manufactured or sold by them. Iraq's administration of the boycott illustrates the operating procedure. Imports and exports to and from Iraq require special licenses, certificates of origin and destination, and endorsement by Iraqi or other Arab diplomatic personnel in the foreign countries involved. Iraq also sends to the general boycott office in Damascus lists of her exports to foreign countries, including America, so that Arab missions in these countries may check to see that none of the Iraqi goods are transshipped in violation of boycott regulations (Business International, May 31, 1957).

#### II. THE BOYCOTT OF JEWS AS JEWS

The Arab boycott applies to Jews as such regardless of their nationality.

The following letter, sent on November 13, 1955, to the chairman of the board of directors of Verkoopkantoor Van der Heem N. V. The Hague, Holland, is typical of similar letters sent throughout the world:

"DEAR SIR: As you are aware the Arab countries are in a state of war with Israel and for this reason we are making an economical (sic) siege around Israel. This siege is administered by the special control and investigation office with members of all the Arab States.

"An officer in said office visited us today and requested that following information be supplied about your company:

"1. Do you have any business relations with Israel, whether you sell your products there and name of your agent and address?

"2. Do you import any materials whatsoever, raw materials or parts from which your products are made, from Israel?

"3. Do you have a branch factory or utilizing any of your capital in any factory in Israel?

"4. Is any part of your capital paid by Israelites; if yes, what is the amount of said part?"

"5. Do you have any Jewish employees in your company; if yes, how many and what are the positions held by them?"

"6. Are there any Jews on your board of directors as members?"

"7. Are any of your managers or branch managers Jews; if yes, please give name of the department headed by such a man?"

"8. Is any of the persons authorized to sign on behalf of your company a Jew?"

"9. What is the number of Jewish laborers in your factories and offices?"

"We have been requested to give full detailed answers to each of the above questions but as we do not know each information, we are now writing this letter to you for being kind enough to give the required information so that we pass your letter to the Economical Siege of Israel Office, on your behalf."

"Your reply is to be please in 2 copies and signed by the chairman of the board of directors."

"We advise you to give accurate and frank information because of any difference between your answers and the information the government office may obtain by investigation will create legal complications."

Saudi Arabia has taken the lead in discriminating against Jews and any firm employing them in any capacity. The March 5, 1956, issue of the United States Department's Foreign Commerce Weekly reported:

"Saudi Arabia intends to boycott all Jewish or Jewish directed firms from trading with that country, according to information received by the Bureau of Foreign Commerce."

"This new policy greatly extends the provisions of the existing boycott against firms having branches, assembly plants, or general agents in Israel, as well as firms having shares in Israeli companies."

"Implementation of the new policy normally will be accomplished by Saudi Arabian Consulates, who are responsible for legalization of commercial invoices and certificates of origin."

Earlier, the New York Daily Mirror on December 29, 1955, reported that "at the Saudi Arabian Consulate in the Chrysler Building, a trade attaché admitted that American firms either owned or headed by Americans of the Jewish faith cannot do business with the Arab countries."

Letters sent by Arab importers to American exporters notify them of the restrictions. One of these letters, dated January 7, 1956, states:

"With reference to your letter No. IW:ek of the November 21, 1955, we have to inform you that you will have to get the original certificate attested and certified by the Saudi Arabian Consulate in your country to the effect that firm which exports the machine is not a Jewish firm, without which we cannot have dealings with your firm."

An editorial in Fortune magazine of August 1957, reports: "Businessmen throughout the world were in receipt some months ago of a strange questionnaire. Dated Cairo, Egypt, the questionnaire pressed them for information on whether their firms were guilty of having Jewish ownership or participation." A recent study by the Public Affairs Institute of Washington, D. C., reports that "the boycott was applied to foreign firms having Jewish directors" (Regional Development for Regional Peace, p. 276). The London Chamber of Commerce was requested some time ago to certify that British firms wishing to deal with the Arab countries were not Jewish (New York Times, October 15, 1957).

In a debate before the Second Committee of the U. N. General Assembly, held on October 14-15, 1957, representatives of Iraq and Egypt denied the charge that the boycott applied to Jewish concerns having no connection with Israel but offered no evi-

dence in support to their denial (A/C.2/SR. 461, 464).

Saudi Arabia, Jordan, Iraq, and Syria refuse entry or transit visas to Jews, as Jews, regardless of their nationality. (Americans and others visiting Israel are not allowed to enter Arab countries directly from Israel, except on official business. They are not granted visas to Arab lands if there is evidence that they intend also to visit Israel). The Department of State informs all passport applicants that Jews will be denied the right to visit many of the Arab lands. Passengers on cruise ships of American Export Lines touching at Arab ports are told beforehand that those of Jewish faith or with Jewish names will be denied certain travel privileges in Arab countries freely available to other passengers. American airlines flying regularly to the Middle East indicate in their schedules that Jewish passengers will not be allowed to leave the plane at Arab stopping points. Pan American World Airways, which flies to the Orient, informs passengers that Jews are allowed on flights to Beirut, Lebanon, but they cannot disembark or change at Iraq.

Until last year American teachers of the Jewish faith were barred from tours to a number of Arab countries sponsored by the National Education Association. As a result of protests, Jordan was dropped from the 1957 list of countries eligible for NEA-sponsored trips. Lebanon and Syria continued to receive NEA sponsorship because of oral assurances by their diplomatic representatives here that Jewish members of the National Education Association would receive visas if they were not Zionists.

Syria boycotts phonograph records of musicians like Yascha Heifetz and Yehudi Menuhin, solely because they are Jews. For similar reasons, Danny Kaye was barred from entering Arab lands, although on a mission for the United Nations Children's Fund (UNICEF).

### III. DISCRIMINATION AT DHAHRAN

Although the United States has had installations at Dhahran, Saudi Arabia, since 1945, American Christians are restricted in the practice of their religion at the airfield and American Jews are totally excluded both from the field and the country. Ever since the United States first used the field there has been an atmosphere of religious bias and discrimination surrounding it. Among the clauses of the basic agreement (signed in 1951 and renewed in 1957) governing American rights and obligations at Dhahran are provisions requiring the United States Mission to submit "a detailed list of the names and identity" of its members and employees so that there will not be included individuals "objectionable to the Saudi Arabian Government." If the mission is requested by the Saudis to remove or replace any of its personnel, it must do so "promptly." Furthermore, all civilian contracting firms and their workers must likewise "not be unacceptable to the Saudi Arabian Government." (U. S., Treaties and Other International Acts Series, No. 2290.)

The practical effect of these provisions is that American Jewish military personnel are never posted to the American military airfield at Dhahran. American Jews are not permitted to be employed by the Arabian American Oil Company (Aramco) or any other private American firm. Aramco is owned jointly by the Standard Oil Company of New Jersey (30 percent), Standard Oil Company of California (30 percent), the Socony Mobil Oil Co., Inc. (10 percent) and Texas Oil Co. (30 percent). American Christians may not publicly practice their religion or display the symbols and insignia of their faith. The United States forces at Dhahran are forbidden to maintain chapels.

### IV. THE BOYCOTT OF AMERICAN ENTERPRISES

In the earliest stage of the boycott, the Arab League required only that all Arab nations and citizens refrain from any connection with Israel or her nationals, goods and services. But not content with preventing Israelis from dealing with Arabs and Arabs from dealing with Israel, the Arab League has extended the boycott and blockade to foreign ships.

The league now blacklists and engages in other forms of economic pressure against any company that maintains branch plants, assembly operations, or agency offices in Israel, permits licensing arrangements by, or has financial interests in Israeli firms or provides consultant and other services to Israel. The products and services of such firms are denied admission to Arab lands. American and other foreign vessels may not stop at Israel ports on the same run on which they put in at Arab ports. American Export Lines, for example, must, at a considerable expenditure of time and money, operate a separate Middle East service to the Israel ports of Haifa and Tel Aviv.

An illustrative boycott decree is regulation No. 11299 of the Saudi Arabian Ministry of Commerce which warns all the importing merchants to notify their agents abroad not to ship their goods on Israeli ships or through Israeli navigation companies or on foreign ships which may anchor during trips to Arab countries in Israeli ports. In case of contravention of these instructions, the shipped goods will be confiscated. Some 100 vessels of foreign registry have already been blacklisted by the Arab countries for sailing to Israel (Fortune, August 1957), including the following American ships: *Anniston City*, *Indian Bear*, *Kern Hills*, *Memory*, *Mobilube*, *Sacconet*, *Steel Designer*, and *Trinity*. Many other American-owned vessels under foreign registry also have been blacklisted. American vessels carrying Israel exports and imports have been subjected by Egyptian authorities to discriminatory and illegal delays and obstructions in traversing the Suez Canal, in violation of the Security Council resolution of September 1, 1951, which condemned such "unjustified interference with the rights of nations to navigate the seas and to trade freely with one another \* \* \*."

Instead of protesting the boycott restrictions on American enterprise, our Government has notified American shippers of the regulations of the boycott office (Foreign Commerce Weekly, January 4, 1956, published by the United States Department of Commerce). Moreover, the United States Navy's Military Sea Transport Service has advised American tanker owners who offer their ships to MSTs that if the tankers are on the Arab blacklist and can therefore not load at Arab ports, any travel deviation caused by this fact will be at the expense of the owners.

There are similar restrictions against American and other airlines. Planes using the airports of Israel are forbidden to fly over Arab territory or to receive flight information or rescue services from Arab sources (New York Times, October 15, 1957). Saudi Arabia has even gone so far as to threaten to shoot down any aircraft flying over her territory on the way to or from Israel. All of these restrictions violate the Convention on International Civil Aviation as well as the International Air Service Transit Agreement.

American newspapers report similar experiences by American businesses throughout the world (e. g., New York Herald-Tribune, February 12, 1956; the New York Times, October 15, 1957). In a statement quoted in the New York Post of February 3, 1956 the Iraqi Consul in New York, Gen. A. K. Gallani, said:

"Our policy is that all firms, be they Christian, Jew or Moslem, are not allowed to do business with the Arab countries if



they have a subsidiary or branch in Israel. This was a decision of the Arab League not of Iraq alone, and the reason is that Israel is at war with the Arab countries."

#### V. RESISTANCE TO THE BOYCOTT

In the past year, the Arab League has blacklisted some 25 companies in 19 countries and coerced 50 others into discontinuing or not undertaking commercial relations with Israel (Chemical Week, April 6, 1957). However, a number of firms throughout the world have steadfastly refused to yield to the boycott and have therefore been placed on the blacklist. These companies refused to be intimidated, even in the face of possible financial loss. The following American companies have been boycotted by one or more of the Arab states, according to Business International of May 17, 1957:

1. Air Electric Corp.
2. American Biltrite Rubber Co.
3. Chemical Construction Corp.
4. Continental Import & Export Corp.
5. Elliot Import Corp.
6. Emerson Radio & Phonograph Co.
7. Empire Brushes, Inc.
8. General Shoe Corp.
9. General Tire & Rubber Co.
10. Herman Hollander, Inc.
11. Hudson Pulp & Paper Co.
12. International Latex Paper Co.
13. Jacques Torczyner & Co.
14. The Lock Joint Pipe Co.
15. Moller Dee Textile Corp.
16. National Plastics Co.
17. P. E. C. Diamond Corp.
18. Pilot Radio Corp.
19. The Plough Sale Corp.
20. Sinclair & Valentine, Inc.
21. United States Near East Laboratories.
22. Willys-Overland Corp.

One of the above companies, in a letter that it insisted be confidential, recently wrote: "Ever since the advent of our support toward the Israeli economy, our products have been boycotted in every Arab country whereof our export sales amounted to substantially better than seven figures annually and undoubtedly would be double these figures today if it were not for the boycott. \* \* \* Despite these severe economic losses, the company, well known in America, still maintains its business in Israel as a matter of principle."

#### VI. YIELDING TO THE BOYCOTT

Some companies have facilitated the operations of the boycott.

Aramco: The Arabian-American Oil Co. (Aramco), in addition to denying oil to Israel, has threatened to cancel its contracts with European firms producing such innocent apparatus as floating roofs for water tanks if those firms do business with Israel (Fortune, August 1957). In addition, Aramco and its subcontractors, with the acquiescence of the State Department, have refused in New York State to hire persons of Jewish faith for work abroad or to all their non-Jewish employees to bring into Saudi Arabia products manufactured by firms on the Arab blacklist. The New York State Commission Against Discrimination questioned the State Department about this Aramco policy. It was told of the importance of not having anything interfere with the existing relationship between the Arabian Government and the Arabian-American Oil Co., explaining that this relationship was the basis for the harmony between this Government and the Arabian Government and should it be disturbed in any way the international interests of the United States would be seriously affected (New York State Commission Against Discrimination, 1950 Progress Report, p. 48).

The American Express Co.: This company opened offices in Israel in August 1950 because of the steady increase in the number of American tourists visiting Israel. It closed these offices in February 1956, al-

though more Americans visited Israel in 1955 than in any year since 1950. Publicly, the company contends that it shut down its Israel offices because it was not profitable to operate them, but privately it admits that the Israel closing was due to Arab pressure.

The Brown & Williamson Tobacco Corp.: In March 1956, this wholly owned subsidiary of British-American Tobacco Co., Ltd., of London, which produces Viceroy, Kools, and Raleigh cigarettes in addition to distributing certain American brands overseas, began refusing orders for the most important brands of cigarettes distributed by it. This is the only instance of a foreign corporation refusing orders from Israel importers. That this capitulation was due to Arab pressure is admitted by Brown & Williamson. The British company is not to be confused with the American Tobacco Co.

#### VII. THE OIL COMPANIES AND THE BOYCOTT

For the last 10 years the major American and British oil companies have yielded to the Arab boycott. These companies are the Standard Oil Company of New Jersey, the Standard Oil Company of California, the Texas Co., the Socony Mobil Oil Co., Inc., the Shell Oil Co., and the British Petroleum Co. Their yielding to the boycott has taken various forms:

1. The flow of oil from Iraq to the petroleum refinery at Haifa was interrupted in 1948 and has never been resumed.
2. The Haifa oil refinery, owned and operated jointly by the Royal Dutch Shell group and the British Petroleum Co., has not been used to its full capacity. Shell and British Petroleum refused fully to utilize the capacity of the refinery even during the Korean war, when the free world underwent a shortage of refined petroleum products.

3. Tapline, the pipeline carrying oil from Saudi Arabia to the Mediterranean, is owned and operated by the Arabian-American Oil Co. (Aramco). Completed in 1950, the pipeline terminates in Syria and Lebanon. Although a contract was signed with the Palestine Government scheduling the terminus of the pipeline in Acre, in what is today Israel, the original terminus was deliberately bypassed because of Arab pressure.

4. Since the institution of the Arab boycott, the major oil companies have refused to send tankers with oil destined for Israel through the Suez Canal, so that Israel has been compelled to pay a considerable premium for her oil shipped in other ways.

5. All the major oil companies that had been operating in Israel have withdrawn from oil marketing there in conformity with Arab boycott demands.

6. All the major oil companies declined to engage in oil exploration in Israel.

7. The oil companies have discouraged other firms connected with or dependent upon them from doing business with Israel.

#### VIII. THE INTERNATIONAL WHEAT AGREEMENT

Even the operation of the International Wheat Agreement has been affected by the boycott. The objective of this agreement is to insure, at equitable and stable prices, supplies of wheat to importing countries and markets for wheat to exporting countries. The United States is a member of the agreement as an exporting country and Egypt, Lebanon, Jordan, and Saudi Arabia participate as importing nations.

While the International Wheat Agreement does not control the production of wheat in any member country nor the method by which wheat can be sold pursuant to the agreement, all sales under the IWA must be within the minimum and maximum prices set by the agreement. For example, under the 1956 arrangement the price range was from \$1.50 to \$2.00 per bushel (New York Times, April 22, 1956).

Because the market price for wheat in the United States is higher than the maximum allowable export price under the Interna-

tional Wheat Agreement, our Government has since 1949 been subsidizing American wheat exporters so that we would be able to meet our quota of guaranteed annual sales. Most of this wheat is exported from their own stocks by private United States businessmen who are paid a direct subsidy by our Government. The terms of each sale are worked out privately by the United States exporter and the foreign buyer, after which the former files a notice of sale with the Government, applying for an export payment. In 1954 the Secretary of Agriculture reported that the average wheat subsidy payment amounted to \$0.47 per bushel (Report of the Secretary of Agriculture, 1954). The amount of wheat and flour exported by the United States under the IWA between 1949 and 1955 to the Arab countries totaled approximately 33 million bushels (Annual Reports for the Crop Year, 1949-55). Calculating on the basis of \$0.47 per bushel, this means that the United States has subsidized the export of wheat to these countries to the extent of some \$17 million out of tax funds supplied by all our citizens.

The Arab League states refuse to ship their American wheat on blacklisted vessels or to buy wheat from American exporters who are Jews or who have dealings with Israel. As a result shipping costs increase. Our Government has declined to take the necessary administrative, legislative or diplomatic action to end this discrimination. In effect, therefore, the United States submits to the operation of the Arab boycott and Americans are taxed for a wheat subsidy plan from which they are barred.

#### IX. THE UNITED STATES INVOLVEMENT IN ARAB DISCRIMINATION

Unlike other countries, the United States has become enmeshed in this boycott against some of her own nationals and has permitted the rights of American Jews to be placed in an inferior category. Our Government did not effectively resist the demand of Saudi Arabia that American Jews be barred from American installations at Dhahran, Saudi Arabia, nor did it resist the refusal of certain of the Arab States to grant visas to American Jews. Our Government has not encouraged American businessmen and shipowners to ignore the Arab boycott and blockade and to refuse to furnish to the Arab Boycott Office information as to the religious composition of American companies.

Spokesmen for our Government have sought to justify American inaction in a variety of ways. For example, as regards Jordanian and Saudi Arabian visa restrictions against American Jews, the Secretary of the Air Force on June 20, 1955 wrote to then Senator Herbert H. Lehman: "These restrictions are promulgated and enforced by the Arabic countries and are not within the prerogative of the State Department or the military to change." On May 22, 1956 the State Department's Public Services Division issued a statement which said in part:

"International law and practice recognize the fundamental right of a sovereign state to determine whether and under what conditions aliens may enter its territory. We believe that American citizens should enjoy all the rights and privileges in a foreign country which we allow the nationals of that country in the United States. [However, we are obligated to recognize that any attempt by this country to force our views on a foreign nation would be considered intervention in the domestic affairs of that nation and therefore greatly resented.] (Matter in brackets added.)

At one time the State Department attempted to explain away the boycott of Jews as merely the work of a number of private individuals in the Arab countries rather than the result of official policy in the Arab League. Thus in a letter to Senator Lehman, dated December 15, 1953, the then As-



sistant Secretary of State, Thruston B. Morton, declared:

"The Department hopes that these instances are in the nature of sporadic, out-of-bounds actions based on excessive zeal or misunderstanding on the part of certain individuals rather than an indication of fundamental intensification of boycott practice by the Saudi Arabian Government."

As a result of widespread protest, on July 26, 1956, the United States Senate unanimously adopted a resolution (S. Res. 323) which stressed the "primary principle of our Nation that there shall be no distinction among United States citizens based on their individual religious affiliations \* \* \* (and that) any attempt by foreign nations to create such distinctions \* \* \* generally is inconsistent with our principles." At their presidential nominating conventions in 1956, the Republican and the Democratic Parties adopted platform planks opposing foreign discrimination against Americans such as now exists in Saudi Arabia. A year ago, both the President's Committee on Government Contracts and the President's Committee on Government Employment Policy asked the Departments of State and Defense to eliminate the discriminatory practices involving Americans in Saudi Arabia.

Despite the Senate resolution and other protests, the State Department renegotiated the Dhahran agreement in April 1957 without obtaining any change in the Arabian discriminatory practices. This policy of allowing foreign governments to discriminate against American citizens on religious grounds represents a sharp reversal of earlier official attitudes by our Government. When the Czarist regime in Russia sought to deny visas to naturalized American Jews and to question visa applicants in the United States about their religion, William F. Wharton, Acting Secretary of State, informed Russia on February 28, 1893:

"It is not constitutionally within the power of this Government or any of its authorities to apply a religious test in qualification of equal rights of all citizens of the United States; and it is therefore impossible to acquiesce in the application of such a test, within the jurisdiction of the United States, by agents of a foreign power, to the impairment of the rights of any American citizen or in derogation of the certificate of this Government to the fact of such citizenship."

"His Majesty's Government, however, surely cannot expect the United States to acquiesce in the assumption of a religious inquisitorial function within our own borders of a foreign agency, in a manner so repugnant to the national sense." (U. S. Department of State, Papers Relating to Foreign Relations, 1893 (Washington, 1894), pp. 536-37.)

Despite this protest, however, the issue was not resolved and Russia continued her discrimination against American Jews. This discrimination became an issue in the presidential campaigns of the day and culminated in a resolution adopted by the House of Representatives by a vote of 300 to 1 on December 13, 1911 (J. Res. 166). In response to this overwhelming sentiment of the American people, 2 days later the State Department notified Russia, a world power, that the United States had decided to cancel the commercial treaty of 1832.

#### X. NONCAPITULATION BY OTHER GOVERNMENTS

The greater the capitulation to the Arab boycott, the greater are the demands made upon those who capitulate to it. First, a company is simply asked not to maintain a branch or office in Israel. Then it is asked not to trade with Israel. Finally, it is warned not to hire Jews in executive capacities on pain of losing Arab favor.

Conversely, there is ample evidence that when faced with firm resistance the Arabs

back down. Despite threats of economic reprisals, West Germany continues reparations payments to Israel and continues to trade with her. Yet between 1953 and 1955 the combined dollar value of German exports to Egypt, Iraq, Jordan, Lebanon, Saudi Arabia, and Syria rose from \$94,929,000 to \$123,862,000. (Figures supplied by the German Consulate General in New York, June 5, 1957.)

In 1956, the Central Organization for Foreign Economic Relations at The Hague advised the members of the Dutch branch of the International Chamber of Commerce not to supply Arab importers with information about the number of Jews working in Dutch export houses. On September 23, 1957, Dr. Willem Drees, Foreign Minister of the Netherlands, reiterated that his government would resist all Arab boycott measures infringing upon Dutch interests. He declared that, as a United Nations member, Holland "shares responsibility" for Israel's existence and that the boycott is "illegal and conflicts with the armistice agreements" (Netherlands News Bulletin, September 21, 1957). As for resistance on the part of individual firms, the following statement by a British concern could well serve as a model for all governments and private companies beset by the Arabs:

"We vigorously contest the right of any overseas body or government, to dictate to us where we shall or shall not market our goods. Our business is that of selling our products anywhere in the world, and in this we are actuated by commercial considerations alone, politics playing no part whatever in our sales policy. We do, in fact, maintain strict neutrality in all our dealings with various countries, and that, in our opinion, is eminently more desirable than taking sides on issues completely unconnected with the affairs of England. The only edicts we obey are those of our own Government and provided they do not impose restrictions on the export of our goods to any particular destination, we regard ourselves as free to sell wherever there is a demand."

#### XI. CONCLUSIONS

The Arab boycott activities encroach upon the elementary American freedoms to trade, to invest, and to travel. There is a Treaty of Friendship, Commerce, and Navigation between the United States and the State of Israel. But because of the Arab boycott, American business firms are compelled to assume a posture toward Israel which is not in conformity with the spirit of that treaty. American citizens in this country are questioned about their religion by consular and diplomatic officials of the Arab States. American Jews are denied, because of their religion, privileges granted to non-Jews.

Arab economic warfare places a wholly unwarranted burden upon the American taxpayer. By imposing unnecessary expenditures and losses upon all of the countries of the Middle East, the boycott subverts the purposes of United States economic assistance, making the area increasingly more dependent upon such assistance.

While the boycott lasts, progress toward peace in the Middle East is impossible. This has been recognized by Secretary-General Dag Hammarskjöld who at a press conference on August 8, 1957, referred to the boycott as a "deadweight upon our efforts."

In the broadest sense, the Arab boycott therefore constitutes political and economic aggression. By creating and maintaining tension, the boycott helps keep the Middle East in a state of near-war, continually threatening world peace and stability.

While the boycott lasts, interests vital to America are jeopardized. On political, economic, and moral grounds, it must therefore be resisted by the United States Government, by American business and by American public opinion.

#### THE RECESSION—ACTION IS SUPERIOR TO "WAIT AND SEE"

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate an article by Mr. Walter Lippmann.

Mr. Lippmann's article supports the proposals I have advanced in the Senate from time to time for advance planning and preparation in order to meet the recession.

It is hoped that the administration will take heed of the constructive advice given by Mr. Lippmann, and will present to the Congress a program backed up by effective leadership.

I ask unanimous consent that the article be printed at this point in the RECORD.

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

#### ACTION'S SUPERIOR TO WAIT AND SEE (By Walter Lippmann)

There is as yet no very general pressure for stronger measures to reflate the economy than the measures the administration is taking. It does not follow, however, that stronger measures such as a tax cut and larger public works should not be prepared for early adoption. The critical fact is that in the business cycle remedies do not work quickly. The sooner they are adopted—whether on the upswing or on the downswing—the less strong they need to be.

It is evident enough today, for example, that in the upswing between 1955 and 1957, the authorities waited too long to check the inflationary rise in consumer credit and capital expenditure and wage and price increases.

In reverse, it is probable that we have already waited too long before acting against the recession which began last summer. In fact, during the autumn, when the slump was already evident, the administration was actually cutting expenditures in the defense department.

The moral of it is that public opinion is not a sound guide in business cycle management. When the inflation of 1955-57 was underway, the politicians and the public resisted measures to restrain credit and the rise of the wage-price structure. When the cycle turned after the middle of 1957, the politicians and the public were demanding retrenchment which would have been suitable 18 months earlier.

Indeed it may be regarded as a working rule that for the successful management of the business cycle, the responsible authorities must be ahead of the public opinion and prepared to take measures which cannot be popular until their delayed results are experienced. The authorities must not wait to be pushed but they must lead the way, be it to deflate a boom or to reflate a slump.

There are reasons for thinking that we are at a point where a turn for the worse is so distinct a possibility that it is the part of wisdom and prudence to anticipate it. It may be true, as Secretary Sinclair Weeks and the President hope and believe, that we have reached the bottom and that in a few months the recovery will be underway.

But it could be true that we have not reached the bottom and that if our policy is to wait and see we may be depressed to a deeper bottom from which it will be still harder to rise.

Is this alarmist talk which undermines confidence? In the old days when banks were often in trouble and faced with a run by the depositors, the best way to stop the run was by such a powerful guarantee of the bank's solvency that nobody wanted to draw out his money.



The same principle is applicable to the current phase of the recession. To say that prosperity is just around the corner is less likely to restore confidence than it would be if the administration and Congress set in motion such strong measures that confidence is restored.

There are at least two reasons for thinking that we may not be at the bottom of the recession. For one, there is no good reason to suppose that there will soon be a rise in what businessmen invest in plant and equipment. Unless, however, there is a reasonably prompt and substantial rise in private capital expenditure, there is no good prospect of a recovery without compensating outlays of public capital in defense and public works and subsidized housing and other facilities.

The second reason for being vigilant and alert is that there are many signs that, as regards the depressed durable goods, the consumer is in a mood to save his money and to make do with what he has, to scale down debts, to buy at second hand, and to keep his affairs as liquid as possible.

Why? Because he is afraid unemployment, of part-time unemployment, of declines in retail purchases and profits.

There is a danger here psychologically not unlike the state of mind which used to lead to runs on a bank.

This is a vulnerable point, and a policy of wait and see is dangerous. There is no use preaching confidence, there is no use expecting a man to buy an automobile he does not have to have, if he is worrying about whether he may lose his job. What he needs to restore his confidence is the sight of the Government preparing to do as much as is needed, perhaps more than is needed, to reflate the economy.

In the debate about these matters there is an underlying issue of economic philosophy. There are those who believe with the classical economists that a recession is a necessary readjustment after an inflation of prices, wages, and debts. It is a painful readjustment. But it is necessary to the ultimate health of the economy.

On the other side, there are those who believe, as does Marriner Eccles, that humanly and politically it is impossible for a modern democratic society to endure and tolerate the severe depression which would really readjust wages, prices, and debts.

They are, I believe, right. It is better, as Eccles said, "to accept the present price, wage, and debt structure," to support it by a refutation, than to take the enormous risks of a readjustment by a depression.

#### UNEMPLOYMENT AND ECONOMIC CONDITIONS

Mr. HUMPHREY. Mr. President, last week it was reported that the number of insured unemployed workers had risen to a new high of 3,594,000 in the week ended April 12. This is an increase of 101,000 from the middle of March, and underscores the importance of action by the Congress and support by the Eisenhower administration of the so-called Kennedy-McCarthy unemployment compensation bill, a proposal which would not only extend the duration of benefits, but also increase the amount of the benefits.

All the optimistic forecasts from the administration cannot hide the tragedy involved in millions of skilled and willing workers being without jobs.

I also would note that yesterday, while there was an avalanche of amendments relating to the so-called rights of workers, I noticed the dearth of amendments relating to the rights of workers who

have no work. It would appear to me some of the recently discovered interest on the part of certain Members of Congress in the rights of workers should be applied to the right of workers to have jobs and an opportunity to support themselves and their families. I note the hesitancy in high places to advocate such a program.

Columnist Sylvia Porter, in an article in the Washington Star of April 27, reports that during 1958 roughly 20 million American workers will be without jobs at one time or other for at least 2 weeks, and in many cases for much longer. I ask unanimous consent that Miss Porter's column be printed at this point in the RECORD.

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

#### YOUR MONEY'S WORTH

(By Sylvia Porter)

#### TWENTY MILLION JOBLESS

Some time in 1958, around 20 million Americans, able and willing to work, will be jobless for at least 2 weeks, and quite probably for much longer periods.

While it's unlikely that you have heard or read any jobless figure as huge as this until now, this is an authoritative estimate I have obtained from Government experts on employment during my stay here.

Here is the story behind the 20-million statistic:

Unemployment this year seems slated to average out at only about 5 million. Now that spring is here, we surely have gone through the worst of unemployment for a while.

We shouldn't see any upward change until June-July, when hundreds of thousands of high-school and college graduates will become active seekers of permanent jobs.

But the average figure is just an estimate of the number out of work on a specific date. It does not by any means tell the whole story.

The 5 million jobless today aren't the identical men and women jobless a month ago today or 2 months ago today.

While one auto company will be, say, laying off 10 men named Joe because it wants to cut production of a car model, another auto company will be recalling 10 men named Dick because its production cuts have been completed for this period. The total counted as currently unemployed will remain the same—10—but 20 entirely different families will have been vitally affected by the slump in the auto industry.

Or, while one appliance company will be laying off 10 men named Harry because it is shutting down for an inventory adjustment, another appliance company will be putting 10 men named Tom back on the payroll because its inventory adjustment has been finished. The total counted as currently unemployed will remain at 10, but again, 20 entirely different families will have been hit in the pocketbook.

So it goes and will go. In a recession such as this, layoffs shift from company to company, from industry to industry.

Even during the boom year of 1956, the Census Bureau says officially that approximately 10 million different persons were unemployed—either looking for work or on layoff from a job—at some time, although on average only about 2.5 million persons were jobless at any given time.

According to one leading expert commenting on 1958:

"Our projections indicate unemployment will average around 5 million, but that will mean 20 million seeking jobs at one time or

another and getting sharp income cuts through no fault of their own."

No matter how many cheerful public statements come out of Washington, the fact is joblessness in key manufacturing cities is not declining nearly as much as it should at this season.

Inherent in this is an unspoken threat to our recovery. Any policymaker who shrugs it off does so at peril to our whole economy.

Mr. HUMPHREY. Mr. President, for a first-hand account of what it means to be jobless, I call attention to an article from the Washington Star of April 27 reporting on the unemployed in Louisville, Ky. I ask unanimous consent that this article be inserted at this point in the RECORD.

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

THE HUMAN SIDE OF RECESSION: "YESTERDAY I WASHED THE WINDOWS JUST TO KILL TIME"

(By Saul Pett)

LOUISVILLE, KY.—The recession, the real recession, is not so much a national statistic or a national argument as it is a man like Don Crane. He now keeps house while his wife works and his pride suffers more than he can say.

Or it's a woman like Iva Carter, who last year earned \$80 a week as a skilled worker and now picks up 60 cents an hour, when she can, as a baby sitter.

Or it's Elzy Fisher, who lost his car and his freezer and, in a sense, his family.

Or Denzil Poole, now working 60 hours a week to earn what he used to earn in 40.

Or Vernon Melcher, up to his ears in monthly payments, determined never to buy on time again.

Or Ray Werner, who hopes to pick up an ice cream route at age 66.

A recession is these and many other people, but it is not a whole country or a whole town or most of either. And that is the strange thing about it. The recession is a grim island in a sea of prosperity. The recession is a minority of people, purchasing power gone or crippled, surrounded by high prices.

#### MORE HAMBURGER

The recession is not people starving but people eating more hamburger than steak, more bacon than pork chops. It is children getting more clothes than toys on their birthdays.

The recession is not stark tragedy, coming suddenly and without warning, in a long, seemingly endless wave of good times.

Louisville is a recession city statistically; its unemployment is relatively high. Almost one out of 10 is jobless. But looking at the city, you see the nine, not the one. You see the crowds at the sports events and shiny, long cars in the streets and people shopping in the stores and new houses going up while some others are being foreclosed.

Statistics: Total labor force in Louisville metropolitan area—302,000. Unemployed 28,700. Percentage unemployed 9.5. Last year that percentage was 6.5; in 1954, 5.4; in 1951, 2.6. The ratio of unemployment is now higher than any time since the State Office of Economic Security began making unemployment compensation payments in 1939.

At peak employment late in 1956 and early last year, the General Electric appliance plant here employed 15,500. It now employs 10,500. The Ford assembly plant employed 5,100, now employs 2,500. International Harvester also has laid off in Louisville as have many smaller firms.

Bankruptcies, 989 in 1957, highest since 1931; department store sales, January 1 through March 22 down 7 percent over same

period last year; free school lunches served in February, 1958, a daily average of 2,396 as compared to 1,725 in the same month last year.

Some of the statistics may be argued, explained, rationalized by town boosters. Thus you will hear about the bad winter weather in connection with reduced construction and shrunken retail sales. One factory speaks more of "attrition" than unemployment. Another refused to admit it lays off employees; it "furloughs" them.

#### THE PEOPLE REMAIN

But they can't argue away the people, the separate human beings, behind the statistics:

Tall, thin, Don Crane, 27, stalking through his four-room house. "I walk from the front door to the back door. I fool around in the yard. Yesterday I washed the windows just to kill time. I try not to think but I find myself thinking, 'Will I ever get a job again?'"

"I've tried everything, even filling stations. No jobs. I just ask for work, not what the pay is, not any more. I'll take anything. So far, in 6 months, all I've found was a few days of odd jobs for a neighbor."

He used to work at General Electric, on the dryer assembly line. With overtime, he took home \$115 a week. He was laid off in October. Since then, Don has exhausted his unemployment compensation (\$32 for 26 weeks) and his \$500 savings.

His wife Mary found work at a cigarette plant for \$63 a week, sealing cases. The Cranes and their three young children now live on that, just barely. Some of their fixed monthly expenses: \$48 on the mortgage, \$13.50 on a clothes washer, \$11.80 for storm windows.

Crane family activities and plans canceled by the recession: Saturday night bowling, square dances, fishing trips and plans to build a garage.

Mary works late, so Don fixes breakfast, changes the baby, gets the eldest child off to school. When Mary gets up, Don looks for work, always home by 2, when she goes off. He sees that the kids nap, fixes dinner, cleans up, gets the kids to bed, tries to lose himself in TV but the thought keeps recurring, "I must find work soon and Mary must get back home and take care of the kids."

Elzy Fisher, 27, tall, thin, distraught. Laid off last fall at American Air Filter Co., where he worked as welder's helper and took home about \$70 a week. Unemployment compensation exhausted.

Forced to give up house which he rented for \$45 a month. Furniture in storage. Wife and two small boys living with her family. Elzy living with his family. Unable to keep up monthly payments, lost 1949 Cadillac and freezer.

Denzil Poole, 33, optimistic. Laid off at General Electric early in February. Earned \$76.50 a week before takeout on washer assembly line. After 3 weeks found filling station job. Works 60 hours a week, 6 days, to make same money earned at General Electric in 40.

"I'm not worried. We're keeping our heads above water. The car and furniture were all paid for so we don't have to worry about that. Anyway, I hope to be going back to General Electric before long."

"One thing's for sure," says Vernon Melcher, 47, old enough to remember the great depression, "I'm not putting my name on nothing any more. If it's a choice between going without or going into debt, I'm going without. Like the driveway and the garage. We could've waited on them."

Until January, he earned \$95 a week before takeout in the maintenance department at Ford. Laid off, he collected \$32 a week in unemployment compensation and \$16 in supplemental unemployment benefits (otherwise

known as the guaranteed annual wage, negotiated into auto company contracts by the United Automobile Workers).

Thus, without working, he collected \$48 a week, and he has exhausted neither of the benefits. But recently he found a job as a porter in a hospital kitchen, which pays him \$52.80 a week for 6 days' work. That's only \$4.80 more than he got for not working.

Why take the job? "I got tired of sitting around. Besides the benefits have to run out some time. Also, I took the job on one condition—they also give my wife a job. So she works there as a cashier, gets \$34."

Melcher family debts: \$56 mortgage payment a month (on four-room brick house in Edgewood subdivision); \$35 a month on 1950 Chevrolet; \$43 a month on new garage; \$20 a month on washer-dryer (bought when wife was recovering from illness); \$8.80 a month on new blacktop driveway.

Now, with combined income of \$86 a week, the Melchers can't meet all payments. So they juggle them, consolidate them, get new loans to pay off old or delay one to meet another—a constant robbing of Peter to pay Paul.

Which was worse, the depression or the current recession?

"No question," says Mr. Melcher. "Depression was worse. Now a man is laid off he has some cushion with the unemployment benefits. I remember in the thirties all I could get was pulling weeds out of a rich man's tennis court for 50 cents a day. Later, I worked as a plumber's helper, \$9 a week for 60 hours. Of course, prices were lower then, much lower."

Mrs. George Asseff, husband laid off at GE before Christmas, has no deep sense of crisis yet.

"We're getting along. We're not buying clothes—I made a few things myself for Easter. On food, I find you can eat much cheaper if you have to. No more T-bones or the other better cuts. You can eat round steak just as well."

Mr. Asseff's unemployment compensation covers his payments on his house (\$76 a month), on his TV set (\$17) and fuel and insurance costs. He has had to use savings and help from his family to provide food.

"When things return to normal," says his wife, "and George is working again, we'll do things differently. We'll try to save more and buy less on the installment plan."

With the viewpoint of age, Ray Warner, 66, whose quiet, gaunt face suggests a Grant Wood painting, recalls he did better in the old depression. He managed to hold on to his job, made \$30 a week, lived fairly well, saved some.

For 27 years, he worked for the same firm, much of the time as sheet metals foreman. In 1956 illness forced him to take a lighter job, groundskeeper. He was laid off last August. Present income: \$103.50 a month in social security. Dependents: Wife and grandson.

"That \$103.50 just don't go anywhere. Covers food, is all. House is paid for and we don't owe anybody, thank goodness. But for insurance and the rest, we're using savings. If I don't get work soon, I'll have to drop the insurance. If I can just pick me up an ice cream route somewhere and bring in another \$25 or \$30 a week, that ought to do it."

Miss Iva B. Carter, 54, lives in a high-ceilinged, shadowy apartment furnished with old family pieces in heavy oak. The apartment is one of four in a faded, red-brick building surrounded by other faded red-brick buildings which once were private mansions during Louisville's whisky boom in the late 19th century.

Miss Carter lives here with her invalid mother and cousin. The cousin works in a hospital, makes \$40 a week, which now supports the three of them. Last May, at the Louisville Medical Depot, an Army hospital,

equipment center, Miss Carter was laid off after 11 years. She had been an offset printing press operator, earning \$80 a week.

Since then, I must have gone to at least 100 different places and filled out at least 50 applications—the rest aren't even taking applications. But the only work I've found was 2 weeks during the Christmas rush at Kaufman's Dry Goods and some baby sitting."

In the last year, Miss Carter has bought one article of clothing, a house dress for \$6.08. She no longer goes visiting friends and relatives in town. Why? "I need to save the bus fare to look for work."

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that an article from the New York Times of April 27 entitled "It's a Depression in Key Steel Area," be inserted in the Record. In this article it is reported that of the 47,000 steelworkers in the Youngstown area, 37,000 are jobless or working only part time.

I wish someone had raised his voice, during the oratory on the amendments which were offered during the past few days, about providing some help for the 37,000 of the 47,000 who are without jobs or with less than full time jobs.

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

IT'S A DEPRESSION IN KEY STEEL AREA—37,000 OF 47,000 ARE IDLE OR ON A SHORTER SHIFT IN YOUNGSTOWN SECTION

YOUNGSTOWN, OHIO, April 26.—The recession is a real depression to most of the 530,000 residents of Mahoning Valley, the Nation's third-ranking steel producing area, in which Youngstown is the heart.

Of this soot-laden community's estimated total of 47,000 normally employed steelworkers, close to 14,000 are jobless (1,200 were laid off last week), about 23,000 are working 32 hours or less a week (most less), and the rest are putting in 40 hours in 5 days, according to officials of District 26, United Steelworkers of America.

Between 1,500 and 2,000 office employees and retail sales clerks also are reported to have lost their jobs since the beginning of the year or are on short work schedules.

Designated a critical surplus labor area by the United States Department of Labor, the economy of the valley, which also includes Warren, Niles, Campbell and several smaller towns, is wholly dependent on steel.

#### LINKED TO AUTOMAKERS

Approximately 80 percent of the annual capacity of about 12 million ingot-tons of steel produced here is sold to automakers. This fact gave birth to a local saying, "When Detroit is down, Youngstown is flat."

Last week valley mills operated at 40 percent of capacity, a dip of 6 points from the previous week and 6 percent below the national average.

Youngstown area sales-tax receipts, an accurate business barometer, dropped about 11 percent in the first quarter of this year from the same period in 1957, the Ohio Tax Commission reports.

No one contends that economic conditions here are now as bad as they were in the early 1930's, when Mahoning Valley relief rolls were among the highest in the country. But Youngstown Mayor Frank X. Kryzan, steel executives, businessmen, union leaders, steelworkers, and housewives agree that "times haven't been poorer since before World War II," and they see dim prospects for an early upswing.

Valley welfare authorities say there has been a slight increase but not a sharp rise in the number of relief cases. Most of the district's idle still draw State unemployment



compensation, which in Ohio is a maximum of \$39 a week for 26 weeks for the eligible jobless with four or more dependents.

#### IDLE BENEFITS TO END

However, Frank Trainor, assistant director of the steel union's district 26, estimates that a huge majority of the unemployed will exhaust their compensation benefits by mid-summer or sooner, especially those laid off late in 1957 or early this year, when the big curtailment in steel production began.

"If mill operations don't pick up by then," Mr. Trainor says, "everybody in the valley will be in real trouble."

Business and civic leaders, though not as pessimistic as the labor chief, do not dispute his statement. Local court records show that foreclosures on homes for defaulted mortgage payments are about normal, but there's been some increase in the repossession of autos, home appliances, and furniture bought on time.

"We tell our people," Mr. Trainor says, "to contact their creditors and arrange to pay as much of the interest on their debts as they can manage until they get back to work. We've had splendid cooperation from local bankers, finance companies, and merchants—except the fly-by-nights."

Hardest hit are the younger steelworkers, those with the least seniority according to the union contract. One of these is Thomas McNulty, 35-year-old father of four children, ages 11, 9, 7, and 5.

#### SHARP DROP IN PAY

Mr. McNulty, a second helper in the open-hearth plant of United States Steel's Ohio works in Youngstown, was furloughed last January 5. His take-home pay had been about \$125 for 40 hours. He and his family now live on his \$39 a week compensation, plus a little earned by Mrs. McNulty as a part-time clerk in a grocery store.

In 1956, the McNultys put \$3,000 down on a \$14,000 home in Canfield, a Youngstown suburb, and their payments are \$95 a month.

"I'm a couple months behind," Mr. McNulty says, "but my father is helping me keep up the interest, so the bank hasn't given me any trouble yet. But I don't know how they'll feel if I don't get back on the job soon and start paying up."

He also bought a 1956 Ford, on which his monthly payments are \$62. "I expect I'll lose it pretty soon," he says.

Paul Kotch, a crane operator in the Youngstown Sheet and Tube's blooming mill, who lost his job last Christmas week, used to average \$110 a week. He's 30, has a 5-year-old daughter, his wife expects another child soon, and he's the sole support of his widowed mother.

"We're existing on the \$36 a week I get from the compensation," Mr. Kotch says. He's now 2 months behind on the \$60 monthly payments on the home in Campbell he's trying to buy. He paid cash for his second-hand auto, but he'll have to peddle it if things don't pick up soon."

Mr. Kotch thinks "this depression was made by the big guys to beat down us little guys." His attitude is echoed by the vast majority of Mahoning Valley steelworkers.

**MR. HUMPHREY.** Mr. President, as Senators well know, the auto industry is one of the hardest hit in this recession. This past week auto production fell to a new low of 60,000 units, which is only 32 percent of practical capacity. An informative article on the effects of the decline in the auto industry, entitled "Automobile Industry Hard Hit in Recession," appeared in the New York Times of April 27, and I ask unanimous consent that it be inserted at this point in the RECORD.

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

#### AUTOMOBILE INDUSTRY HARD HIT IN RECESSION—PRODUCTION HAS FALLEN FAR BELOW PEAK, AND UNEMPLOYMENT IS UP

(By Damon Stetson)

DETROIT, April 26.—The automobile industry has revolutionized the Nation's economy. It has thrust city boundaries outward and eliminated rural isolation. It has given independence of movement and added pleasure to 80 million licensed drivers and their families. It has added billions of dollars to the gross national product and, with associated industries, provided employment for millions.

It is not surprising, therefore, that the entire Nation suffers from shaken confidence and economic headache when this great industry runs into recessive influences as has been happening in recent months. Auto production this week, for example, dropped to a 6-year low of about 60,000 units, or the equivalent of about 32 percent of practical capacity for American car assembly lines.

The history of the auto industry has been characterized by startling and opulent successes, but also by wrecked hopes and a high mortality rate. Only a bare handful of some 2,700 different auto makes have survived.

Today the industry is dominated by three giant companies—the General Motors Corp., the Ford Motor Co., and the Chrysler Corp. There are also two smaller companies, the American Motors Corp. and the Studebaker-Packard Corp.

#### BIG THREE SHARE

Passenger car production is heavily concentrated in the Big Three, which last year produced 96.5 percent of the United States output.

But the pervasive and far-reaching influence of the auto industry is broad based. Last year, according to the Automobile Manufacturers Association, the highway and transportation industries, all stemming from the auto, provided jobs for 10,500,000 Americans, or about one of seven employed persons. One out of every six businesses in the United States is automotive.

Automotive retail sales totaled about \$55 billion last year. More than 67 million motor vehicles were registered, with 75 percent of the Nation's families owning one or more passenger cars. The year's driving created sales for 51,500,000,000 gallons of gasoline and diesel fuels, plus oils, greases, antifreeze, and cleaning compounds. And the automotive industry's consumption of other major commodities is tremendous.

Manufacturing firms outside the industry, according to the A. M. A., normally produce 5 billion to 6 billion dollars worth of automotive products annually and employ 350,000 persons. These include such products as upholstery, rubber automotive parts, windshields and windows, brake linings, hardware, paints, chemicals, electrical equipment, and instruments, car radios, and batteries.

#### POOR PROSPECTS

But 1958 to date, and in prospect, has not been a good year for the auto industry. Production for the first quarter was 1,238,710 cars, down more than 500,000 from the first quarter of 1957. First quarter sales were about 1,070,000, compared with 1,492,000 for the first quarter last year.

The auto makers have scheduled second-quarter output at 1,031,000 units, a cutback of nearly 100,000 compared with the total projected 4 weeks ago. This reduction seems to be aimed at lightening the load of unsold new cars that dealers will carry into the summer months.

Latest estimates of dealer inventories put the total at 854,000 units, a drop of about 20,000 from a month earlier but more than

100,000 above the figure for a year ago. The present total is considered equivalent to a 2 months' supply and is close to record peaks.

Meanwhile, there have been some shifts in the various companies' share of output. General Motors has boosted its share from 46.05 percent last year to 55.92 percent in the first quarter; Ford has dropped from 30.90 percent to 27.26 percent; Chrysler has dropped from 19.99 percent to 12.73 percent; American Motors has increased its share from 1.87 percent to 3.32 percent, and Studebaker-Packard has gone down from 1.19 percent to 0.77 percent.

#### SALES DOWN

Retail sales for General Motors in the first quarter were 569,000, compared with 699,000 for the same period last year. Ford sales dropped from about 457,000 in the first quarter last year to about 292,000 this year, and Chrysler sales dropped from 297,000 in the first 3 months of last year to 165,000 in the corresponding period of the current year.

American Motors, with its small economy Ramblers riding a popularity wave, was the one company to increase its sales in the first quarter compared with last year. Sales for the company this year totaled about 34,000, compared with slightly under 25,000 in the first 3 months of 1957.

Although the financial fortunes of American Motors have been improving, Ford's net earnings for the first 1958 quarter dropped to \$22,700,000 from \$100,500,000 in the first quarter of 1957.

General Motors earnings, not yet reported, are also expected to be substantially lower. Chrysler's first quarter report, however, was the most melancholy. The company showed a net loss of \$15,100,000 for the opening quarter compared with earnings of \$46,545,521 in the first quarter last year.

The slump in sales for the industry generally has had a drastic impact on employment. Almost from the appearance of the 1958 models last November there has been a downturn.

Layoffs have multiplied rapidly. Short workweeks and periodic plant shutdowns, usually for a week at a time, have become common as the manufacturers have sought to bring production into balance with inventories and sales.

#### EMPLOYMENT

The heavy layoffs in the auto companies have been paralleled to a degree in many of the associated industries that rise and fall with the fortunes of car manufacturers. In this State, where the industry is centered, unemployment has risen to 450,000, or 15.5 percent of the labor force; and in metropolitan Detroit alone there are 265,000, or 17.4 percent of the labor force, out of work.

The depressed state of the auto industry is expected to have an important bearing in the current negotiations between the United Automobile Workers and the auto companies. The union has asked for wage increases and a profit-sharing arrangement, but the dwindling profits of 1958 seem likely to have a moderating influence on this year's settlements.

The high unemployment is almost certain to tone down the union's militancy. Moreover, Walter P. Reuther, president of the union, has made it clear that he has no intention of helping the auto companies and dealers unload their heavy inventories at the expense of the workers through an ill-timed strike.

#### MINIMAL ACCORD

At this point all signs indicate a minimal settlement, with the union attempting to achieve a short-term contract that would permit a new bid for further economic gains when business conditions have improved.

The consensus of the industry, however, is that a genuine upturn is unlikely before the 1959 models are introduced in the fall. Top officials are studying market developments

carefully, of course, and are also watching the growing popularity of small economy cars.

Both Ford and General Motors are reported to be preparing to build such cars, but there is little evidence that the reappraisal of consumer likes and the future market has been so agonizing that the industry plans any startling switch.

The 1959 models, for the most part, will be about the same size, will be expensive, and will continue to be adorned with some of the chrome and gingerbread that have been eliciting criticism lately in both high and low places.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that the latest Economic Indicators from the April 27 New York Times be inserted in the RECORD, along with the New York Times Index of Business Activity for the week ended April 19, which shows a further drop to 176.9 from 177.0 in the preceding week.

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

*Economic Indicators, week ended Apr. 26, 1958<sup>1</sup>*

	Last week	Prior week	1957
Commodity index.....	84.1	84.7	88.5
Money in circulation.....thousands..	\$30,617,000	\$30,733,000	\$30,610,000
Commercial, industrial, agricultural loans.....do.	\$30,662,000	\$30,668,000	\$31,524,000
Steel operating rate.....percent.....	46.8	47.6	48.7
Steel production.....tons.....	1,265,000	1,285,000	2,269,000
Motor vehicle production.....do.....	75,741	89,874	148,238
Daily oil production.....barrels.....	6,250,535	6,186,885	7,550,965
Freight car loadings.....do.....	534,475	521,035	686,950
Electric power output.....thousand kilowatt-hours..	11,107,000	11,307,000	11,485,000
Business failures.....do.....	346	342	302

<sup>1</sup> Statistics for commercial-industrial-agricultural loans, steel, oil, electric power and business failures are for the preceding week and latest available.

<sup>2</sup> Estimated.

<sup>3</sup> Not comparable because of lower capacity.

*Monthly comparisons*

	March <sup>1</sup>	Prior month	1957
Consumer Price Index.....	123.3	122.3	118.9
Industrial production.....do.....	128	130	145
Employed.....do.....	62,311,000	61,988,000	63,865,000
Unemployed.....do.....	5,198,000	5,173,000	2,882,000
Personal income.....thousands..	\$341,400,000	\$341,700,000	\$320,300,000
Imports.....do.....	\$950,000	\$1,095,300	\$993,000
Exports.....do.....	\$1,344,900	\$1,510,900	\$1,611,000
Construction contracts.....do.....	\$19,53,422	\$2,066,059	\$2,161,009
Manufacturers, inventories.....do.....	\$52,500,000	\$52,900,000	\$52,900,000
Money supply.....do.....	\$132,900,000	\$132,100,000	\$134,500,000
	February <sup>1</sup>	Prior month	1957
Imports.....do.....	\$950,000	\$1,095,300	\$993,000
Exports.....do.....	\$1,344,900	\$1,510,900	\$1,611,000
Construction contracts.....do.....	\$19,53,422	\$2,066,059	\$2,161,009
Manufacturers, inventories.....do.....	\$52,500,000	\$52,900,000	\$52,900,000
Money supply.....do.....	\$132,900,000	\$132,100,000	\$134,500,000

<sup>1</sup> Figures shown are subject to revision by source.

Commodity Index and Consumer Price Index, based on 1947-49=100, are compiled by the Bureau of Labor Statistics. Industrial production is Federal Reserve Board's adjusted index of 1947-49=100. Manufacturers' inventories and personal income, at annual rate, are reported by the Department of Commerce. Construction contracts are reported by the F. W. Dodge Corp. Imports and exports are compiled by the Foreign Trade Division of the Department of Commerce. Money supply is total currency outside banks and demand deposits adjusted as reported by Federal Reserve Board. Business failures compiled by Dun & Bradstreet, Inc.

**BUSINESS INDEX EASED IN THE WEEK**

The New York Times Index of Business Activity in the week ended April 19, eased to 176.9 from 177.0 in the preceding week. The figure for the week ended April 20, 1957, was 204.6.

The table below gives the combined index with its components, each of which is adjusted for long-term trends.

	Weeks ended—		
	Apr. 19, 1958	Apr. 12, 1958	Apr. 20, 1957
Combined index.....	176.9	177.0	204.6
Miscellaneous carloadings.....	97.0	92.6	116.6
Other carloadings.....	61.2	61.9	84.0
Steel production.....	94.3	96.1	171.7
Electric power production.....	265.1	269.9	290.7
Paperboard production.....	260.7	252.9	279.5
Lumber production.....	102.9	98.0	109.7

Mr. HUMPHREY. Last but not least, Mr. President, I call attention to an article from the New York Times of April 27, entitled "Latin America Suffers," in which it is reported that as a result of the recession in the United States, South America is deep in economic crisis. I should like to read the concluding paragraph:

The Soviet Union, taking advantage of the situation, has indicated that it may try to move into the picture by promising to take South American commodities in exchange for Soviet equipment and other goods. In the face of present difficulties, there is a growing receptivity toward such possible deals.

I ask unanimous consent that this article be inserted at this point in the RECORD.

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

**LATIN AMERICA SUFFERS**

RIO DE JANEIRO, April 26.—Relying on the export of commodities for the bulk of its income, South America for the most part is deep in economic crisis in a backwash of the United States recession.

Because of the decline in prices that began last year and the drop in demand in the north for a number of commodities produced on this continent, many Latin American Republics have run out of hard currencies. The consequent lessening of the capacity to im-

port and the imposing of import controls have in turn raised the cost of the foreign goods that are vital to South America. The inflationary nightmare is more pronounced than ever.

As an example of currency depreciation due to insufficient exports, Brazil's cruzeiro was quoted at the end of this week at 126 to the United States dollar compared with 69 9 months ago, and everything points to a continuing downtrend. Chile and Peru, which are primarily producers of nonferrous metals, are receiving a double impact: Not only are their overseas sales decreasing in value and volume, but the United States, anxious to protect its own mining industry, is threatening them with increased customs duties that could knock much of the Chilean and Peruvian copper, lead, and zinc off the market.

So great is the dependence on the exporting of commodities that no domestic measures can make a serious dent in the crisis. Most of the governments are looking to Washington for some form of aid so that economic crises do not deteriorate into social and political troubles.

The Soviet Union, taking advantage of the situation, has indicated that it may try to move into the picture by promising to take South American commodities in exchange for Soviet equipment and other goods. In the face of present difficulties, there is a growing receptivity toward such possible deals.

Mr. HUMPHREY. Mr. President, it all adds up to the fact that as Congress debates legalisms over so-called labor management law, workers are without work, industries are operating at less than full capacity, retail establishments are beginning to feel the effect of lack of purchasing power, and the American economy is in retreat. It seems to me some of the oratory during the last few days over so-called abuses in the labor-management field could well have been devoted to pleas for a vital, productive economy. This is not to say those abuses do not need correction; they do; and I shall support legislation which is fair and equitable seeking such correction. I also want to make it crystal clear that the policy of wait and see, and the policy of peek-a-boo do not comprise the constructive leadership which is needed for the times.

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. The Senator from Minnesota cited figures showing the growing number of workers who are now drawing unemployment compensation or insurance. Does he have the numbers of those who have been drawing such unemployment compensation, but who are now cut off from such benefits and are still unemployed?

Mr. HUMPHREY. The number is in excess of half a million.

Mr. JOHNSTON of South Carolina. There are also a great many persons who do not draw unemployment compensation insurance. Does the Senator have the number of people in that category?

Mr. HUMPHREY. The total number of unemployed is estimated at 5,200,000-plus. The number of persons drawing unemployment compensation is estimated at 3,100,000. So a little more than 2,100,000 persons do not get any help at all.



Mr. JOHNSTON of South Carolina. The number of those persons has been constantly increasing month by month, has it not?

Mr. HUMPHREY. That is correct. In addition, there are 3 million more on part-time work so that they are unable properly to provide for their families, but they cannot draw unemployment benefits.

Mr. JOHNSTON of South Carolina. I know how true that statement is, because there are many persons working in textile mills only 3 and 4 days, instead of 5 days, a week.

#### SMALL BUSINESS ADMINISTRATION

Mr. THYE. Mr. President, from time to time I have urged that the Small Business Administration be given permanent status as a necessary agency of Government especially adapted to work with small-business men. I have pointed out that the temporary status of this agency makes it difficult to recruit and keep well-trained and conscientious personnel.

Recently, I received a copy of a letter which was addressed to the regional director of the Small Business Administration in Minneapolis by a small-business man in Minnesota. The letter indicates not only that SBA has in some instances done a good job of selecting qualified and conscientious personnel, but it also pays a tribute to those dedicated Federal employees who see in their Government positions an opportunity to be of real service to the taxpayer. We should encourage this type of employee to continue this good work.

I ask unanimous consent, Mr. President, that the letter, addressed to Mr. Robert Alm, be printed in the RECORD at this point as part of my remarks.

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

APRIL 17, 1958.

Mr. ROBERT ALM,

*Small Business Administration, Minneapolis, Minn.*

DEAR Mr. ALM: Because all phases of the transfer of responsibility and/or guaranty for our SBA loan with you from the former stockholders to Mr. Downer and myself have been completed, I can speak freely about the cooperation I have received from your department.

In each and every case of my contact with you and your subordinates, I have been treated courteously and, in many cases, you have been even more helpful than one could expect. I would like to specifically mention the practical way that Mr. O. L. Hanson advised me of the problems and the exacting way in which Mr. Gene Roulke worked with the analysis of our books.

So many times, in our everyday conversation, Government agencies are criticized. I feel it my duty to compliment you and your men when you have done such an excellent job.

We are now going at full rate of production and employ 88 people full time. This should underline the fact of the need for such an agency as yours.

Respectfully,

NORTHERN AIRCRAFT, INC.,  
ROY L. STRONG,  
President and General Manager.

#### SOLVING THE STUBBORN KLAMATH RESERVATION DILEMMA

Mr. NEUBERGER. Mr. President, in the past few months American Forests magazine, which is the official publication of the American Forestry Association, has been undertaking a most useful project. This involves the fate of the great ponderosa pine forest on the Klamath Indian Reservation, which is of importance to conservationists and those engaged in the lumber industry everywhere on the North American Continent.

American Forests magazine has been publishing a series of very thoughtful and comprehensive articles on this subject. For example, earlier in the series there were printed views of the Secretary of the Interior, Mr. Fred Seaton, and of such leading citizens of my State as Judge Robert Sawyer, of Bend, Oreg., and Mr. Bill Jenkins, a newspaperman of Klamath Falls, Oreg.

I was invited to join as an author of one of the articles in the series, and in the April 1958 issue of American Forests magazine there appears the article written by me about the Klamath situation entitled "Solving the Stubborn Klamath Dilemma."

I believe it is particularly appropriate that I should invite the article to the attention of the Senate today, because I am gratified to report that earlier this morning the Senate Committee on Interior and Insular Affairs, by a unanimous vote, agreed to report the Senate bill 3051, which I introduced in January at the request of the Secretary of the Interior, Mr. Seaton, and of the Eisenhower administration generally. The bill probably will be on the Senate calendar sometime during the next few weeks. It is my opinion that passage of the bill by the Senate, its passage later by the House, and its signing by the President, will afford great help in the conservation of the vital timber and marshland resources of the Klamath Reservation, and also in bringing about justice and equity in terms of payments to members of the Klamath Indian Tribe.

This forest is one of the greatest pine forests anywhere in the New World. It is vital that the forest be kept as a unit, and managed upon a perpetual-yield basis, rather than to be clear cut.

In conclusion, Mr. President, I wish to commend the editors of American Forests magazine for publishing over a number of months this series of articles which is so much in the public interest, and so much in the particular interest of wise timber conservation in the Pacific Northwest.

Mr. President, I ask unanimous consent that the article I have written, appearing in the April 1958 issue of American Forests magazine, be printed at this point in the CONGRESSIONAL RECORD.

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

SOLVING THE STUBBORN KLAMATH DILEMMA  
(By RICHARD L. NEUBERGER, United States Senator)

In Oregon, where I was born and raised, two ideas have motivated much of my career.

One has been a basic belief in the wise use and conservation of natural resources, as contrasted with their wasteful exploitation. The other has been a firm conviction that we have much to atone for in our shabby treatment of the American Indian, during the era when the West was being settled.

Both these propositions are heavily involved in the critical situation confronting the Klamath Indian Reservation in southeastern Oregon. They emphasize the fundamental purposes of my bill, S. 2047, which seeks to prevent the ponderosa pine timber and waterfowl marsh of this reservation from being made pawns in a bargain-basement sale that would occur under conditions highly adverse to the preservation of such resources.

And S. 2047 also has as its goal the assuring of a fair and generous price for the 2,133 enrolled members of the Klamath Tribe, to whom these resources belong as their rightful heritage.

My bill provides for Federal purchase of the Klamath Indian Reservation. The great pine forest would be placed under the supervision of the United States Forest Service, and thus added to the contiguous Rogue River, Fremont and Deschutes National Forests. The vast marsh, often used by some 80 percent of the birds traveling the Pacific flyway, would be made part of the refuge system of the Fish and Wildlife Service. The Indians would receive for these valuable assets a price based on a professional appraisal, but finally determined by negotiation.

This controversy has festered and simmered in our State for many years. Yet I pride myself on the fact that S. 2047 has attained more unified support than any comparable proposal, entailing similar debate, in Oregon in modern times. The bill for Federal purchase of the Klamath Reservation has enjoyed the backing of the Klamath Indian Tribal Council, of the management specialists appointed by the Interior Department to exercise custody over termination proceedings, of chambers of commerce and trade unions, of a major segment of the daily and weekly press, of the Oregon Legislative Interim Committee on Indian Affairs, of Gov. Robert D. Holmes, of leading conservation groups such as the Izaak Walton League of America and the Wildlife Management Institute, of women's clubs and farm organizations. Scarcely an echelon of social or economic life in our State has failed to endorse the bill.

Symbolic of this unified support is the manner in which the legislative interim committee spoke through two members in favor of S. 2047 at Congressional hearings in February; they were State Senator Leander Quiring, a prominent Republican who is the committee chairman, and his fellow committee member, David C. Epps, who is State chairman of the Democratic Party.

In view of such widespread bipartisan backing in our State for my Federal purchase bill, I continue to be puzzled as to why Secretary of the Interior Seaton—at the 11th hour—complicated the situation by reporting unfavorably on S. 2047 and then bringing forward his own alternative proposal for private purchase of the Klamath timber in 11 huge blocks. Federal acquisition would follow if private purchase failed to materialize. Inexplicably, the Seaton measure was drafted without consulting the management specialists, who had endorsed S. 2047 and who had become experienced in handling Klamath problems at the grassroots for nearly 4 years. In addition, they are the Interior Department's own representatives in this task.

I shall not go into further detail about the Seaton bill, because the Secretary, himself, described it at length in the February issue of American Forests. To be completely fair, I myself introduced Mr. Seaton's proposal

"by request," so that it could soon come before the Senate Subcommittee on Indian Affairs, of which I am the chairman. This bill is now known formally as S. 3051. I regard it as far less desirable than outright and direct Federal purchase, as called for in my measure. Yet, I am not going to be arbitrary or politically partisan about a matter as crucial to my native State as this. That is why I moved speedily to sponsor the Secretary's bill "by request." I am candid in confessing that the Seaton bill, in my estimation, is much to be preferred over any course which would let the present termination take full effect.

To me, the unwise and ill-conceived Klamath Termination Act, which was passed by Congress in 1954, can only be described by the unique phrase which the illustrious Winston Churchill once applied to the Soviet Union—"a riddle wrapped in a mystery, inside an enigma."

Hearings originally were held in Oregon on a bill for slow, orderly, and judicious abandonment of Federal supervision over the affairs and assets of the Klamath Tribe. Then, on the eve of the bill's passage, a clause was inserted allowing any registered member of the tribe to elect to withdraw and to collect his prorated share of the assets. This meant overnight dismemberment of the reservation, should any substantial proportion of the Indians decide to withdraw. Furthermore, the bill was sweetened to include a per capita payment of \$250 out of tribal funds for each Klamath member. Attorneys for the tribe have testified that this did much to neutralize Indian opposition to a measure which many of them instinctively mistrusted. Why was the per capita payment included? Who put it there? For what real purpose?

Indeed, the 1954 termination bill was so swiftly and surreptitiously overhauled on the threshold of its enactment that many of its earlier backers failed to recognize it. Here is what my Indian Affairs Subcommittee was told last October by William Ganong, Jr., representing the Klamath County Chamber of Commerce:

"The Congress substituted for section 5 of Senate bill 2745 the present section 5 of Public Law 587, which eliminated the period of further study and planning, and substituted a crash program for the sale of tribal assets. This was done without the knowledge of the people of Klamath County. In fact, the Klamath County Chamber of Commerce was unaware that this amendment had been made until after the bill had been enacted and signed by the President. There was absolutely no advance warning ever given the people of this county that Congress intended to make this change and radically depart from the bill upon which hearings had been held in this county."

Nor could ignorance of conditions in Oregon be pleaded for those in custody of the measure. The chairman of the Senate Committee on Interior and Insular Affairs at the time was Guy Cordon, veteran Senator from Oregon. Representative Sam Coon, of the Second Oregon Congressional District, where the Klamath Reservation is located, was in charge of the bill in the House. Ex-Governor Douglas McKay, of Oregon, was serving as Secretary of the Interior, and thus advising President Eisenhower as to whether or not the bill should be signed at the White House.

Despite this impressive dramatis personae from Oregon at the front of the stage, the unfortunate measure became Public Law 587, notwithstanding its peril to Oregon's economy by threatening to drop nearly 4 billion feet of prime ponderosa pine timber on the market, particularly at a time when Oregon lumber already is enduring a grim economic crisis.

And now it is my task to try to pick up the pieces.

In 1957 we managed to get a bill through the Senate delaying the final termination date until 1961 and providing \$1 million in Federal funds to reimburse the Klamath Tribe for the costs of this process. Unfortunately, the House sliced the reimbursement to \$550,000 and set August 13, 1960, as the closing termination date. This means that sale of the Klamath Forest, marsh and other outdoor treasures must commence under the auctioneer's gavel in August of this year, unless we can pass intervening legislation of a corrective nature by the end of the present 85th Congress. The sands of the Klamath hourglass are running out. We have only until midsummer to forestall actual operation of the 1954 Termination Act, which the Oregonian of Portland has described as premature and unrealistic.

I have emphasized some of the difficulties. There are many assets, too. In the beginning, I was prejudiced against the management specialists chosen by Secretary McKay to supervise liquidation of the tribe's holdings. After 1 of the 3 specialists had withdrawn under political fire to handle Mr. McKay's unsuccessful campaign for the Senate in 1956, it became my responsibility to work as closely as possible with the 2 remaining members of the team—Thomas B. Watters of Klamath Falls, and Eugene Favell of Lakeview. They are Republicans. I am a Democrat. Yet I pride myself upon believing that we have cooperated harmoniously and effectively. Mr. Watters is a man of dedicated responsibility. Mr. Favell has sacrificed his health in this cause. Together, they have made a further contribution by employing a forester of long and varied experience in the great Klamath tribal forest, Earl Wilcox. I doubt if any three other citizens could have handled a touchy and vexing task as competently as have the Messrs. Watters, Favell, and Wilcox. Without their herculean efforts, I fear the Klamath situation might be in chaos already.

The Klamath Indians, themselves, have been remarkably patient throughout this entire episode. They have understood the importance of continuing sustained-yield management of the timber and thus stabilizing the economy of the Klamath Basin. They have taken such an attitude, despite the fact that it may delay settlement of a vast tribal estate which could mean as much as \$55,000 per member when the prorated shares are finally distributed. I wonder how many non-Indian citizens would have done as much, were it predominantly an Indian community which had its future at stake?

Because of this splendid cooperation from the Klamath Tribe and its executive committee, I feel particularly conscious of our obligation to pay a fair and even generous price for the resources of the reservation. My bill promises to do this with greater assurance than does the Seaton bill. Let me explain why.

S. 2047 provides for the purchase by the Secretary of the Interior of all Klamath tribal lands at their fair market value. A three-man appraisal board—one member of which shall be elected by the Klamath Indians—is established to determine the value of the reservation based on the comprehensive appraisal recently completed by an agent of the management specialists. The board would, among other things, take into consideration the value of tribal minerals, and loss of hunting and fishing privileges, for which no appraisal has been made. After a thorough examination of all available data, the board would submit its report to the Interior Committees of each branch of Congress. Unless Congress provided otherwise, the board's recommendation would become effective 60 days after its submission. Secretary Seaton's bill, on the other hand, establishes a so-called realization value as the fair market value of

tribal timber units. This value is based on the assumption that 70 percent of the Klamaths will elect to have their shares of the tribal property liquidated, and that the timber must be sold within a 2-year period, on a competitive market, with no timber cutting restrictions.

This proposal departs from the traditional definition of a willing buyer and a willing seller not under compulsion, and would compel the Indians to accept a price based on a forced sale concept. The Klamaths have already indicated their dissatisfaction with Secretary Seaton's formula, because it does not provide just compensation for their property.

There is no substitute for justice or equity in dealing with Indians, or with anybody else for that matter. Our national record in giving the American Indian his fair share is not a happy one. I once spent nearly a whole night listening to Col. Charles Erskine Scott Wood, then the oldest living graduate of West Point, describe his shame and mortification over how our troops fired with Gatling guns into teepees where Nez Perce Indian children and squaws were concentrated. In a recent book, *Whoop-Up Country* (University of Minnesota Press, \$5), Prof. Paul F. Sharp, of the University of Wisconsin, has compared the success of the Northwest Mounted Police in dealing with the Indians on the old frontier, as contrasted with our own failures.

"From the moment of their arrival in the West," Professor Sharp writes, "the Mounted Police regarded their mission to the Indians as paramount. \* \* \* Their simplest decision, though it was also their most important, was to treat the Indians with honesty and respect. The tragic record of deceit and broken faith provoked by the forked tongues of the Long Knives had cost the American Government millions of dollars and thousands of lives. \* \* \* American experience served as guide and warning to Canadian officials. It convinced them that no policy could succeed, unless it was based on consistency and integrity."

This legacy from out of the pioneer past should demonstrate how to treat the Klamaths in the crisis upon us today.

Nor can I complete this discussion without paying tribute to the responsible attitude taken by the bulk of the press in Oregon. This is a complex and involved issue. It lacks glamor; even its geographic location is remote from the metropolitan centers of the State. But it has at stake the future of a precious resource. At its heart, also, is the question of justice and equity in dealing with the descendants of America's original owners, even though some of these people may need guardians or trustees to help in husbanding their funds. Oregon's newspapers have discussed the question thoroughly and objectively. The Klamath termination issue has been studied with care by journalists like former Gov. Charles A. Sprague, of the Salem Statesman; Herbert Lundy and Malcolm C. Bauer, of the Oregonian; Roy J. Beadle, of the Oregon Journal; Robert Frazier and William Dean, of the Eugene Register-Guard; Robert W. Chandler, of the Bend Bulletin; Frank Jenkins, of the Klamath Falls News & Herald; J. W. Forester, of the Pendleton East-Oregonian; Eric Allen, of the Medford Mail-Tribune; and Charles V. Stanton, Roseburg News-Review. I am grateful to them for awakening public understanding to the significance of the problem. For example, Mr. Chandler, of the Bulletin, has set forth in admirably succinct fashion the three fundamental phases of this stubborn dilemma. Here are his words:

"1. To obtain the maximum possible dollar amount for the Indian owners of the reservation.

"2. While doing so, to assure that the timber, water, and wildlife resources of the



reservation will continue to be managed wisely for the benefit of all the rest of the people.

"3. Some method of handling must be decided upon which will assure wise management of the resulting funds for those unable or untrained to provide that management themselves."

I endorse Mr. Chandler's three points unreservedly.

In a letter to me, dated September 26, 1957, Secretary Seaton included this paragraph:

"The two problems confronting both the Federal Government and the State of Oregon are protecting the property rights of the Klamath Indians on the one hand, and providing for the sustained-yield management of an important natural-resource area on the other. Public ownership would accomplish both of these objectives. If there is any reasonable alternative to public ownership which would accomplish the same results, we believe such an alternative should be thoroughly explored."

I do not think the Secretary's prowess as an explorer, alas, can compare with that of Lewis and Clark. It seems to me the proposal of the Interior Department lacks the merit of the clear-cut, specific provisions of my bill. Under the Department's measure, it would be possible for a large lumber company to buy 1 or 2 panels out of the very heart of the Klamath checkerboard. This would compound the administrative difficulties of administering the remainder of the lands as a national forest. It could become a duplication of the legal labyrinth in western Oregon where private lands, O. & C. lands and State lands form a complicated mosaic. Right now, to cite an example, I am pressing the State's claim for \$181,000 in firefighting costs as a result of the Vincent Creek fire of 1951, which roared across this tangled pattern of land ownerships.

Furthermore, the Seaton bill would pose two questionable precedents. It would sell the Indian timberlands only in immense tracts which none but the largest lumber operators could even contemplate bidding upon. Small wonder that the Western Forest Products Industries, representing small- and medium-sized sawmills, testified against the measure. Secondly, the Seaton bill would create the practice of requiring a sustained-yield covenant to accompany timberland sold into fee-simple private ownership. I wonder what the large lumber companies think of this? In the 1930's, they bitterly opposed the bills by Representative Walter M. Pierce of Oregon to require certain comparatively mild silviculture methods on private lands. The Secretary's Klamath proposal goes far beyond that. What attitude do the big timber corporations take toward such a startling precedent? Even the more liberal Western Forest Products Industries has criticized it, through testimony by its counsel, Leonard Netzorg.

In testifying before the Senate Subcommittee on Indian Affairs, one of America's great and distinguished foresters summarized the obligations facing us in this situation. Declared Lyle F. Watts, ex-chief of the United States Forest Service:

"It is the Federal Government that has raised the issue of the disposal of this property. Traditionally, the Federal Government has assumed responsibility for the American Indian. It would seem that primary responsibility for the future management of the property rests with the Federal Government. Federal acquisition and management would seem to be the proper answer to the problem."

It was the Federal Government which negotiated the treaties with the Klamaths and their Modoc cousins long ago. It was the Federal Government which drove the martyred Chief Joseph from the Northwest and took his pathetic surrender 1,000 bloody miles eastward in Montana. It was the Federal Government which mistakenly ordained the premature termination over the Klamaths in 1954. And yet, by a curious irony, it is this same Federal Government which is best equipped and staffed to manage in perpetuity the tribal timber holdings of the Klamath Tribe and to safeguard the marsh where pilgrimages of ducks and wild geese may find nesting, breeding, and feeding grounds.

We have 148 magnificent national forests today. They provide timber stumpage, grazing uplands, watershed protection, hiking, camping, skiing, fishing, and hunting for Americans in virtually every realm of our Nation's life. Why not make this number 149? I am certain that the Klamath National Forest, acquired from the progeny of the earliest Americans, would be a worthy inclusion in the great system of outdoor preserves which President Theodore Roosevelt and his forester, Gifford Pinchot, founded nearly half a century ago.

I have emphasized that, despite some of my real misgivings with respect to the administration bill, I consider it far superior to even any remote thought of permitting termination to run its disastrous course under Public Law 587.

The dumping of 4 billion board-feet of pine timber on Oregon's already sagging lumber market could lead to economic ruin for Indian and non-Indian alike. After a careful canvass of the situation prevailing in the Senate and House, I came to the conclusion that the administration's proposal, which I introduced by request on January 16, had a somewhat better likelihood of enactment than my own outright Federal-purchase proposal.

A number of Senators, disturbed over the substantial sums required to buy the Klamath forest and marsh, told me that they believed private purchasers should have first refusal of the timber before the Fed-

eral Treasury was tapped to finance the undertaking. This included Senators of both political parties.

Accordingly, I decided to sacrifice pride of authorship and any sense of partisanship, in an effort to try to make certain that chaos in the lumber industry of southeastern Oregon can be prevented.

On March 6, at a meeting of the Senate Indian Affairs Subcommittee, I urged my fellow members to report S. 3051, the administration bill, with certain clarifying and improving amendments. For example, I suggested that the sustained-yield covenant be required to run for 100 years rather than 75, because of the slow-growing qualities of ponderosa pine. Senator ARTHUR WATKINS, of Utah, ranking Republican member of the subcommittee, was completely cooperative in working with me toward this goal. As a result, the Indian Affairs Subcommittee approved the bill. In view of the fact that a substantial segment of the Pacific Northwest's economy may be at stake, I felt such an outcome was infinitely preferable to a prolonged partisan controversy which might have followed insistence upon my own bill.

I could have waged a prolonged fight for S. 2047, at some political credit to myself, but the principal victims could have been the Indians who own the Klamath timberlands and the Oregon communities which depend upon the raw material of the Klamath Forest as the source of their livelihood.

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

#### MILITARY PAY ACT OF 1958

**MR. BIBLE.** Mr. President, if there is no further morning business, I ask that the Presiding Officer lay before the Senate the unfinished business.

**THE PRESIDING OFFICER.** The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 11470) to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes, which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert:

That the Career Compensation Act of 1949, as amended, is amended as follows:

(1) Section 201 (a), as amended (37 U. S. C. 232 (a)), is amended by striking out the tables therein and inserting the following tables in place thereof:

#### "Commissioned officers

##### "YEARS OF SERVICE

*Pay grade	Under 2 years	Over 2 years	Over 3 years	Over 4 years	Over 5 years	Over 6 years	Over 8 years	Over 10 years	Over 12 years	Over 14 years	Over 16 years	Over 18 years	Over 20 years	Over 22 years	Over 26 years	Over 30 years
O-10 <sup>1</sup>	\$1,200.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,300.00	\$1,300.00	\$1,300.00	\$1,400.00	\$1,400.00	\$1,500.00	\$1,500.00	\$1,600.00	\$1,600.00	\$1,700.00	\$1,700.00
O-9	1,063.30	1,100.00	1,122.00	1,122.00	1,122.00	1,150.00	1,150.00	1,200.00	1,200.00	1,200.00	1,300.00	1,300.00	1,400.00	1,400.00	1,500.00	1,500.00
O-8	963.30	1,000.00	1,022.00	1,022.00	1,022.00	1,100.00	1,100.00	1,150.00	1,150.00	1,150.00	1,200.00	1,250.00	1,300.00	1,350.00	1,350.00	1,350.00
O-7	800.28	860.00	860.00	860.00	900.00	900.00	950.00	950.00	1,000.00	1,000.00	1,100.00	1,175.00	1,175.00	1,175.00	1,175.00	1,175.00
O-6	592.80	628.00	670.00	670.00	670.00	670.00	670.00	670.00	690.00	690.00	800.00	840.00	860.00	910.00	985.00	985.00
O-5	474.24	503.00	540.00	540.00	540.00	540.00	540.00	560.00	590.00	590.00	680.00	720.00	745.00	775.00	775.00	775.00
O-4	400.14	424.00	455.00	455.00	465.00	485.00	520.00	550.00	570.00	570.00	610.00	630.00	630.00	630.00	630.00	630.00
O-3	326.04	346.00	372.00	415.00	440.00	460.00	480.00	510.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00
O-2	259.36	291.00	360.00	370.00	380.00	380.00	380.00	380.00	380.00	380.00	380.00	380.00	380.00	380.00	380.00	380.00
O-1 <sup>2</sup>	222.30	251.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00	314.00

<sup>1</sup> While serving as Chairman of Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, basic pay for this grade is \$1,875 regardless of cumulative years of service.

<sup>2</sup> Does not apply to commissioned officers who have been credited with over 6 years' active service as an enlisted member.

*"Commissioned officers who have been credited with over 6 years' active service as an enlisted member"*

**"YEARS OF SERVICE"**

"Pay grade"	Over 6 years	Over 8 years	Over 10 years	Over 12 years	Over 14 years	Over 16 years	Over 18 years	Over 20 years	Over 22 years	Over 26 years	Over 30 years
O-3-----	\$440.00	\$460.00	\$480.00	\$510.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00
O-2-----	380.00	395.00	415.00	435.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00
O-1-----	335.00	350.00	365.00	380.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00

**"Warrant officers"**

**"YEARS OF SERVICE"**

"Pay grade"	Under 2 years	Over 2 years	Over 3 years	Over 4 years	Over 6 years	Over 8 years	Over 10 years	Over 12 years	Over 14 years	Over 16 years	Over 18 years	Over 20 years	Over 22 years	Over 26 years	Over 30 years
W-4-----	\$332.90	\$376.00	\$376.00	\$383.00	\$399.00	\$416.00	\$435.00	\$465.00	\$486.00	\$504.00	\$516.00	\$528.00	\$543.00	\$575.00	\$595.00
W-3-----	302.64	343.00	343.00	348.00	353.00	380.00	398.00	412.00	427.00	441.00	458.00	470.00	487.00	506.00	506.00
W-2-----	264.82	298.00	298.00	307.00	328.00	342.00	355.00	369.00	381.00	393.00	406.00	417.00	440.00	440.00	440.00
W-1-----	219.42	266.00	266.00	285.00	299.00	313.00	334.00	345.00	354.00	364.00	375.00	390.00	390.00	390.00	390.00

**"Enlisted members"**

**"YEARS OF SERVICE"**

"Pay grade"	Under 2 years	Over 2 years	Over 3 years	Over 4 years	Over 6 years	Over 8 years	Over 10 years	Over 12 years	Over 14 years	Over 16 years	Over 18 years	Over 20 years	Over 22 years	Over 26 years	Over 30 years
E-9-----							\$380.00	\$390.00	\$400.00	\$410.00	\$420.00	\$430.00	\$440.00	\$440.00	\$440.00
E-8-----						\$310.00	320.00	330.00	340.00	350.00	360.00	370.00	380.00	380.00	380.00
E-7-----	\$206.39	\$236.00	\$236.00	\$250.00	\$260.00	270.00	285.00	300.00	310.00	325.00	340.00	350.00	350.00	350.00	350.00
E-6-----	175.81	200.00	200.00	225.00	235.00	245.00	255.00	265.00	275.00	280.00	290.00	290.00	290.00	290.00	290.00
E-5-----	145.24	180.00	180.00	205.00	210.00	220.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00
E-4-----	122.30	150.00	150.00	170.00	180.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00
E-3-----	99.37	124.00	124.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00
E-2-----	85.80	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00
E-1-----	83.20	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00
E-1 (under 4 months)-----	78.00"														

(2) Section 201 (b) (37 U. S. C. 232 (b)), is amended by striking out the table therein and inserting the following table in place thereof:

"Pay grade"	Army, Air Force, and Marine Corps	Navy, Coast Guard, and Coast and Geodetic Survey	Public Health Service
O-10-----	General	Admiral	Surgeon General.
O-9-----	Lieutenant general	Vice admiral	Deputy Surgeon General.
O-8-----	Major general	Rear admiral (upper half)	Assistant Surgeon General having rank of major general.
O-7-----	Brigadier general	Rear admiral (lower half) and commodore	Assistant Surgeon General having rank of brigadier general.
O-6-----	Colonel	Captain	Director grade.
O-5-----	Lieutenant colonel	Commander	Senior grade.
O-4-----	Major	Lieutenant commander	Full grade.
O-3-----	Captain	Lieutenant	Senior assistant grade.
O-2-----	1st lieutenant	Lieutenant (junior grade)	Assistant grade.
O-1-----	2d lieutenant	Ensign	Junior assistant grade."

(3) Section 201 (c), as amended (37 U. S. C. 232 (c)), is amended by adding the following at the end thereof: "However, except as provided in section 209 of this title, an enlisted member may not be placed in pay grade E-8 or E-9 until he has completed at least 8 years or 10 years, respectively, of cumulative years of enlisted service creditable in the computation of his basic pay. Except as provided in section 209 of this title, the authorized daily average number of enlisted members on active duty (other than for training) in any uniformed service

in pay grades E-8 and E-9 may not be more than 2 percent and 1 percent, respectively, of the number of enlisted members of that uniformed service who are on active duty (other than for training) on January 1 of each year."

(4) Section 201 (d) is amended by striking out the last sentence and inserting the following in place thereof: "Any payments accruing under any law to any member of a uniformed service incident to his release from active duty or active duty for training or for his return home incident to release from that duty, may be paid to that mem-

ber before his departure from his last duty station, whether or not he actually performs the travel involved. If a member receives a payment under this subsection but dies before that payment would but for this subsection have been made, no part of that payment is recoverable by the United States."

(5) Section 201 (f) (37 U. S. C. 232 (f)) is repealed.

(6) (A) That part of the table in section 204 (b) (37 U. S. C. 235 (b)) relating to commissioned officers is amended to read as follows:

**"Commissioned officers"**

"Pay grade"	Years of service													
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-10-----	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
O-9-----	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00
O-8-----	155.00	155.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00	165.00
O-7-----	150.00	150.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00
O-6-----	200.00	200.00	215.00	215.00	215.00	215.00	215.00	215.00	215.00	220.00	245.00	245.00	245.00	245.00
O-5-----	190.00	200.00	205.00	205.00	205.00	205.00	205.00	210.00	225.00	230.00	245.00	245.00	245.00	245.00
O-4-----	170.00	170.00	185.00	185.00	185.00	195.00	210.00	215.00	220.00	250.00	240.00	240.00	240.00	240.00
O-3-----	145.00	145.00	155.00	165.00	180.00	185.00	200.00	200.00	205.00	205.00	205.00	205.00	205.00	205.00
O-2-----	115.00	125.00	150.00	150.00	160.00	165.00	170.00	180.00	185.00	185.00	185.00	185.00	185.00	185.00
O-1-----	100.00	105.00	135.00	135.00	140.00	145.00	155.00	160.00	170.00	170.00	170.00	170.00	170.00	170.00"



(B) That part of the table in section 204 (b) (37 U. S. C. 235 (b)) relating to enlisted members is amended to read as follows:

*"Enlisted personnel"*

"Pay grade"	Years of service														
	Under 2	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30	
E-9.....	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	
E-8.....	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	
E-7.....	80.00	85.00	85.00	85.00	90.00	95.00	100.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	
E-6.....	70.00	75.00	75.00	80.00	85.00	90.00	95.00	95.00	100.00	100.00	100.00	100.00	100.00	100.00	
E-5.....	60.00	70.00	70.00	80.00	80.00	85.00	90.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	
E-4.....	55.00	65.00	65.00	70.00	75.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	
E-3.....	55.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	
E-2.....	50.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	
E-1.....	50.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	
E-1 (under 4 months).....	50.00														
Aviation cadets.....	50.00														

(7) The table in section 206 (37 U. S. C. 237) is amended to read as follows:

"Pay grades"	Monthly rates
E-9.....	\$22.50
E-8.....	22.50
E-7.....	22.50
E-6.....	20.00
E-5.....	16.00
E-4.....	13.00
E-3.....	9.00
E-2.....	8.00
E-1.....	8.00

(8) The following new sections are added after section 208:

**"PROFICIENCY PAY"**

"SEC. 209. (a) An enlisted member of a uniformed service entitled to basic pay and designated as possessing special proficiency in a military skill of the service concerned may—

"(1) be advanced to any enlisted pay grade prescribed in section 201 (a) of this act that is higher than his pay grade at the time of designation and receive the pay, allowances, and special or incentive pays of the higher pay grade in accordance with his cumulative years of service for pay purposes; or

"(2) in addition to any pay, allowances, special or incentive pays to which he is entitled under this act, be paid proficiency pay at a monthly rate not to exceed the maximum rate prescribed in the following table for the proficiency rating to which he is assigned:

"Proficiency Rating"	Maximum Monthly Rates
P-1.....	\$50
P-2.....	100
P-3.....	150

"(b) An enlisted member who has less than 8 or 10, as the case may be, of cumulative years of enlisted service for basic pay purposes and who is advanced under subsection (a) (1) to pay grade E-8 or E-9, respectively, is entitled to the minimum amount of basic pay, allowances, and special or incentive pays prescribed for that pay grade until such time as his cumulative years of service for pay purposes entitles him to a higher rate of such pays.

"(c) The Secretary concerned shall determine whether enlisted members of any uniformed service under his jurisdiction are to be paid proficiency pay either under subsection (a) (1) or (a) (2). However, he may elect only one of these methods of paying proficiency pay for each uniformed service under his jurisdiction. If he elects to have proficiency pay paid under subsection (a) (1), enlisted members in a military rank assigned to pay grades E-8 and E-9 may be paid proficiency pay at a monthly rate not to exceed the maximum rate prescribed in subsection (a) (2). If he elects to have proficiency pay paid under subsection (a) (2), he shall prescribe, within

the limitations set forth in subsection (a) (2), the amount of such pay for each proficiency rating prescribed therein. He shall also designate, from time to time, those skills within each uniformed service under his jurisdiction in which proficiency pay is authorized, and shall prescribe the criteria under which members of that uniformed service are eligible for a proficiency rating in each such skill. He may, whenever he deems it necessary, increase, decrease, or abolish proficiency pay for any such skill.

"(d) This section shall be administered under regulations prescribed by the Secretary of Defense for the uniformed services under his jurisdiction, and by the Secretary of the Treasury for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

**"SPECIAL PAY—CERTAIN DESIGNATED OFFICERS"**

"SEC. 210. (a) An officer of an armed force who is entitled to the basic pay of pay grade O-3, O-4, O-5, or O-6, and who is designated by the Secretary concerned, because of assignment and duties being performed, as holding a command or staff position of unusual responsibility and of a critical nature to the service concerned, may, in addition to any other pay prescribed by law, be paid special pay at a monthly rate as follows:

"Pay grade"	Monthly rate
O-3.....	\$50.00
O-4.....	50.00
O-5.....	100.00
O-6.....	150.00

The Secretary shall prescribe the criteria and circumstances under which officers of the Armed Forces under his jurisdiction are eligible for pay under this section and may, whenever he considers it necessary, abolish such special pay.

"(b) Not more than 5 percent of the number of officers on active duty in any armed force in pay grade O-3, and not more than 10 percent of the number of officers on active duty in any armed force in any of pay grades O-4, O-5, or O-6, may receive special pay under this section.

"(c) This section shall be administered under regulations to be prescribed by the Secretary of Defense for the Armed Forces under his jurisdiction, and by the Secretary of the Treasury for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

"(d) This section does not apply to any person who is entitled to special pay under section 203 of this act.

"(e) The Secretary of Defense shall report to Congress by March 1 of each year on the administration of this section within each military department during the preceding calendar year. The Secretary of the Treasury shall make a similar report for the Coast Guard when the Coast Guard is not operating as a service in the Navy."

(9) The table in section 302 (f) (37 U. S. C. 252 (f)) is amended to read as follows:

"Pay grade"	With dependents	Without dependents
O-10.....	\$171.00	\$136.80
O-9.....	171.00	136.80
O-8.....	171.00	136.80
O-7.....	171.00	136.80
O-6.....	136.80	119.70
O-5.....	136.80	102.60
O-4.....	119.70	94.20
O-3.....	102.60	85.50
O-2.....	94.20	77.10
O-1.....	85.50	68.40
W-4.....	119.70	94.20
W-3.....	102.60	85.50
W-2.....	94.20	77.10
W-1.....	85.50	68.40
E-9.....	67.50	45.00
E-8.....	67.50	45.00
E-7.....	67.50	45.00
E-6.....	67.50	45.00
E-5.....	67.50	45.00
E-4 (7 or more years' service) <sup>1</sup>	67.50	45.00
E-4 (less than 7 years' service) <sup>1 2</sup>	45.00	45.00
E-3.....	45.00	45.00
E-2.....	45.00	45.00
E-1.....	45.00	45.00

<sup>1</sup> Service authorized to be credited in computation of basic pay pursuant to sec. 202 of this act.

<sup>2</sup> Considered at all times as without dependents pursuant to subsec. (a) of this section."

(10) Section 302 (h) (37 U. S. C. 252 (h)) is amended by striking out the words "E-6 and E-7" and inserting the words "E-6, E-7, E-8, and E-9" in place thereof.

(11) Section 304 (c) (37 U. S. C. 254 (c)) is amended by adding the following new sentence at the end thereof: "An officer entitled to receive basic pay shall, while serving as Surgeon General of the Public Health Service, in lieu of any other personal money allowance authorized by this section but in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of \$1,200 per annum."

SEC. 2. The tables in section 1 (c) of the act of May 19, 1952, chapter 310 (66 Stat. 79), are amended to read as follows:

"Pay grade"	Not over 2 dependents	Over 2 dependents
E-9.....	\$77.10	\$96.90
E-8.....	77.10	96.90
E-7.....	77.10	96.90
E-6.....	77.10	96.90
E-5.....	77.10	96.90
E-4.....	77.10	96.90

"Pay grade"	1 dependent	2 dependents	Over 2 dependents
E-3.....	\$51.30	\$77.10	\$96.90
E-2.....	51.30	77.10	96.90
E-1.....	51.30	77.10	96.90

Sec. 3. (a) Notwithstanding any other provision of law, except section 4 of this act and subsection (b) of this section, the changes in rates of basic pay made by this act do not increase the amount of retired pay, retirement pay, retainer pay, or equivalent pay to which any person is entitled on the day before the effective date of this act.

(b) Notwithstanding any other provision of law, except the last sentence of section 6483 (b) of title 10, United States Code, a member of a uniformed service who became entitled to retired or retainer pay before the effective date of this act, and who performed a period of continuous active duty of at least one year after becoming entitled to that pay, is entitled, upon release from that active duty on or after the effective date of this act, to recompute that pay based on the rates of pay set forth in the Career Compensation Act of 1949, as amended by this act.

(c) Notwithstanding any other provision of law, except subsection (b) of this section, a member of a uniformed service who became entitled to retired or retainer pay before the effective date of this act, and who on or after that date is advanced on the retired list to, or is transferred to a retired list in, a grade higher than the grade he held on the date when he became entitled to that retired or retainer pay, shall have his retired pay computed on the basis of the basic pay set forth in the Career Compensation Act of 1949 on the day before the effective date of this act, plus 6 percent of that pay.

Sec. 4. (a) Except for members covered by section 7 of this act and persons with 2 or less years of service for basic pay purposes who were retired for physical disability or placed on the temporary disability retired list, members and former members of the uniformed services who are entitled to retired pay, retirement pay, retainer pay, or equivalent pay, on the day before the effective date of this act, shall be entitled to an increase of 6 per centum of that pay to which they were entitled on that date.

(b) Notwithstanding any other provision of law, a member of a uniformed service retired under any provision of law, or transferred to the Fleet Reserve or Fleet Marine Corps Reserve, on the effective date of this act shall have his retired pay or retainer pay computed on the basis of the rates of basic pay set forth in the Career Compensation Act of 1949, as amended by this act, or on the rates of basic pay set forth in the Career Compensation Act of 1949 on the day before the effective date of this act, plus 6 percent of that pay, whichever is greater.

(c) Section 5 of the Career Incentive Act of 1955 (69 Stat. 22) does not apply to any person who is retired, or to whom retired pay, retirement pay, retainer pay, or equivalent pay (including temporary disability retired pay) is granted, on or after the effective date of this act.

Sec. 5. Section 4 (a) (1) of the Armed Forces Leave Act of 1946 (37 U. S. C. 33) is amended by striking out the word "three" and inserting in place thereof the word "five".

Sec. 6. Title 10, United States Code, is amended as follows:

(1) Footnote 1 of section 3991 is amended to read as follows:

"For the purposes of this section, determine member's retired grade as if section 3962 (d) did not apply and, for an officer who has served as Chief of Staff, compute at the highest rates of basic pay applicable to him while he served in that office."

(2) Section 5083 is amended by striking out the words "and with retired pay based on that grade" and adding the following new sentence at the end thereof: "The retired pay of such an officer shall be computed at the highest rates of basic pay applicable to him while he served in that office."

(3) Section 5201 (c) is amended by striking out the words "and with retired pay based on that grade" and adding the following new sentence at the end thereof: "The retired pay of such an officer shall be computed at the highest rates of basic pay applicable to him while he served in that office."

(4) Section 5233 is amended by inserting before the period at the end of the first sentence the words "and with retired pay based on that grade", and by striking out the last sentence thereof.

(5) Section 6483 (b) is amended by adding the following sentence at the end thereof: "If recalled to active duty in the grade he holds on the retired list under section 6150 of this title, or under any other law which authorized advancement on the retired list by reason of a special commendation for the performance of duty in actual combat, he may, upon release from active duty on or after the effective date of this sentence, have his retired pay recomputed on the basis of the then monthly basic pay of the grade he holds on the retired list only if he has served on that duty for a continuous period of at least two years."

(6) Footnote 1 of section 8991 is amended to read as follows:

"For the purposes of this section, determine member's retired grade as if section 8962 (c) did not apply and, for an officer who has served as Chief of Staff, compute at the highest rates of basic pay applicable to him while he served in that office."

(7) Chapter 71 is amended as follows: (A) Column 1 of formula 1 and column 1 of formula 2 of section 1401 are each amended to read as follows:

"Monthly basic pay<sup>1</sup> of grade to which member is entitled under section 1372, increased, for members credited with two or less years of service for basic pay purposes, by 6 percent."

(B) By adding the following footnote at the end of section 1401:

"For an officer who served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, compute at the highest rates of basic pay applicable to him while he served in that office."

(C) By adding the following new section at the end thereof:

"1405. Chairman of Joint Chiefs of Staff  
"Unless entitled to higher pay and allowances under another provision of law, a member of an armed force who has served as Chairman of the Joint Chiefs of Staff, who is credited with over 30 years of service in the computation of his basic pay, and who is entitled to retired pay, is entitled to retired pay at the rate of 75 percent of the active duty basic pay of an officer serving as Chairman of the Joint Chiefs of Staff."

(D) By adding the following new item at the end of the analysis:

"1405. Chairman of Joint Chiefs of Staff  
The amendments made by clauses (1)-(3), (6), and (7) (A) and (B) of this section do not apply to any person who is retired, or to whom retired pay (including temporary disability retired pay) is granted, before the effective date of this act."

Sec. 7. Notwithstanding any other provision of law, each officer entitled to pay and allowances under any of the following provisions of law shall continue to receive the pay and allowances to which he was entitled on the day before the effective date of this act:

(1) The act of March 23, 1946 (60 Stat. 59).

(2) The act of June 26, 1948 (62 Stat. 1052).

(3) The act of September 18, 1950 (Private Law 957, 81st Cong.).

Sec. 8. Section 110 of the Federal Executive Pay Act of 1956 (70 Stat. 740) is repealed.

Sec. 9. This act becomes effective on the first day of the month following the month in which it is enacted.

Sec. 10. The enactment of this act shall not operate to reduce—

(1) the basic pay or retired pay to which a member or former member of a uniformed service was entitled on the day before the effective date of this act; or

(2) the rate of dependency and indemnity compensation under section 202 of the Servicemen's and Veterans' Survivor Benefits Act which any person was receiving on the day before the effective date of this act or which thereafter becomes payable for that day by reason of a subsequent determination.

Sec. 11. (a) Title 10, United States Code, is amended as follows:

(1) Chapter 71 is amended—

(A) by adding the following new section at the end thereof:

"§ 1406. Years of service

"For the purposes of section 1401 (formula 4), 3888 (1), 3927 (b) (1), 3991 (formula B), 6151 (b), 6325 (a) (2) and (b) (2), 6381 (a) (2), 6383 (c) (2), 6390 (b) (2), 6394 (g) (2), 6396 (c) (2), 6398 (b) (2), 6399 (c) (2), 6400 (b) (2), 8888 (1), 8927 (b) (1), or 8991 (formula B) of this title, the years of service of a member of the Armed Forces are computed by adding—

"(1) his years of active service;

"(2) the years of service credited to him under section 233 (a) (7) of title 37;

"(3) the years of service, not included in clause (1) or (2) with which he was entitled to be credited, on the day before the effective date of this section, in computing his basic pay; and

"(4) the years of service, not included in clause (1), (2), or (3), with which he would be entitled to be credited under section 1333 of this title, if he were entitled to retired pay under section 1331 of this title.

For the purpose of this section, a part of a year that is 6 months or more is counted as a whole year, and a part of a year that is less than 6 months is disregarded; and

(B) by adding the following new item at the end of the analysis:

"1406. Years of service."

(2) Formula 4 of section 1401 is amended by striking out the words "in computing basic pay" and inserting the words "under section 1406 of this title" in place thereof.

(3) Section 3888 (1) is amended by striking out the words "credited to him in computing his basic pay" and inserting the words "that may be credited to him under section 1406 of this title" in place thereof.

(4) Section 3927 (b) (1) is amended by striking out the words "credited to him in computing his basic pay" and inserting the words "that may be credited to him under section 1406 of this title" in place thereof.

(5) Formula B of section 3991 is amended by striking out the words "credited to him in determining basic pay" and inserting the words "credited to him under section 1406 of this title" in place thereof.

(6) The following sections are amended by striking out the words "creditable for basic pay" wherever they appear therein and inserting the words "that may be credited to him under section 1406 of this title" in place thereof:

(A) 6151 (b).

(B) 6325 (a) (2) and (b) (2).

(C) 6381 (a) (2).

(D) 6383 (c) (2).

(E) 6390 (b) (2).

(F) 6394 (g) (2).

(G) 6396 (c) (2).

(H) 6398 (b) (2).

(I) 6399 (c) (2).

(J) 6400 (b) (2).

(7) Section 8888 (1) is amended by striking out the words "credited to him in computing his basic pay" and inserting the words "that may be credited to him under section 1406 of this title" in place thereof.



(8) Section 8927 (b) (1) is amended by striking out the words "credited to him in computing his basic pay" and inserting the words "that may be credited to him under section 1406 of this title" in place thereof.

(9) Formula B of section 8991 is amended by striking out the words "credited to him in determining basic pay" and inserting the words "credited to him under section 1406 of this title" in place thereof.

(b) Section 423 of title 14, United States Code, is amended by striking out the words "for which he was entitled to credit in the computation of his pay when last on active duty" and inserting the words "that may be credited to him under section 1406 of title 10" in place thereof.

(c) Section 16 (a) of the Act of June 3, 1948, chapter 390 (33 U. S. C. 853o (a)), is amended by striking out the words "for which entitled to credit in the computation of his pay while on active duty" and inserting the words "that may be credited to him under section 1406 of title 10, United States Code, as if his service were service as a member of the armed forces" in place thereof.

**THE PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

**MR. BIBLE.** Mr. President, I suggest the absence of a quorum.

**THE PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

**THE PRESIDING OFFICER.** Without objection, it is so ordered.

**MR. STENNIS.** Mr. President, the pending bill is House bill 11470, the so-called military pay bill. I have prepared remarks which reflect a summary of the thinking of the subcommittee, and I think also of all members of the full Committee on Armed Services. I have sent a copy of my statement to the press gallery. I will say, for the benefit of the press, that the statement will be included in my remarks in the *Record*, although I shall now refer to some of the points perhaps not in the order in which they are dealt with in the prepared statement.

The pending bill is a highly important measure, affecting the pay and compensation of all members of the military services. Such compensation now amounts to \$8.7 billion a year, which, when added to the cost of food and furnishings, and the cost of moving, totals \$10.1 billion a year. The bill provides additional expenditures, on an annual basis, of \$576 million.

The primary consideration involved in the bill is the provision of career incentive compensation. That is the basic consideration to be given when passing on any particular phases of the bill. In other words, we are trying to provide added incentives to men in the military service to continue such service as a career, and to attract others in future years.

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

**MR. STENNIS.** I am glad to yield.

**MR. MANSFIELD.** I am interested in this measure, which the Senator from Mississippi is so ably explaining. As he indicates, it will help to establish a career service. Am I correct in stating that at the present time no men are being

drafted into the Air Force, the Navy, or the Marine Corps?

**MR. STENNIS.** The Senator is correct.

**MR. MANSFIELD.** Is it true that approximately 12,000 or 13,000 men a month are now being drafted into the Army?

**MR. STENNIS.** The Senator is correct.

**MR. MANSFIELD.** Is it true that there are certain I. Q.'s or intelligence quotients, by means of which a certain number in the lowest fourth are automatically taken into the Army?

**MR. STENNIS.** The Senator is correct.

**MR. MANSFIELD.** Is there any possibility that, in line with the passage of a bill providing increased pay for members of the armed services, legislation may be enacted, or at least strong suggestions may be made, to the effect that the I. Q.'s of the lowest fourth be done away with, so that we may have a more realistic intelligence quotient with respect to the men who will comprise the scientific portion of our Armed Forces?

**MR. STENNIS.** The subject matter to which the Senator refers is included in another bill now pending before the Armed Services Committee. We did not undertake to pass upon that feature. This is a compensation bill, and we did not go beyond the field of policies which relate directly to the measure of compensation.

**MR. MANSFIELD.** If the Senator from Mississippi will yield for another question, which may or may not be related to this particular bill, does he believe if this bill is passed—and I assume there will be no difficulty in passing it—there will be, as a result of its passage, a sufficient number of volunteers to create a volunteer Army, Navy, Air Force, and Marine Corps? In other words, in the Senator's opinion, would it be possible to eliminate the draft?

**MR. STENNIS.** The opinion of the Senator from Mississippi is that it would not go that far, even though it would be a step in that direction. We have great expectations for the bill if it is properly administered. I do not believe it would make unnecessary the draft. I noted in the press a statement to the effect that General Hershey did not think so. The Senator from Mississippi is of the opinion that such an argument is not sustained by the facts.

**MR. President,** I shall be glad to yield to any Senator as a courtesy, and especially to the acting majority leader, because he has so many other duties; but I wish to outline some of the high points of the bill, and bring the whole picture before the Senate, if I can.

The subcommittee, consisted of five members, namely, the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. BARRETT], the junior Senator from Missouri [Mr. SYMINGTON], the senior Senator from Virginia [Mr. BYRD], and myself. We took testimony on this very far-reaching subject. The printed record of testimony consists of 894 pages. The hearings occupied 20 days or more. We heard scores of witnesses. The report filed by the committee is a very com-

plete analysis of the problems involved, as well as the bill, and what has been done in trying to solve the problems.

I wish to tender the special thanks of the chairman of the subcommittee for the very fine attention, assistance, and very material aid given by the other members of the subcommittee.

We all pay tribute to the very fine services and wonderful spirit in connection therewith, of the counsel to the subcommittee, Mr. Edward Braswell, who, in dealing with this complicated subject, involving a great volume of law and schedules of pay scales, has done a remarkable piece of work. He has rendered a very valuable service to the Senate and to the entire Nation.

Thanks are due also to Mr. Ralph J. Cordiner, who headed the Cordiner Committee, which made a special study of this important subject. He is due a special word of thanks from the committee and the Senate for the very fine way in which he went into the entire question, and the fine set of recommendations which he and his committee made.

Also, we were greatly assisted in the consideration of this subject by having before us the House bill, which reflected the work of many Members of the House who gave very devoted attention to this subject matter.

The House subcommittee was headed by Representative KILDAY, of Texas, who is a very fine authority on this particular subject. We had the benefit of the speech which he made in the House, as well as the benefit of his thinking and that of other Members of the House, as reflected in the bill.

I believe that the bill, if enacted, would go a long way toward meeting the problem of retaining men in the service to round out a military career. However, I think we should emphasize the fact that a real military career is also based, at least partly, on a sense of service, a sense of mission, a sense of pride in being in the service and wearing the uniform of the particular branch to which a person belongs.

In the subcommittee we did not hear much emphasis placed on that point. It is a rather disappointing part of the hearings. However, I am sure that the point is merely dormant, and was so during the hearings, because during the hearings we were struggling particularly with the money side of the subject. I hope that the services still emphasize to their men, both officer and enlisted, the absolute need of a sense of service and pride in the uniform, and a sense of devotion to the cause they serve.

I find evidence that many young men in the service do have such dedication and devotion.

I wish to refer, also, to the fact that a mere pay increase, however based and on whatever schedules it may rest, will not solve the problem, unless there is an effective administration in carrying out the new system. I wish to refer particularly now to page 4 of the committee report, which reflects, in part, some of the problems found by the committee to exist, the solution of which the committee attempted to indicate as a condition

precedent for the passage of a bill of this kind. I wish to read into my remarks at this time references on page 4 of the report, as follows:

The committee is glad to observe that the following positive actions have been initiated by the Department of Defense:

1. Legislation has been recommended to the Congress aimed at a better system of quality control of commissioned officers. Specifically, the legislation would provide (1) a solution for the Navy "hump" problem; (2) screening boards for all services to eliminate officers whose services are no longer required; and (3) a more competitive promotion system, together with a provision for accelerated permanent promotions for outstanding officers.

2. The Department of Defense has indicated that the number of officers in the grade of O-6, colonel and captain, will, on the average, be reduced by 10 percent by the end of calendar year 1960.

That is something that cannot be done overnight. The committee did not expect it to be done overnight. It did not expect it to be done at the expense of personal injustice to anyone in the service. However, we concluded that some plan or method along this line is necessary and is in keeping with the whole spirit of the bill. The bill before the Senate increases the pay of colonels in the Army and captains in the Navy by 21 percent in basic pay, which is a sizable increase indeed. We found that all the services, together, have now approximately 14,300 colonels, with 2½ million men in the armed services. At the end of World War II, with 12 or 13 million men in the services, the number of colonels in the Army and captains in the Navy was about the same number, or perhaps 14,800.

There are some good reasons why that number has not been decreased to a greater extent, but certainly they are not sufficient to justify that comparison. No legislation is contained in the bill which attempts to provide a new system. We merely point out the problem.

I read further from the report:

3. A reexamination is now underway of existing promotion laws with the view toward the possibility of permitting greater opportunity for promotion for outstanding officers with a corresponding deemphasis on seniority.

The whole proposed pay schedule is an attempt to get away from undue emphasis on seniority. At the same time, unless it is properly administered, with the same point in view, it will be a failure. The mere piling on of money, without proper administration, will result in failure.

4. Improved personnel management procedures, generally, throughout the Departments.

Mr. President, I wish to digress here to thank, for the very fine service rendered to our committee, Mr. William H. Francis, Assistant Secretary of Defense in charge of personnel. He and his staff of assistants worked diligently and very hard on these questions, and with great benefit to us.

Very briefly, I shall state, because I think it is pertinent, the cost of the bill. It will add approximately \$576 million

to the current cost of paying those in the Military Establishment. The House bill would add, in round numbers, \$683 million additional. The last recommendation on the subject by the Department of Defense was \$512 million additional. The Cordiner report, if it had been adopted in full, would have added approximately \$580 million, which is approximately \$4 million more than is provided by the Senate bill.

To give Senators an idea of the magnitude of increasing the pay of everyone in the military service, if we were to add only \$10 a month to the pay of everyone in the military service, it would increase the total bill by \$200 million a year. It is almost alarming to think that a mere \$10 increase a month all the way through the military service would add to the bill \$200 million in a year's time.

I wish to discuss briefly what the bill does to the so-called longevity pay principle. The present law carries in full the longevity system, in that every 2 years a person automatically gets an increase in pay, even though he does not get a promotion. A man can serve as a captain in one of the services year after year, and even though he does not get a promotion, and does not mature any more and does not increase his sphere of service, he nevertheless receives an increase in his pay every 2 years.

The Cordiner report recommended that this system should be abolished. The House bill followed the Cordiner report only up to a point. It provided if a man did not get a promotion at the end of the period when he would on the average have received it, or when the average person received it, he would no longer get an increase in pay. To state it in another way, he would get the increase every 2 years even though he remained in the same grade until he reached the point where he would ordinarily, on the average, be promoted; but if he should not get the promotion, his pay increase would be stopped. Therefore it might be said that the House adopted Cordiner recommendation in that respect in a modified form. Senators who are interested in a full explanation of the proposal, will find it set forth on pages 5 and 6 of the committee report.

On the subject of what has been added to the structure with reference to increasing officer and enlisted men's classes for base pay, the bill reported by the committee and the House bill follow the Cordiner recommendations, in that provision is made for two additional officers at the top, 3- and 4-star generals.

We have already had those, in a way, but they have never been recognized fully as being on a separate and additional pay scale level. Three-star generals now receive \$100 a month in extra pay, and 4-star generals receive \$200 a month in extra pay, but both retire on the basis of the pay of a major or 2-star general. The bill puts them in the pay schedules and recognizes the categories of the 3- and 4-star generals separately with additional pay.

On the same point, with respect to the enlisted men's group, the bill follows the recommendations of the Cordiner report

and creates two new classes for enlisted men—E-8 and E-9. I call them super-sergeants. They are additional grades at the top. One percent of all the enlisted men in each of the services will be permitted to attain the top military grade, E-9. Two percent of all the enlisted men can be placed in the new military grade E-8. Of course, when men are promoted to grades E-8 and E-9, there will be vacancies in the grade of sergeant, and those vacancies can be filled by competent men.

The bill is the key to the plan for career compensation for skilled men. It is the key to the effort to keep radar experts, crew chiefs, and others having special training and special skills, in the service on a career basis. Rather liberal schedules have been adopted for the compensation of those men, not only those who go into the higher grades, E-8 and E-9, which I have mentioned, but also those who serve as staff sergeants, technical sergeants, master sergeants, first sergeants, and even corporals. There will be an appreciable increase in their pay.

But that is not all the picture. Here is the second step in the real effort to provide the pay incentive to keep the skilled men in the service, rather than to have them leave the service and obtain employment with private enterprise in the same type of work requiring technicians. The measure is based on the principle of proficiency pay. It provides for additional pay based upon the regular schedules of payments.

If a man is selected for the extra pay because of his particular skill, he can be classified as P-1. That is, he is in the proficiency group. If he is in proficiency group 1, he will receive \$50 a month extra pay. If he is placed in grade P-2, he will receive \$100 a month extra pay. If he is placed in group P-3, he will receive \$150 a month extra pay. That will apply to men who are filling places of critical need and unusual responsibility, and who fit into the program as technicians and other essential personnel.

So, under the system of promotions and increased pay, to which I have already referred, plus the proficiency pay, if a man qualifies for both, and the bill permits him to do so, it is possible under the bill for a super sergeant in classification E-9 also to draw, as maximum proficiency pay, together with hazard pay, if he is engaged in one of the hazardous occupations, a total of \$9,860 a year. That is for an enlisted man. This is not a typical case, but it is the ceiling to which the enlisted man can go; and an appreciable number of them can go that high.

If a man has qualities of leadership, he can qualify for high rank. Another one, who is not a leader, but is a radar expert, for instance, can qualify for the proficiency pay. A third man can qualify, perhaps, for both classifications. He is the one who will receive the highest possible pay.

So there are two ways in which the services can really utilize the extra inducements in the way of promotions and extra pay and proficiency pay, in order



to persuade men to make careers of the service. That is more fully covered on page 5 of the report, to which I refer any Senator who may be interested in that particular subject. That is with reference to enlisted men. Proficiency pay is covered on page 6 of the report.

To continue the principle of extra pay based upon the responsibility which an officer may have, or based upon the criticality or the unusual responsibility of his service, the committee included an amendment. The amendment was not recommended by the Cordiner Committee; it was not recommended by the administration; it was not recommended by the officers in any of the services. But it was the committee's conclusion that the amendment was necessary, after hearing the problem and trying to look a little further down the years into the future, when we undoubtedly will have a more and more specialized service, even in the officer group. The amendment provides that any officer of the rank of captain, major, lieutenant colonel, or colonel, who is serving in a capacity of unusual responsibility and is supplying a critical need, may be selected for additional compensation. The scale of compensation will be, for captains, and majors, and increase of \$50 a month; for lieutenant colonels, an increase of \$100 a month; for colonels, an increase of \$150 a month. This would be added responsibility pay, which could apply, in the beginning to 5 percent of the captains, 10 percent of the majors, 10 percent of the lieutenant colonels, and 10 percent of the colonels.

The total cost of the new plan will be only \$12½ million a year. I do not know how the plan will work out in its administration. The only ones who said anything against it were officers who testified that it would be difficult to administer the plan. I am sure it is difficult to administer many of the programs. It will be difficult to administer the proficiency pay for the enlisted men, the subject which I have just covered. It will be very difficult for the services to say just whom they will promote, if the promotions are based upon merit. Likewise, it will be difficult to select the ones to whom the military responsibility pay will apply. But, in the opinion of the subcommittee and the full committee, it is a step we must take in order to meet the conditions as they are.

I remember asking General Twining, when he was on the stand, if, in the bill without the amendment to which I have referred, there was any way by which special pay could be granted to an officer having a special skill. He said there was not, and an illustration was given. The amendment was designed to meet the condition stated. The illustration was of a colonel who had charge of an air wing. He was a commanding officer. He had under him many trained crews and trained officers. He had the responsibility for the care of hundreds of millions of dollars invested in equipment. The chart showed his officer's salary. Another chart showed the responsibility of the vice president of a medium-sized corporation, the number of persons who were under him, and the vice president's

pay. The pay of the vice president was two or three times as much as that of the colonel.

I asked if there was any way to increase the compensation of the colonel in question, because of his special responsibility, without also increasing the pay of other colonels in the Air Force, and the corresponding officers in the Army and Navy. The answer was that there was no way. So that was a part of the reasoning which led to the formulation of the amendment to which I am addressing myself now—the amendment providing for responsibility pay within the ranks of officers.

Frankly, we present the amendment in a modified form and on a very small scale, in the hope that if a real effort is made to administer the program, it will prove to be the opening of a new avenue for special compensation for various groups in all the services, and that it will not be necessary to increase the pay of all groups in order to reach one. In other words, the system will tend to place the additional pay where the additional responsibility is and where the additional work is.

I certainly am no expert on this subject. I did not ask for this assignment. It was given to me, and I therefore feel a responsibility. But it is certainly my conclusion that in the years to come we shall have to adopt a system of the kind suggested if we are to maintain a strong military organization. The bill would make it permissive, anyway. Certainly it will not do any harm to include that provision in the bill.

Mr. COOPER. Mr. President, will the Senator from Mississippi yield to me?

The PRESIDING OFFICER (Mr. THURMOND in the chair). Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. STENNIS. I yield.

Mr. COOPER. In reading page 2 of the report, I find, under the heading "Extent of Turnover" the statement:

Only one-third of the total enlisted personnel in the Department of Defense are in a career status.

A little further along I find the following:

All of the services have less than 66 percent of their requirement of critical personnel in mechanics and repairmen.

Later on the same page of the report, under the heading "Effect of Shortage," there is given an example which shows that, as a result of this shortage, approximately 15 percent of the Strategic Air Command planes are continually grounded.

I know the great care and the conscientious attention the Senator from Mississippi has given to these problems. I should like to ask what kind of evidence was adduced, to indicate that the system the Senator from Mississippi is suggesting will meet this problem.

Mr. STENNIS. We have provided for very liberal compensation in that category, in an endeavor to obtain the needed crews. I have been discussing the increased pay categories, including the proficiency pay. It is hoped that these increases will constitute a sufficient inducement to persuade the men

who already have been trained to make the service a career, rather than to leave it at the end of their respective terms of enlistment. By this means we shall compete for their services. The system will work in two ways, and it is believed that it will meet the need and will serve to reach the end desired.

Mr. SALTONSTALL. Mr. President—

Mr. STENNIS. Mr. President, I shall be glad to have the Senator from Massachusetts express himself on that point.

Mr. SALTONSTALL. First, I desire to take this opportunity to say that I appreciate the excellent work the chairman of the subcommittee, the distinguished Senator from Mississippi (Mr. STENNIS), has done in regard to the pending bill.

I should like to add a word to what he has said on this subject. He has said the new system will provide an additional incentive. It will provide an additional incentive, Mr. President. By striking down the longevity program new men will be given an incentive to remain in the service for if the system is well administered, they will know that they will be able to advance in it. Under the new system, there will be less opportunity for one who is in the service to obtain increased pay merely because he has remained in the service.

Mr. STENNIS. I thank the Senator from Massachusetts.

Mr. SYMINGTON. Mr. President—

Mr. STENNIS. Mr. President, I am glad to yield to the Senator from Missouri. But before I do so, I wish to say that he and the Senator from Arizona (Mr. GOLDWATER) were the authors of the bill, introduced last summer, which was based on the Cordiner report, to which I have referred. Their study and their mastery of this subject have certainly constituted valuable contributions to the subcommittee, and also to the Senate itself. They were the original sponsors of this proposed legislation; and the Senator from Missouri also served on the subcommittee, where he rendered very valuable service. The Senator from Arizona was a witness before the subcommittee, in addition to sponsoring consideration of the measure otherwise. We owe them a special debt of gratitude, which I am very glad to express, for their interest and their very helpful service in connection with this matter.

Mr. SYMINGTON. I thank the distinguished Senator from Mississippi for his very gracious remarks in respect to the small contribution I have made toward this military pay bill.

I would be remiss, Mr. President, if I did not congratulate the distinguished Senator from Mississippi for his painstaking care and his efforts to bring to the Senate a bill to remedy what is an unfortunate situation. Every member of the committee is grateful to the distinguished Senator from Mississippi for the hard work and the splendid job he has done.

Mr. STENNIS. I thank the Senator from Missouri.

Mr. SYMINGTON. Mr. President, one part of the bill worries me particularly.

Let me premise my remarks on this point by saying that, as a member of the subcommittee, I support the bill; I realize that it would be very difficult to draft any bill which would satisfy everyone. Therefore, compromises had to be made, some of which do not look fair to particular individuals. I believe the distinguished senior Senator from Mississippi will agree with me as to that.

The part of the bill which worries me the most is that which deals with the status of officers who have been retired from the services. The committee devoted a great deal of thought to this matter. It was only after much soul searching that it was decided that the practicalities of the situation suggested it should be handled in the way proposed, at least for the time being.

The original Kilday bill, as it came from the House of Representatives would have cost \$683 million in fiscal 1959. The bill sent to us by the administration would have cost \$512 million. The bill, which the distinguished chairman of the subcommittee presented to the full committee and which was adopted by the full committee, would cost \$577 million. Therefore, in an effort to make our defense forces strong, this bill proposes that a great deal more money be paid by the American taxpayers than under the administration bill.

However, I hope that at another time the subcommittee and the full committee will look further into the question of changing the basic status of the pay of retired officers. I am sure my friend, the Senator from Mississippi, does not object to my making this observation; and I believe that he, too, would like to examine this question further, when we next have an opportunity to do so.

Mr. STENNIS. I am certainly glad to have the benefit of the very timely remarks of the Senator from Missouri on this subject. As he has said, it is a very difficult one with which to deal. It is one to which the subcommittee gave more time and consideration, before it reached a decision, than it gave to any other.

As I said in the beginning of my remarks, we have here what we believe to be a balanced bill, although it is not all we would like to see it.

There was involved making choices. I am very glad the bill provides for a 6-percent increase in the pay of those who already have been retired, and applies it all the way across the board.

Mr. SYMINGTON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. SYMINGTON. I would not wish my remarks to be construed as meaning that I thought this matter was not in any way given the long and undivided attention of our distinguished chairman. Both of us worked hard on it, and I am sure both of us regret that, in order to assure the passage of the bill—in view of the limiting fiscal position the administration has taken—it seemed neces-

sary at this time to arrive at this decision with regard to the pay of retired officers.

Mr. STENNIS. I appreciate very much what the Senator from Missouri has said.

Mr. JACKSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I am glad to yield to the Senator from Washington, who, even though not a member of the subcommittee, has been greatly concerned about this matter, and has helped inform the subcommittee about these matters, and also has made a definite contribution to the full committee.

In the course of my remarks I shall discuss the provisions of the bill regarding the pay of retired officers, and why those conclusions were reached.

But at this time I am glad to yield to the Senator from Washington.

Mr. JACKSON. Mr. President, first, as a member of the full Armed Services Committee, I wish to express my deep appreciation for the conscientious treatment the distinguished chairman of the subcommittee has given to this bill, just as he has given to all other bills on which he has had the privilege of working.

In my service as a member of the Subcommittee on Military Construction, I know how thoroughly he goes into these matters; and I wish to commend him for taking on a rather thankless, tedious, and most difficult job. So I am sure the distinguished chairman of the subcommittee will realize that what I am about to say is not in derogation of the work of the committee.

Mr. STENNIS. I appreciate the Senator's remarks. I am always helped by his observations. I want him always to feel free to give me the benefit of his advice.

Mr. JACKSON. I merely wanted to make a statement or two for the RECORD, because I think it is important to do so in connection with the legislative history of the pending bill. As I said, I think the bill is a good bill, with 1 or 2 exceptions. What concerns me most is the departure from the long-established principle that retired pay shall bear a direct percentage relationship to active duty pay. This principle is being departed from in the pending bill.

It is my understanding that the Department of Defense, in requesting pay legislation, did not include in its request a provision for the retention of this historic principle. Is that correct?

Mr. STENNIS. That is correct. There was no recommendation as to any compensation for retired personnel until after the bill had passed the House and the Department of Defense submitted its last statement, in which it recognized the 6-percent provision which the House had inserted in the bill.

Mr. JACKSON. But in the original bill the Department of Defense had not included any additional compensation for those currently retired. Is that correct?

Mr. STENNIS. Yes; the Senator is entirely correct.

Mr. JACKSON. As I understand the operation of the pending bill, if it should be enacted into law, it would create

some specific hardships with reference to those who would retire immediately prior to the enactment of the legislation and those who would retire immediately thereafter.

Mr. STENNIS. That is correct. There is no way to avoid a cutoff date. It is unavoidable in the nature of things.

Mr. JACKSON. It is my understanding an exception has been made in the bill so far as the former Joint Chief of Staff is concerned. Is that correct?

Mr. STENNIS. Yes, an exception is made. It was made as to the position, and not as to the individual, of course; but, so far as the position is concerned, that is correct.

Mr. JACKSON. I think it would be wise to make it very clear, at least to the Senate and to the House of Representatives, that in not providing for the retention of the historic pay principle for those retired, the committee is not precluded from going into the matter at a future date.

Mr. STENNIS. That is correct. That question can be taken up at any time in the future. There are other problems in connection with the bill which we did not solve, or even attempt to solve.

Mr. JACKSON. I raised the point because I thought it could be argued quite logically that one of the incentives for staying in the service was that when a member of the service was retired he would know he would enjoy the benefits of any adjustments which might be made in the base pay at which he retired. I think in these days of inflation, persons give consideration to what adjustments may be made in their pay after they are retired.

I raise that point because I think it goes to the philosophy of the pending bill. I should like to express my view that it is a matter which should be gone into thoroughly, and that the principle should not be abandoned by the action we are taking in the Senate today.

I again commend the chairman of the subcommittee for his conscientious study and hard work on a very difficult piece of proposed legislation.

Mr. STENNIS. I thank the Senator from Washington very much. I may say very briefly, in response, that the Senator has raised a very serious question. One of the thoughts of the subcommittee in its recommendations was not to abandon the old formula as to retired personnel. That does not tell all the story. The committee adopted a new standard in setting pay based on career incentives for skilled men who are now serving. We decided to put the money where the service is being rendered now. We had to make a choice between the two classes. However, we strongly favor the cost-of-living application. I hope it will not be abandoned. I thank the Senator.

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

Mr. STENNIS. I yield to the Senator from North Carolina.

Mr. ERVIN. I shall state my misgivings first. I share the views expressed by the distinguished Senators from Missouri and Washington in respect to the



retirement feature of the law as it now exists, and hope that, either in conference or at some time in the not too distant future, a correction can be made in that field.

I also hope we might be able to do something in this bill to provide incentive pay for military and naval lawyers. I hope that question may be dealt with sometime soon by the committee.

Having stated my misgivings, I should now like to compliment the distinguished Senator from Mississippi and the distinguished chairman of the full committee, the senior Senator from Georgia, on the great work that has gone into this bill. We should all realize that the pending bill represents novel legislation. It is an extension to the military and naval services of a concept which has made American free enterprise work, from the business and economic standpoint. So far as I know, it is the first time in the history of the Nation that we have actually embodied in a military and naval pay bill the concept that there should be added incentives to keep men of outstanding ability and outstanding training in the service, recognizing that in the long run it is the economic thing to do, as well as the wise thing to do from the standpoint of national defense.

In closing, I should like to say that, in my judgment, the distinguished Senator from Mississippi deserves the gratitude of the American people for the fine service he has rendered in connection with the hearings on the bill and in connection with the preparation of the bill itself.

Mr. STENNIS. I thank the Senator very much. I treasure his remarks and the contribution he made to the bill.

The Senator has been concerned about the retirement pay, as well as the special consideration which he mentioned with reference to attorneys in the Navy, Army, and Air Forces. We are sorry we were not able to cover that matter in a more complete way.

(At this point Mr. STENNIS yielded to Mr. GOLDWATER, whose remarks, on his request and by unanimous consent, were ordered to be printed in the RECORD at the conclusion of the speech of Mr. STENNIS.)

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

Mr. STENNIS. I shall be happy to yield to the Senator from New York, but I should like to make a short statement first.

The Senator from Mississippi needs about 10 more minutes to cover what he considers to be the high points of the bill, on behalf of the subcommittee, and then he wants the Senator from Massachusetts to have a chance to obtain the floor to speak upon the same subject. If the Senator from New York will be fairly brief, I am glad to yield.

Mr. JAVITS. I thank the Senator. I shall take just a moment.

I should like first to identify myself with the views expressed by my colleague, the Senator from Arizona [Mr. GOLDWATER], which most eloquently expresses my own views. I support the Cordiner report. I compliment the very distinguished Senator and outstanding lawyer

from Mississippi for bringing the bill before the Senate, as chairman of the subcommittee.

I have a question to ask. The Senator knows that lawyers have been greatly troubled by the question of incentive pay for those who serve in legal capacities in the Armed Forces. Interestingly enough, I never so served myself, but I know a great many of the men who render such service, and I know how hard they work and how diligent is their application to duty.

The Senator is aware that there has been considerable dissatisfaction among lawyers because of the comparison with others who are in the professional fields. I have read with great care the reasons for rejecting the amendment offered by our distinguished colleague, the Senator from South Carolina [Mr. THURMOND], in this same respect, and I should like to ask a couple of questions about the matter, because I think it will be helpful to have it clarified. I think the committee is trying to do its best. We all want to help.

First, reference is made to the fact that the Department of Defense feels that a similar program exists with respect to other specialists in categories of officers as exists with respect to lawyers in the JAG office, and then it goes on to speak of certain scientific and engineering fields. May I ask the Senator if there is any other way in which that could be supplemented in specifics? Does the Senator have any specific reference as to another group of men who would fall into that category?

Mr. STENNIS. In the services, of course, there are a number of scientific men, and a number of engineers who must be considered. There are chaplains and several other groups. We could pick out many groups.

I know a group from the Public Health Service came to the Capitol yesterday. Those men are also paid under this category. It was pointed out that half of the Public Health Service employees would not be subject to the proficiency pay or the responsibility pay for officers which I mentioned a while ago. It was stated that some of these men were doctors of philosophy and outstanding scientists.

This is one of the matters we could not cover.

The Senator has mentioned a rather serious problem existing in this field. I have some special remarks to make with reference to the attorneys, and what we found as to the proof.

Mr. JAVITS. There is one other thing I should like to know. In item 3, referring to special compensation for special assignments, the report does not so state, but I assume the figures are monthly figures.

Mr. STENNIS. Yes; those are monthly figures.

Mr. JAVITS. May I ask the Senator from Mississippi whether the committee would be willing to state, in the course of this debate, it is a contemplation of policy that the application of the provision will be a liberal one, particularly as applicable to lawyers? In other words, is it contemplated that lawyers

will be benefited and that they will not be excluded as a class?

Mr. STENNIS. They will certainly not be excluded as a group. They will be eligible to compete for selection for the responsibility pay. The administration of the bill, as I said in my earlier remarks, is going to present some problems. Administration of the bill, when enacted, has to be vested in the services themselves. We have suggested that it be put in the hands of the Secretary. It is not a legislative matter, of course.

Mr. JAVITS. The last question is this: May we feel that the committee has an open mind on this subject, that it is trying out the plan proposed, and that if it really does not work, and grave losses continue with respect to that type of officers, the committee will take another look at the situation?

Mr. STENNIS. Of course, the committee will consider any problem which may arise. It recognizes that there is a problem in connection with the situation which the Senator from New York has pointed out.

Mr. JAVITS. I thank the Senator.

Mr. STENNIS. Mr. President, I do not wish to prolong this discussion. The Senator from Massachusetts [Mr. SALTONSTALL] has rendered very fine service in connection with the bill, and I wish to hear from him. I shall conclude my remarks as rapidly as possible, and call attention to the actual pay schedules which were adopted. I wish also to make a few comments about the amendment offered by the Senator from South Carolina [Mr. THURMOND] and to say something about retirement pay.

The special pay schedules are found on pages 9 and 10 of the report. Opposite page 30 of the report there are a number of schedules. The first one is entitled "Comparison of Military Basic Pay Proposals—Active Duty Military Personnel Only."

The next page shows total compensation, including allowances and other figures.

As a whole, the subcommittee had to establish more or less of a ceiling on how high it could go in the way of increases, and then it had to put the increases where, in its judgment, the greatest good could be done consistent with the new policy involved in the bill.

There is a 6-percent increase in the bill for all those in the military service, with the following exceptions: Those in the first 2 years of their service will not receive the increase, the idea being that the first 2 years are more or less of an apprenticeship, so far as skills and critical services are concerned. There is a very minor group which will not receive the increase, even though they have been in the service for 2 years or more. They are the very small group who have not progressed any in the normal promotion pattern.

We applied a 6-percent increase across the board to all retired personnel, enlisted men and officers, based upon the idea which has been suggested. I hope that policy will always be continued. The only reason for changing the present system of including all retired personnel,

at whatever increase was applied to the corresponding rank in the active service, was the question of where to put the money so that it would do the most good, and also the question of the future soundness of the retirement program.

Fortunately we have for our military personnel the most liberal retirement provisions our subcommittee was able to learn about anywhere in the world. The retirement compensation is all paid by the Federal Government. As yet it has not been necessary to call for any contribution by the personnel involved. The retirement is paid for by direct appropriation, with no contribution.

The retirement payment figures now amount to \$601 million a year. When the effect of this bill is added, the annual payments for such purposes will be \$628 million or \$629 million. It is estimated that at some time between the calendar years 1962 and 1965—just around the corner—the cost of the retirement programs for military personnel may cost more than \$1 billion a year. That is certainly a warning sign that something must be done about the problem. We must stop, look, and listen to see how much more can be added. I believe that the time will come when we must give consideration to the idea of a contribution to the retirement fund on the part of the personnel involved.

Also I think we must give consideration to a change in the law with reference to retirement at the end of 20 years, without any penalty being imposed. I believe that something along that line will be the next step with reference to the career incentive problem. Retired men and women of outstanding ability, with great service records, have certainly not been ignored. In the beginning they were left out of the bills entirely, but now they have the benefit of the 6 percent feature. We all wish it could be more.

Let me pass on rather hurriedly to a brief discussion of the special problem presented by the Judge Advocate General's department, involving lawyers in the respective services, which find it difficult to attract a large number of young men. A very small percentage of them are remaining in the service.

The Senator from South Carolina [Mr. THURMOND] urged upon us the adoption of his bill, which is set forth in the report. A number of witnesses testified in favor of it, and expressed a special interest. They urged that at least some parts of it be included in the pending bill. We could not include all those provisions in the bill for reasons which have already been largely covered, but there is one phase which should receive attention. The responsibility pay, which has already been mentioned with reference to officers, will certainly be applicable to members of the Judge Advocate General's Department, who may be selected in the processes of administration.

One other point in connection with attorneys is that they are given one grade or one step in rank when they enter the service. There are no second lieutenants in the Judge Advocate General's Department.

I may have some personal leanings in favor of that particular group. I have the honor to be a member of the legal profession. If I have any leanings in that direction, perhaps it is because I understand the problem a little better than would a layman. However, we could not square the proposal in that connection with the general purposes of the bill. Of course, personnel in this group are eligible for benefits from the special fund.

A great deal has been said with reference to medical officers receiving special compensation. That subject was covered by a bill which was passed during the Korean war, at the time when we drafted doctors as a group, up to the age of 55 years. We are still drafting them as a special group, which certainly puts them in a special category.

A great deal of consideration was given to the question of creating a special group of those in the legal profession, but we could not fit such a proposal into the bill. Perhaps more and more of certain types of legal work in the various services will have to be done by civilian attorneys. We found that about one-third of the work at present which pertains to procurement contracts, land titles, and other matters, is done by attorneys who are employed, on a comparable wage scale, to do such work. It may develop that those connected with military justice will be largely the ones who will be kept within the military service directly.

Mr. President, unless a Senator has some questions to address to me, what I have said covers my remarks on the subject.

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

Mr. STENNIS. I yield.

Mr. RUSSELL. I do not have any questions to propound to the distinguished Senator from Mississippi. However, I should like to take the occasion to express to the Senator from Mississippi and to the members of his subcommittee who worked with him on this very complicated bill, particularly the ranking Republican member on the committee, the Senator from Massachusetts [Mr. SALTONSTALL], my appreciation for a very thorough and careful and painstaking piece of work in a highly complex field.

I have some knowledge of the difficulties which are encountered by anyone who deals with the pay scale of the military services. In years past I have undertaken to handle bills which have brought the pay scales more in line, and on 2 or 3 occasions I have been amazed to find that the pay scales have been inherited from 35 or 40 different laws dealing with the various ranks and services. It is something which requires great diligence to perfect.

I do not, of course, contend that the bill is perfect. Human institutions have never achieved perfection, and there is very little in human history to lead us to believe that they will achieve perfection very soon.

I would say, however, that it is a fair and reasonable bill, and, in my opinion, will achieve the objectives we sought to achieve when we entered the field of

changing the method of compensation of those in the armed services by adopting the incentive system.

We hope it will be successful and that we will be able to induce more career men to stay in the service and will, therefore, promote the defense of the United States and contribute to a reduction of the dangers which threaten to wipe civilization from the face of the earth. I compliment and congratulate the chairman and members of the subcommittee, and especially commend Mr. Ed Braswell, of our professional staff, for his fine work. As a former apprentice seaman, I say, in the words of the Navy, "Well done."

Mr. STENNIS. I especially wish to thank the chairman of the committee for his wise counsel and broad experience which he contributed so freely to us. It has been very valuable to the subcommittee, especially to the chairman of the subcommittee, who sought the counsel of the chairman of the full committee very many times.

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

Mr. STENNIS. I yield.

Mr. THURMOND. Mr. President, I wish to congratulate the distinguished Senator from Mississippi for the fine work he has done on the pending bill. I am vitally interested in military matters. I do not believe there is any segment of our population which is more dedicated to duty and which deserves a pay raise more than the members of our armed services.

The Senator from Mississippi has given a great deal of time and attention to this. I do not believe there is any segment of the subject and has held hearings on it. He has reported a bill which I hope will be very stimulating and encouraging to the members of our armed services, who are scattered to the four corners of the earth.

I was interested particularly in one amendment which the committee did not recommend to the Senate, and that was to place lawyers on the same scale with veterinarians, dentists, and doctors. I was disappointed that the committee did not see fit to approve that amendment. Since lawyers have played such a vital part in the formation of our country, I feel that their stature should be recognized alongside that of the other professions.

Then, too, I am informed that there will be a shortage of trained, qualified lawyers in the armed services, and that this is a very vital question with the armed services. We do not want military justice to be hampered.

I am sure the committee had good reasons for its action, and I wish to express the hope that the committee will continue its efforts with a view toward compensating lawyers in the military service on the same basis as veterinarians and dentists and doctors.

Mr. STENNIS. Mr. President, I certainly appreciate the Senator's remarks. I had already stated, when he was called from the floor momentarily, his great interest in the subject and his very fine bill on the subject, and that he testified and urged us to include the provisions of his proposal in the pending bill. I wish



we could have done so. However, we could not make it square with other provisions, but we went as far as we could go with the problem at this time.

Mr. President, I ask unanimous consent to have printed in the *RECORD*, at the end of my remarks a statement I have prepared, which covers the bill as a whole and speaks more or less for the subcommittee.

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

#### STATEMENT BY SENATOR STENNIS

This military pay legislation is aimed at providing a remedy for the alarming shortage of trained and qualified personnel in the Armed Forces. It is therefore one of the most vital items of legislation which has been considered by the Senate for some time. As the Senate knows, the Preparedness Subcommittee after extensive investigation found, among other things, that this country no longer has the superiority in weapons it once enjoyed and that we must forge ahead as fast as funds can be prudently used, if we are to maintain the lead or even keep abreast of Soviet progress. For fiscal year 1959 we will spend about \$14 billion for major procurement items and will obligate almost \$16 billion.

The fact is that the military services do not have a sufficient number of trained people to properly man the weapons now in being. The weapons to come, many of which will be revolutionary in character, will magnify many times the present demands for skilled personnel. If we do not have the leadership and skills to use this equipment, not only will the billions be largely wasted but our ability to retaliate and survive as a Nation will become a grave question.

#### FACTS ON SHORTAGE

The No. 1 personnel problem in the Department of Defense is that of quality. We have a sufficient number of people through various forms of obligated service but the tremendous turnover prevents the departments from developing a trained military force.

Today, only one-third of the total enlisted personnel in the Department of Defense are what we might call trained and experienced men. The other two-thirds are either inductees or those in their first term of enlistment, all of whom are in training or in some stage of apprenticeship. In the officer area so few young officers are remaining beyond their obligated tour that there is both a lack of numbers and a lack of selectivity among those who do remain on active duty. In fiscal year 1957 the services needed a total of 15,000 members to continue on active duty of the 40,000 who completed their obligated service. Only 10,000 were willing to serve and the departments were forced to accept 96 percent of those who applied.

The fact is, therefore, that with respect to both officers and enlisted men the departments are barely meeting the requirements in terms of numbers and certainly falling far short in the area of quality. This is a condition that has prevailed over a number of years. Its effect is not always apparent at a given time. The cumulative results, however, are now being felt. As an example, the Department of Defense testified that in the Strategic Air Command an average of about 6½ wings of B-47 aircraft, which is about 15 percent of the total striking force, are grounded at all times because of insufficient maintenance resulting from the lack of trained personnel. Similar conditions exist throughout the Armed Forces.

The weapons to come will magnify the present critical shortages. In the final analysis the effectiveness of these new revolu-

tionary weapons will depend in large part on the capability of the people who will use and maintain them.

#### RECOGNITION OF THOSE PRESENTLY TRAINED

This tremendous imbalance is placing an overwhelming burden on the relatively small number of trained men. I think these men and women, many of whom are located in remote and undesirable areas throughout the world, should know that the Congress recognizes the patriotic contribution they are making in electing to serve their country. Many of these have fought in World War II and Korea and represent an indispensable measure of experience.

#### MATTERS OTHER THAN PAY

The bill deals only with military pay as a remedy for building a true career force for the military services. I, for one, believe that not only should there be a change in the pay system, but also in other personnel policies if the services are to retain the qualified officers and enlisted men in sufficient numbers beyond their obligated service. The committee made no formal finding in this regard. I can assure the Senate, however, that there was general sentiment that there must be improvement in personnel management.

I would like to note the positive steps which are now under consideration in the Department of Defense, under the leadership of Assistant Secretary Francis, who is doing an outstanding job in personnel matters.

1. Legislation has been submitted which will tend to make the permanent promotion system more competitive and which will more closely relate the continued retention of officers after 20 years of service to the requirements of the military departments.

2. The Department of Defense has indicated that the average number of officers in the grade of colonel or equivalent will be reduced by 10 percent by the end of 1960.

3. The committee has been advised that a complete reexamination is now under way of all promotion procedures with a view toward recommending greater opportunity for the promotion of outstanding officers with a corresponding deemphasis on seniority.

I am especially glad to observe these actions in the Department which represent in my opinion a much needed improvement.

The testimony and other communications to the committee indicate that these problems have a definite bearing on why the younger people are refusing to remain in the services on a career basis.

#### OTHER AREAS DESERVING EXAMINATION

I do not purport to speak necessarily on behalf of the other members. I would like, however, to list certain further personnel management matters that in my opinion might receive further examination in the Department of Defense.

1. There is the need for greater recognition for job responsibility. An able officer could be assigned to a highly responsible job but at the same time it would not be possible for him to be recognized for promotion purposes since he would not be within the so-called zone of consideration which is based purely on length of service in the grade. A start toward meeting this problem, as I shall discuss later, is contained in the provision authorizing responsibility pay for officers.

2. The need for extending greater responsibilities to younger officers. Many of the young officers have indicated to the committee that job dissatisfaction was the main reason for their departure.

3. I would like to acknowledge at this point a fine study made by the senior Senator from Maine, Senator SMITH, who after a personal field investigation prepared a detailed report on the retention problem in the Air Force. This study has been very helpful to me, and confirms much of the information received by the committee.

4. Finally, there is the ever-present question of whether there can be a reduction in the excessive changes of assignment which have such an adverse effect on morale in family life of the serviceman. The budget for next year calls for about \$700 million which will be spent for movement of personnel. We realize that a larger part of this cost results from the excessive turnover caused by the failure of young people to remain in the service beyond their obligated tours. At the same time there appears to be a need for closer control over assignment changes generally. I have had called to my attention instances where 3-year tours are imposed where officers could just as easily serve 4 full years and more effectively fulfill their assignment. Moreover, there are cases where assignments of large headquarters staff are made purely because there are changes in commanding generals who desire to assemble their own personal staffs. This is a type of assignment which could well be eliminated.

#### PAY BILL ITSELF

##### Those who contributed

Before turning to the significant features of the bill itself, I would like to make a brief acknowledgment of some who have contributed to its final form. First, there is Mr. Ralph Cordner, president of General Electric, and his Committee, whose report was an invaluable contribution to the general problem and to the subcommittee. The subcommittee has also received invaluable testimony, advice, and cooperation from the Honorable William H. Francis, Jr., Assistant Secretary of Defense. I should also emphasize that the House bill represents the best judgment of the Honorable PAUL KILDAY, chairman of the House subcommittee which reported this legislation, whose vast and long experience in military pay matters is probably not exceeded in the Congress. Finally, I should add that the Senate subcommittee has held extensive hearings, beginning last August, which now comprise some 1,000 pages.

#### SIGNIFICANT FEATURES OF THE BILL

This bill departs from traditional pay procedures in several important ways.

##### Modification of pay longevity system

What has been considered to be one of the evils of the longevity pay system is the fact that officers and enlisted men continue to accrue pay increases for excessive periods of service beyond normal promotion points while continuing in the same grade. This has the effect, among other things, of permitting individuals in lower ranks to receive more pay than their superiors who have been selected for promotion but who have less total service. The bill eliminates pay increases based on longevity beyond normal promotion points for all personnel. This will eliminate undue emphasis on length of service and will provide an added incentive for achievement. Page 5 of the report discusses in detail the effects of this change.

I should note that there is a special category of officers in the Armed Forces who have had substantial prior active enlisted service. A special scale for second lieutenants, first lieutenants, and captains has been provided which will permit these officers to receive longevity increases, taking into account their prior enlisted service, which results in promotion points much later than the normal junior commissioned officer.

##### Proficiency pay for enlisted personnel

The next significant feature is the establishment of two alternative proficiency pay systems for enlisted men. The Secretary of the service concerned would elect which of the systems would be used. This pay would be in addition to that which the enlisted man would receive based on that prescribed for his military rank.

The purpose of this pay is to provide a direct and select monetary means for retaining people whom the services need the most.

Underlying this provision is the fact that the armed services are competing with industry for the same type of skilled technical personnel and those with intelligent leadership qualities that have been and are expected to be in short supply. It is also a fact that the personnel requirements of the Armed Forces are changing in character. At the end of World War II only about 34 percent of the total enlisted force were composed of technician categories. By the end of the Korean hostilities it had increased to 41 percent, is now at 56 percent, and will increase still further. As an example, in the B-52 wing, about 55 percent of the nonflying officers must have technical ability. In the intercontinental ballistic missile units, however, about 75 percent of such officers will be required to have advanced technical knowledge. With respect to enlisted men, however, the requirements for those in the technical fields will also increase.

At the same time these are the groups where reenlistment rates are the lowest and where the periods and cost of training are the greatest. Moreover, the skilled combat enlisted leadership is failing to reenlist in required numbers.

The proficiency pay system provides the authority whereby these scarce groups can be offered additional compensation which will make their incomes more competitive with that available in industry. The authority is also sufficiently broad for the Secretaries to recognize truly outstanding ability in any career group.

The first of these systems would recognize an enlisted man to be advanced to any pay grade above that of his military rank. The Secretaries of the various departments have the authority to distribute enlisted men in the various pay grades and this statutory system therefore reaffirms the general authority.

The second alternative system, which is not presently authorized by law, would establish proficiency ratings known as P-1, P-2, and P-3, and would authorize maximum monthly pay rates of \$50, \$100, and \$150, respectively.

In order to appreciate the significance of the total pay, including normal compensation and proficiency pay which enlisted men could receive, one should turn to the chart in the report immediately preceding page 31.

These examples indicate that in extreme cases an enlisted man receiving the highest proficiency pay could receive a total increase of 69 percent over his present compensation. Many would receive increases of 25 to 50 percent.

#### Operation of system

Under the bill the administration of the proficiency pay systems is largely vested in the Secretaries concerned, subject to regulations issued by the Secretary of Defense. There is no numerical limitation on the number of enlisted men who might receive proficiency pay. The departments have advised that their plans call for ultimately awarding this pay to about 15 percent of the total enlisted force. Those who would receive such pay, however, would be enlisted men for the most part in the pay grade of E-4 and above. This total number (about 330,000) would permit from one-third to one-half of the enlisted men in the grade of E-4 and above to be eligible for such pay.

The bill moreover does not attempt to define the word "proficiency" but leaves this decision to the Secretaries concerned, who will elect the system, designate the skills, and the criteria for the pay. The Secretary of Defense under the bill has the regulatory authority for issuing regulations which will prevent competition among the

services for the same skill and insure uniformity of general guidelines.

#### Pay scales themselves

I will now turn to the new rates of basic pay which the bill provides. These increased rates have been designed to serve as an incentive for young officers and enlisted men in military service. These rates result in a much larger difference in the scales between each of the various ranks than presently exist. The largest percentage increases are therefore granted to those in the upper enlisted and officer grades. These new scales will refute the belief so often expressed that young people are refusing to remain in military service because the monetary awards of the grades to which they aspire are insufficient for them to elect a service career.

#### Two new officer and enlisted grades

The bill creates two new pay grades for officers and enlisted men, O-9 and O-10 and E-8 and E-9. The new grades O-9 and O-10 will recognize for pay purposes the 3- and 4-star general officer ranks. The increased pay for these ranks will serve to more properly reward the responsibility held by those in this rank.

The new enlisted grades E-8 and E-9 serve to more properly reward the division of responsibilities in the enlisted structure and especially those who serve in a supervisory capacity. At the same time the generous increases which those will receive who reach this rank create a career goal which should serve to retain a greater number of qualified personnel.

The emphasis of the pay scale is on the incentive concept. The bill nevertheless does recognize the increased cost of living which has occurred since 1955 by providing a minimum 6-percent increase in basic pay in most cases.

#### Budget increases

The pay increases based on budget averages sometimes gives a misleading impression since they do not show the effect on the individuals comprising the various grades. I am going to recite these averages, however, since they do indicate the general cost of the bill.

This bill provides a 6.3-percent increase in terms of total pay and allowances for all military personnel. In terms of basic pay it amounts to an 8-percent increase. For commissioned officers there was an average budget increase of 11 percent in basic pay. For warrant officers the increase was 11.2 percent; and for enlisted members it was 6.8 percent. This latter percentage for enlisted personnel is somewhat misleading, however, since the average for all enlisted men with over 2 years is a 9.2-percent increase in basic pay. The unadjusted average for enlisted men of 6.8 percent is unrealistic.

It is important to note that the average enlisted increases I have just cited do not reflect the additional proficiency pay they will receive.

#### Typical increases by grade

I will turn now to the extent of the increases for the various grades. On pages 10 and 11 of the committee report, these increases are listed both in terms of basic pay and total compensation. Furthermore, the charts printed at the end of the report contain a detailed breakdown. I would like to set forth the increases in certain grades, however, by way of example.

In accordance with the incentive philosophy, there is an upward progression of increases in the officer grades. The typical basic pay increases are as follows:

	Percent
First Lieutenant.....	10
Captain.....	13
Major.....	15
Lieutenant colonel.....	18
Colonel.....	21
Brigadier general.....	30

	Percent
Major general.....	25
Lieutenant general.....	28
General.....	33
Chairman, Joint Chiefs of Staff.....	47

This latter rate was that passed by the House for all generals in the grade of O-10. In the enlisted grades typical increases in basic pay are:

	Percent
E-4.....	14
E-5.....	10
E-6.....	9
E-7.....	10
E-8.....	22
E-9.....	38

These enlisted increases do not include proficiency pay which will permit eligible enlisted men to receive much greater increases. It was the belief of the committee that the increases should serve to meet the pay problem with respect to the retention of qualified young officers and enlisted men by providing an incentive and establishing a compensation structure reasonably comparable to civilian pursuits.

#### Responsibility pay for certain officers

I now come to a provision which the committee recommended as a new feature of the military-pay system and which is one of the most vital parts of this bill.

Its importance cannot be measured by its relatively insignificant cost which will not exceed for next year \$12 million out of the total cost of \$576 million. One of the difficulties inherent in our military-pay system has been the lack of a method to give monetary recognition to outstanding officers without increasing the pay of all officers with the same rank and service. Neither the present pay nor promotion system adequately acknowledges this type of endeavor. These are the officers holding critical positions of unusual responsibility for their grade to which they have been assigned because of outstanding performance of duty.

This provision which is permissive would apply to a limited percentage of only 4 of the commissioned grades—10 percent of the O-6 (colonel), O-5 (lieutenant colonel), and O-4 (major), and 5 percent of the O-3 (captain). These officers would be paid an additional \$150 a month in the case of colonel, \$100 for lieutenant colonel, and \$50 for major and captain.

The bill leaves to the Secretary concerned the complete discretion as to which officers will be designated as holding the positions eligible for such pay. I should like to emphasize that except for the physicians and dentists who already receive special pay, all positions in the Armed Forces will be eligible to compete for these designations. Examples of positions that could be so designated might include, for instance, certain wing commanders of the Strategic Air Command or certain regimental commanders in the Army and Marines, or certain commanders of naval vessels. In addition, there might be officers who are in charge of engineering or missile projects, or some other critical scientific endeavor. There also might be among the various staff positions some of unusual responsibility of a critical nature.

This new feature has been criticized because of the fear that the positions would be unduly concentrated in the various headquarters or awarded on the basis of favoritism. I have no doubt that the secretaries will prevent any possible abuse of this new system and will administer the system with the wisdom required of careful administration. This problem is no greater than is being met every day in the selection of outstanding officers for responsible positions.

#### Retired pay

The question of a proper provision for persons already retired presented the most



difficult problem to the committee. The military pay legislation recommended by the executive branch made no provision for increases in retired pay. The Department of Defense later said that they were opposed to any increases in pay beyond that provided in the House bill. The bill as passed by the House authorized a flat 6 percent increase except for those holding 3- and 4-star rank who would be authorized to recompute under the new rates.

Both the subcommittee and the full committee are considering all aspects of this question recommended a flat 6 percent increase for all persons currently on the retired list including those of 3- and 4-star rank, who, under the House version, would be authorized to recompute.

#### Cost

I shall now briefly discuss the comparative cost of the Senate and House versions of the bill and indicate the major differences.

The bill as passed by the House would have resulted in an increased cost for fiscal year 1959 of \$683 million. The bill as reported by the Senate committee will require additional funds in the amount of \$576 million. It is, therefore, a total difference in cost of \$107 million. The Department of Defense recommended reductions in the House rates which would have reduced the cost of the bill for fiscal year 1959 to \$512 million.

I think it is fair to say that the Senate took a middle position between those rates recommended by the Department of Defense and those as passed by the House. The Senate position resulted in slight reductions in most of the commissioned and warrant ranks over that recommended by the House. This reduction is offset to a large degree by the introduction of the new responsibility pay for officers.

With respect to enlisted rates, the committee accepted the scales suggested by the House for the four lower enlisted grades. With respect to the remaining enlisted grades, the committee recommended some reductions. At the same time the committee increased the rates for these grades over that recommended by Defense by the amount of some \$36 million. The committee felt that the establishment of the proficiency pay systems under which thousands will receive additional compensation together with the increased promotion opportunity which will be caused by the addition of the new enlisted grades E-8 and E-9 justify the committee adjustments.

During the delivery of Mr. STENNIS' speech,

Mr. GOLDWATER. Mr. President—Mr. STENNIS. The Senator from Arizona, as I have mentioned before, is one of the authors of the original bill which started the subcommittee off on the hearings. The Senator from Arizona has certainly been helpful to us. I appreciate his contribution, which has been real. I am very glad to yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, first I desire to thank the distinguished Senator from Mississippi for yielding to me. I am sure I express the feelings of the members of the armed services when I thank the Senator for his attention to every detail of the bill and for following through on the promises he made to the Senator from Missouri [Mr. SYMINGTON] and me last year when we first introduced the Cordiner recommendations as a piece of proposed legislation.

I thank the Senator from Mississippi for having been so careful in drafting

the bill now before the Senate. While the bill does not contain everything all of us would desire, nevertheless, it is a bill we can pass, the other body can pass, and I pray can become law, which will be the first real step forward in military compensation in many and many a year.

I think it is proper also that we recognize the work which Mr. Cordiner did while developing the background for the bill. As I have said, while the bill does not incorporate all the recommendations of the Cordiner report, nevertheless it contains most of the salient features. I am sure the points which are omitted can be given consideration in future Congresses.

Mr. President, I share with the distinguished Senator from Washington [Mr. JACKSON] and other Senators concern about the elimination from the bill of the reference to retirement pay adjustment. There has been a 7.9 percent increase in living costs during a comparatively short time. I had intended today to offer an amendment which would take care of the matter; but, after talking with different members of the committee I consider it to be far more important not to jeopardize the passage of the bill today than to offer an amendment, which I feel can be offered in the next Congress. Therefore, I shall not offer the amendment which I had intended to offer, and I beg of my colleagues that they will not try to clutter the bill with amendments. There is a real, hard need for the increased compensation and for the recognition of skills and incentives.

In my estimation the greatest danger to our armed services is not the threat of external pressure from the armed might of Russia, but is the threat from the internal situation we face, because of which trained men, from first term enlisted men to colonels and generals, are leaving the service for better pay and in response to greater incentives.

The Senator will recall that in my statement before the committee I pointed out that all of us choose our professions not with the idea of becoming wealthy men or rich men, but with the idea of contributing something to our country. Some men go into the ministry. Those men certainly do not choose that profession to get rich. They choose the ministry to perform a service.

Those of us who choose the political life do not choose it to become wealthy. We choose politics as a means of offering a service to our country.

The same is true with regard to the man who goes into the armed services. Certainly if he wanted to become a wealthy man he would choose some other field of endeavor.

All that any man wants—I care not whether he wears a uniform of the Army, Navy, Air Force, or Marines, serves in the Senate or in the House, or wears the robes of the ministry—is to earn enough so that he can be dignified among his fellow men. That is all any of us ask. We want to walk with stature among our fellow men, and not be looked down upon.

For a good many years in this country some persons have considered it to be a

disgrace to serve in the military forces. Some have looked down upon military men and have looked upon military service as almost a last resort. When I think of the military man who gives his life to the service, I think he is probably doing as much for the Nation as any of us who serve in other fields.

Mr. President, I am hopeful that today we shall pass the bill to enable the military services to adopt a system of military pay based more on incentives than on longevity, a system which recognizes skill instead of length of service entirely, and gives to the men in our armed services a chance to earn enough money so they can live comfortably and raise their families in the proper manner.

Mr. President, I again thank the distinguished Senator from Mississippi for his kindness in allowing me to appear before the committee to testify on the important measure now under consideration. If the Senator does not mind, I ask unanimous consent that the statement I made before the committee be printed in the RECORD at the end of the Senator's remarks, and I ask further unanimous consent that all my remarks be printed at the conclusion of the remarks of the Senator from Mississippi.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the statement by Senator GOLDWATER before the Armed Services Committee was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BARRY GOLDWATER, OF ARIZONA, BEFORE THE MILITARY PAY SUBCOMMITTEE OF THE SENATE ARMED SERVICES COMMITTEE

Mr. Chairman, I have been closely associated with military matters for over 27 years. My service in World War II and my continued activity in the Air Force Reserve have given me an insight into the problems of the Armed Forces. They have also given me the opportunity to study and investigate some of the serious problems in our Nation's defense posture.

Despite headlines on satellites and space, I look upon the loss of our trained military personnel as the most serious problem of all. Unfortunately, the personnel problem has too often taken a back seat to weapons and strategy. This is a paradox when we consider that so much of our technological progress in weapons and strategy comes from the minds of our military men. And after those complex weapons are developed they are turned over to our military men to be maintained and operated. What good does it do to write checks for billions of dollars to have industry produce the weapons of war and then hamper the services in taking full advantage of the weapons' potential by denying them the right kind of personnel? This is unsound and I am opposed to it.

The issue before us is this: Our armed services are unable to attract and retain, past short periods of obligated service, the numbers of skilled, experienced people required to efficiently manage our defense forces and its weapons. The responsibility for correcting this condition must be dually shared by the civilian leadership of the executive branch of our Government and by all Members of Congress. Support must come from the entire citizenry of the Nation. This committee must set the example by its resolve to fully understand the problem and to act expeditiously and wisely toward its resolution.

Now, if I may, I should like to indulge in a brief and I believe significant historical review.

During World War II we had a hot war to stir the fires of patriotism and a draft system to fan them even more. Together they produced the personnel with the skills and leadership to do the job and win the war. But think back, if you will, on the state of technical development in weapons then and compare them to the complex, technological weapons of today. Consider also the two oceans which in World War II shielded our sleeping industrial might. Today those oceans are figuratively dry and our Nation is in danger of atomic and nuclear obliteration within minutes or hours. Time is no longer in our favor. Think of the 3 years it took us during World War II to mount air, sea, and ground forces capable of a sustained offensive against the enemy.

Are any of us here so naive as to think our military manpower problems can be solved after the start of the next war, as they were solved after the beginning of the last? Then why do we continue in that way? We know that fantastically complex weapons and delivery systems have so completely altered our defensive position that no reassuring comparisons of weapons or manpower between World War II and now can be made.

Upon whom does this Nation now depend? Who are our military personnel? They fall into two categories. First, there are the World War II veterans who have stayed in the service, who have adapted themselves to the new concepts of modern war and on whom this Nation is depending for its very survival.

Secondly, there are the postwar youths who are willing to enter the Armed Forces as a career. Pitifully few, however, are volunteering for military careers and the multitude choose not to remain in the services past their brief period of compulsory service. It is little wonder when the military career is shamefully less rewarding in comparison to other careers. This is not a militaristic nation. But we live at a time when the world is plagued with a critical situation which demands that our country be militarily powerful and that a part of our total national manpower be military careerists. Never before in our history has this military manpower need been as great as it is today. The realities of the present and of the foreseeable future dictate that unsurpassed defensive and offensive force is the Nation's only choice until true peace can be achieved.

If our Armed Forces need physically fit, educated, intelligent young men to serve for 10, 20, or 30 years; and if such personnel will protect this Nation either by preventing a war or by winning it if such a catastrophe is forced upon us, then we must make the military career so attractive as to insure that qualified young men in sufficient numbers will be drawn to serve voluntarily. I think our whole Nation wants this done, and that it wants it done now. We don't want half measures; we don't want failure before we start; we want assurance of success beyond all doubt, and I will not, under any circumstances, place my name on a proposal that my best judgment tells me will fall short of the goal.

At the moment, we have about 2½ million men in uniform. We are told that modern weapons and our national defensive strategy is not likely to increase this number in the foreseeable future.

In fact, recent manpower adjustments in the Department of Defense indicate that, as weapons become more advanced, total manpower requirements can be decreased. Therefore, our military personnel needs will call for an increasingly smaller proportion of our total population. But this smaller proportion must be made up of persons more skilled, more experienced, and more willing to serve than in the past. They must be

educated, and capable of absorbing complex, technical training. They must be willing to literally give their lives to the cause of freedom and our way of life. In response to such dedication all of our population must be willing to recognize them for the true patriots they are by providing them with a standard of living and a way of life essentially comparable to the segments of the civilian population they represent.

We have not done this. We have not recognized our military men as human beings with aspirations to American success, with families to feed and with children to educate. The result has been that few of our sons and daughters desire or follow a military career. We have failed to reward our senior officers for outstanding performance as is done in the business world. On the contrary, we have actually encouraged many of them to seek release from military duty to gain social and financial recognition in industry. What has happened and what is happening this very moment is a national and expensive disgrace. It is costing all of us hundreds of millions of dollars in lost skills which must be replaced daily at more expense and with more waste of time. But worse yet, our current practices practically guarantee that our Armed Forces will be manned not by experienced professionals in combat-ready units but by young students in the classroom learning basic skills and technical fundamentals.

Only professionals will be ready and able to do the job of preventing a war and insuring national survival.

Early last year, Mr. Ralph J. Cordiner submitted his now much discussed Cordiner report. After a year of study, he and his committee concluded that the personal policies of our Armed Forces were outmoded and inadequate and that the conditions under which military personnel lived were inexcusable. The Cordiner Committee recommended that the first step toward improvement should be a new and modern compensation system, which would incorporate certain basic principles. The Committee recommended pay scales of specific dollar amounts, improvements in quarters allowance, remote and isolated duty pay, and other related items.

I realize that S. 3081 does not and could not, contain all of the recommendations of the Cordiner Committee. This is due to the fact that many of Mr. Cordiner's recommendations are in two separate areas, personnel management and compensation, and both could not easily be combined in the one bill. Further, it was deemed essential by the Cordiner Committee and the Department of Defense that a modernized compensation system must be established as a base for future personnel management policies and legislation. At this time, therefore, we are concerned with establishing a modernized compensation system which will serve to attract and retain qualified personnel in the Armed Forces. Having instituted such a system, I am confident that the Department of Defense will establish personnel management policies which will insure that only qualified personnel are retained.

I do not propose at this time to get into technicalities and to dissect the provisions of S. 3081. The Department of Defense has adequately covered them both before this committee and the Kilday subcommittee. My intention is to discuss certain problem areas which have arisen in the testimony before both committees and to propose what I think are the proper solutions.

First of all, there has been much insistence that the Department of Defense present to this committee the personnel management package which will be implemented if S. 3081 is enacted. The record is replete with statements that no bill will be reported until this is done. While this is definitely a valid concern and an attempt to insure

that we are not just giving the military another pay raise, I believe that it must be viewed in the light of several items which have not been developed previously. The first of these items is the fact that any such plans developed by the Department of Defense must be predicated on the assumption that S. 3081 will be enacted, not only by this subcommittee, but by the full Armed Services Committee, the Senate and the House. I have followed very closely the hearings conducted by the Kilday subcommittee and I cannot say that H. R. 9979, the House version of S. 3081, will be enacted as written even by the Kilday subcommittee. It would appear, therefore, that the insistence of this committee that detailed personnel management policies, including new legislation, be presented in advance of a final bill, is somewhat unreasonable. I am sure that all Members of Congress are so concerned with the manpower retention problem of our Armed Forces, that a military compensation act will be passed. I trust that if it is enacted the Department of Defense will establish measures to insure that only qualified personnel are retained in our Armed Forces.

But if the Congress has any doubts of this action by the Department of Defense, we can do something about it. Nothing prevents us from calling on a precedent which has been used many times in such instances—we can put in the bill a requirement to have the Department of Defense, in its annual military posture hearings, report on the personnel management practices which it has instituted to implement a Cordiner-type compensation bill. This is a simple solution to the problem and will serve to direct the energies of the subcommittee to the task at hand—to develop a modernized system of compensation for our Armed Forces which will attract and retain qualified personnel.

The second problem area which has arisen, especially in the Kilday subcommittee, is the confusion which surrounds the use of the term "longevity." In this connection, I was happy to see that my distinguished colleague from Missouri, Senator SYMINGTON, clarified this term on the very first day of the hearings before this subcommittee. As he so aptly stated, we are not trying to abolish the longevity principle, rather we are concerned with changing its application from that of years of service to time in grade. Contrary to expressed testimony, this is not a new concept. Under the Pay Readjustment Act of 1942, the Congress defined "longevity" to mean that every officer paid under the provisions of that act shall receive an increase of 5 percent of the base pay of his period for each 3 years of service up to 30 years. It is significant to note that under this definition a member of the service automatically received such increases throughout his entire career. In 1949, the Congress passed Public Law 351 entitled the "Career Compensation Act of 1949." This is the act, as amended by the acts of 1952 and 1955, upon which the services are currently paying their personnel.

In this act, the Congress departed from its previous definition of longevity to provide that a member, instead of receiving automatic increases throughout his entire 30 years, would receive such increases merely up to a certain point but not beyond. For example, where an E-1 would automatically draw increases throughout his entire career before 1949, the Career Compensation Act reduced that time to 4 years beyond which he would draw no further increases if he was not otherwise promoted to an E-2. Under the step-in-grade system, this time has been further reduced from 4 years to 2 years. Similar reductions have been made in all other grades.

The step-in-grade system has a distinct advantage. It eliminates the pay inversions inherent in the present system by insuring



that the highest pay of any one grade is lower than the lowest pay of the next higher grade. No captain could ever draw more base pay than a major, for example. More incentive is provided to advance to a higher grade. No one would experience the frustration of having a contemporary over whom he was promoted continue to draw more money simply because he had been around longer.

The third problem area concerns the misconception of some that S. 3081 creates in the military person an incentive to seek early retirement rather than to remain for a full career. This false belief is predicated on two facts: (1) That many colonels and Navy captains currently on active duty already have sufficient time in grade to receive the maximum Cordiner rates for colonels; and (2) since approximately three-fourths of 1 percent of the colonels and captains are promoted to general or admiral promotion possibilities are slim and many colonels and captains seek early retirement. The same philosophy is applied to officers who aspire to the grade of colonel.

To overcome this predicament, it has been suggested that the maximum Cordiner rates be more closely allied with the 30-year retirement rather than the 20-year retirement. Gentlemen, I do not believe that such a change will help to solve our manpower retention problem. It has been frequently stated that money alone is not the answer. Motivation is also important. We need men who are truly dedicated, who will remain in the service as a career. It is our job to make the career attractive for them so they will seek it out and remain with it. Shall we do as some have suggested and as with the carrots and the donkey dangle the money out before our military people but not let them have it until they reach 28 or 30 years and retirement. I say that such a system is wrong and unsatisfactory.

We agree that we must have a professional force-in-being if we are to survive. We also agree that the personnel of our professional force must be dedicated. If they are to be dedicated and if they are to devote their full energies to their military tasks they must be relieved of their financial stress and their financial worries for their families. The steps provided in S. 3081 and recommended by the Cordiner Committee will greatly relieve them of their financial stress and worries. Anything less than that provided by S. 3081 will only aggravate the problem.

If you are fearful that our servicemen will leave at the 20-year point, there is a positive approach to take. To keep them longer provide some additional incentive, but don't try to tempt them with stretchout of the increases which already have been recommended. There are several good reasons why it will not work. For example, most members who have 20 years of service are concerned with educating their children during the period between the 20- and 30-year point of service. Particularly they are concerned that their children receive a college education.

We should try to help them reach this worthy goal for their children. We would not only be creating an additional incentive for the serviceman, but would also be providing this country with many more college trained citizens—perhaps even some scientists. This is only a suggestion, Mr. Chairman, but it is offered to demonstrate that there are other ways of providing incentives to our military personnel without manipulating their proposed pay increases and stretching them out for the last 10 years. This is a time for positive action and we must meet the problem with all of the resources we are capable of mustering.

A fourth problem area which has caused considerable confusion is the 6-percent cost-of-living increase provision contained in S.

3081. Mr. Cordiner has objected to this provision on the grounds that it destroys the very concept of the merit system of compensation; Defense Department witnesses have supported it on the grounds that the cost of living has risen for all military personnel, and therefore, all military personnel should receive some increase; outside organizations have testified that the 6 percent should be granted in addition to the basic increases recommended by S. 3081. Any discussion of cost of living must include the cost of housing for it is a major item in the family budget. Mr. Chairman, the Cordiner Committee found that there are not enough on-base quarters for all military personnel and their dependents. In addition, the Committee found that quarters allowances are below what personnel must pay for off-base rentals. Since 1942, military personnel have received quarters allowance increases of only 14 percent but the nationwide price index for rent has increased 42 percent during that 16-year period.

To correct this, the Committee recommended adjustment of the present quarters allowances, and the adoption of a system whereby the allowances are tied to the nationwide index of housing costs. The allowance could then slide up or down, automatically, with the nationwide trend. An increase in quarters allowance would do more to satisfy a desperate need for all members of our Armed Forces than would the 6-percent cost-of-living increase. Such an increase for quarters would not be in conflict with the step-in-grade system recommended by S. 3081. I, therefore, recommend that the 6-percent cost-of-living increase provision be eliminated from the bill and for it there should be a 28-percent increase in the quarters allowance of all military personnel. This figure, 28 percent, is the difference between the 14 percent received since 1942 and 42 percent, the nationwide price index for that same period. I ask permission to insert in the Record at this time a table of proposed quarters allowances.

The fifth problem area concerns S. 3081 and the 4-year phase-in period for bringing officers and warrant officers to the recommended pay scales. While testimony was given that such a device is an economy measure and is designed to enable the services to better implement personnel management policies, I still disagree with it. I believe that if an officer or warrant officer is carrying the rank and responsibilities now he should receive the corresponding pay now. Further, in accordance with my previous suggestion, to require the Defense Department to report during the annual military posture hearings, on the personnel management practices which it has instituted to implement the compensation bill. I see no need to phase-in officers' pay during this same period.

The sixth problem area concerns the reduction in pay of our general officers from that recommended by the Cordiner Committee. S. 3081 reduces the monthly pay of general officers from the Cordiner Committee rate of \$2,000 to \$1,700 for a general; \$1,750 to \$1,500 for a lieutenant general; \$1,500 to \$1,300 for a major general; and \$1,250 to \$1,100 for a brigadier general. Gentlemen, I strongly recommend the original Cordiner rates for these officers. I am not impressed with the reasoning given this committee that these reductions were made because otherwise some general officers would be making more than the Secretary of Defense. Parenthetically I might note that this probably includes some of the Under Secretaries and Assistant Secretaries. Mr. Chairman, we are concerned here with establishing a professional force-in-being. We must have the best leaders in our military services. I am not concerned that one of our generals makes more money than some Secretary. This is not the issue. But national survival

is, and the Congress should be willing to pay any amount for that.

The seventh problem area concerns testimony which would indicate that under the provisions of S. 3081 the man with fewer years of service but more time in grade would receive more money than the man with more years of service but less time in grade. For example, assume an Air Force colonel has 18 years of service and 4 years in grade as a colonel. Under this bill he would receive the maximum amount of \$1,065. On the other hand, under this bill, an Army colonel with 22 years of service but only 2 years in grade would receive \$1,005 and 2 years later would go to the maximum amount of \$1,065. It has been implied by some that such a situation is undesirable and should be corrected by stretching out the pay scales so that the two colonels would either receive the same pay or that the one with the most service would receive the greater pay.

Gentlemen, several important considerations were omitted from the record when this point was discussed. First of all, we are here proposing a change in application of the longevity principle from that of years of service to that of time in grade. If we were starting from scratch, this problem would not arise. Unfortunately, we can't start there. We must face reality and go on to develop a system of compensation. The choice of a wrong starting point could destroy the very system we are trying to establish. If we stretch out the rates to favor the individual with more years of service, aren't we in fact simply modifying the present system of pay instead of modernizing it?

In the example of the two colonels, both are World War II and Korean war officers. The example is quite plausible for it is a fact that many colonels in the Air Force have less years in service than their counterparts in the Army or the Navy. My concern in this matter is that the record does not contain an adequate explanation of just why this is so.

As you know, I served in World War II as a pilot in the Army Air Corps. Since that time, I have maintained an active interest in the Air Force and I feel that I am in a position to comment on this situation. First of all, I am sure you realize that officers are the frontline troops of the Air Force. In World War II, over two-thirds of all Army officers killed in combat were flying officers of the Army Air Corps. That means of the 33,645 Army officers who died in combat, 24,119 of them were Air Corps officers. Secondly, when the operations of World War II emphasized the use of air forces, many young flying officers found themselves literally catapulted into positions of extreme responsibility and danger.

Squadrons, groups, and divisions were organized overnight in order to meet the emergency. Army Air Corps officers were placed in command and staff positions and were given the rank commensurate with their responsibilities. But no one complained, then, that these officers were being promoted too fast. Everyone recognized the dangers and burdens involved and agreed that the rapid promotions given those officers was small compensation. Yet, today, when we are considering a modernized compensation structure for our Armed Forces, I hear comments and remarks to the effect that the Air Force officers who survived the rigors of war were promoted too soon and should not now receive the pay proposed by this bill. Perhaps many of us also forget that since World War II these same officers have been on active duty providing the very deterrent to a nuclear war which could cause the utter destruction of the world itself. Gentlemen, I cannot agree with the proposition that these officers should be penalized for their early promotions. The reasons for those promotions were valid then and are valid



now. I am sure this subcommittee will weigh these facts very carefully when this issue arises in executive session.

Mr. Chairman, I have discussed the main problem areas which I have observed from studying the testimony given before this and the Kilday subcommittee. As I indicated at the outset, I confined myself to the problem at hand—developing a modernized system of compensation for the Armed Forces. I am sure that you can readily see that S. 3081, the Department of Defense bill, needs many modifications if we are to accomplish that objective.

However, in addition to S. 3081, this subcommittee has before it, S. 2014, the bill introduced by Senator SYMINGTON and myself. That bill adopts in full the military-pay recommendations of the Cordiner Committee. It does not contain any reductions in the pay of our general officers. It calls for full implementation of the Cordiner rates instead of the phase-in for 4 years. It applies to retired personnel and does not contain a 6-percent-cost-of-living increase. In other words, gentlemen, except for providing an increase in the quarters' allowance, it is a clean bill which has been designed to accomplish the objectives of these hearings—to insure that we have a professional force in being which will guarantee our national survival.

In conclusion, I have one further suggestion for the committee to consider and that would be to have the provisions of S. 2014 or S. 3081 be effective in the fourth quarter of fiscal 1958 instead of waiting for 1959, as has been discussed. My reasons for suggesting this are obvious because of the interest of the administration and the Congress in increasing expenditures where these increases will aid the economy.

Gentlemen, I urge you to adopt the Symington-Goldwater bill, S. 2014, as the answer to the manpower retention problem which now confronts our Armed Forces.

Mr. GOLDWATER. Mr. President, again I thank the Senator from Mississippi from the bottom of my heart.

Mr. STENNIS. I thank the Senator from Arizona.

Mr. SALTONSTALL. First I wish to join the other Senators in congratulating the Senator from Mississippi for his work on the bill. I should like to add that it is always a pleasure to work with the Senator from Mississippi in the subcommittee. This time we worked very hard, and I hope the results will be helpful to the military services.

Mr. STENNIS. If the Senator will yield to me on that point, I appreciate his remarks. If the subcommittee has had any success at all, a great part of the reason for it is the very fine knowledge of the subject and the splendid cooperation of the Senator from Massachusetts, who approached the subject on a very high level, with his very fine background and knowledge, with which he is always so generous. He made a very fine contribution. It is a special privilege and pleasure for the Senator from Mississippi to work with him.

Mr. SALTONSTALL. I thank the Senator. I appreciate what he has said.

Mr. President, as the ranking minority member of the full committee and also of the Subcommittee on Military Pay I would like to stress the fact that the military pay bill represented a unanimous report of both the full committee and the subcommittee.

The chairman of the subcommittee, Senator STENNIS, has very ably explained

the features of the bill and the reasons for the action of the committee. I would like to discuss briefly certain aspects of the legislation and the philosophy underlying the committee's action.

Never before in the history of our Armed Forces has the need been so great for highly trained, skilled personnel. The ever increasing complexity of our weapons systems, particularly in this age of missiles, requires a higher degree of training and experience of both officers and enlisted men. At the same time the length of training required to properly train our personnel and the cost of such training are steadily increasing. We must keep more of these trained, skilled people in service.

Mr. President, I interpolate at this point that it is my understanding that it takes 5 years before a man can become a pilot of a B-52 plane. That gives some idea of the skill and experience and intellectual capacity required of a pilot of a strategic bomber.

We cannot achieve the required state of readiness in the Armed Forces unless the excessive turnover of skilled personnel is halted. In fiscal year 1959 only one-third of the 2,300,000 enlisted men will be serving beyond their first enlistment or inducted service. This means that two-thirds of the total enlisted personnel in the Armed Forces are in a training status and as such are unable to make a full contribution to their service.

The problem that exists today is forcibly illustrated by the fact that reenlistment rates in all services are lowest in those skills where technical requirements and training investment are highest. This trend must be reversed if we are to have Armed Forces capable of defending this Nation under all circumstances.

In this missile age the need for highly trained forces-in-being is more important than ever before. Time has become the most precious element. In the event of hostilities anywhere in which this Nation might be involved, we cannot expect to have, as we have had in the past, the time to train and develop the military leaders and other skilled, qualified personnel that will be needed in the Armed Forces.

The Senator from Mississippi [Mr. STENNIS] has already stated that six and one-half wings of the Strategic Air Command are always grounded because of the lack of trained personnel. To put it briefly, the problem of the Strategic Air Command is twofold. In experience and age, almost three-fourths of SAC's enlisted men are in their first enlistment; most of them are still being trained. Seventy percent of the combat crews in the Strategic Air Command are in the 35-37 age group, veterans of World War II and/or Korea, most of them with thousands of hours of flying time and a vast backlog of seasoned experience almost impossible to replace.

Yet by 1960 most of these men will be approaching 40 or will be in their forties, and their utility as aircraft commanders, pilots, and so on, will be diminishing. Yet younger pilots and officers, most of them graduates of ROTC programs, are not remaining in the serv-

ice in sufficient numbers to replace the older men.

The problem can also be illustrated by the case of trained electronic specialists. This was one of the most significant matters presented to us. About 82 percent of the radar bomber system maintenance experts leave the service after 4 years. Their training has cost the Government and the taxpayer an average total of about \$25,000 each.

Yet in that 4-year period the maintenance expert has spent much of his time in school; he has been fully productive, it is estimated, only 37 percent of the time.

The economy of reenlistment is demonstrated by figures that show that those who do reenlist for a second 4-year period are productive about 92 percent of the time in their second hitch.

Mr. President, there is one specific feature of the bill about which the Senator from Mississippi [Mr. STENNIS] has already made some comment which I think is especially important. As he has explained, the bill modifies the longevity pay system which has so long characterized our method of paying military personnel. Under the longevity pay system officers and enlisted men have continued to receive increases in their pay for long periods of service after the time when they should normally have been promoted, even though they were not promoted. One effect of this system has been to permit personnel of lower ranks to receive more pay than individuals who outrank them, the latter having been selected for promotion with less total service than those in lower ranks. It is obvious that this system has reduced the incentive to qualify for promotion.

Under the bill this defect will be corrected to a very large extent, because officers and enlisted men will no longer receive pay increases within their grade after reaching the point at which they should normally be promoted. The elimination of undue emphasis on pay for longevity will serve as a greatly increased incentive to our military personnel, and induce them to render the kind of performance which will make them eligible for promotion to a higher grade and the stepped-up rates of pay provided for such grades.

It is recognized that pay and an improved compensation system for the Armed Forces, although of prime importance, are not the only factors needed to achieve and maintain a quality force in all ranks. Young officers must feel that there is not only opportunity for future advancement, but also recognition of superior performance. No personnel system, military or otherwise, can be successful unless it permits a young man to advance in accordance with his ability, rather than as a result of the passing of years of service as the chief factor, as I have already pointed out. I was glad to note during the lengthy hearings which the committee held on the bill that the Department of Defense is taking action to improve the personnel management system in the Armed Forces.

The Defense Department is very much aware of the importance of instilling in



our military personnel a sense of dedication in their service. The Senator from Mississippi has read from the committee report at page 4 the positive actions which have been initiated by the Department of Defense.

I shall not repeat the quotation from the report. One of the principal questions which faced us was the elimination of the so-called hump. The hump, as it appeared to me, is one of the great deterrents to incentive among the younger officers. The hump, in broad language, included the officers from major through colonel and resulted from World War II and the Korean war. It meant that young men coming along could rise, we will say, to the grade of captain. Then they would see a great hump ahead of them, lose their incentive, and perhaps retire from the service. The committee discussed that problem at great length. The Air Force and the Army have submitted letters to the committee stating that they believe by administrative action, if the bill becomes law, they can gradually eliminate the hump, perhaps in the next 3, 4, or 5 years. The Navy has stated that its hump can be eliminated only by legislation. The Navy has proposed legislation to the committee. The responsibility now is upon the Committees on Armed Services of Congress to help the Navy to eliminate the hump.

Only by eliminating the humps in the three services, in my opinion, can the bill become fully effective.

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

Mr. SALTONSTALL. I yield to the Senator from Nebraska.

Mr. CURTIS. I appreciate the kindness of the Senator from Massachusetts. I am sorry I could not have been here for all of his presentation, and for the statements prior to his, as well. Does the bill deal with the payments to retired military personnel?

Mr. SALTONSTALL. The Senator from Mississippi [Mr. STENNIS] went into that question at great length, as did the Senator from Washington [Mr. JACKSON], the Senator from Missouri [Mr. SYMINGTON], the Senator from North Carolina [Mr. ERVIN], and the Senator from Arizona [Mr. GOLDWATER].

Mr. CURTIS. I am sorry I was late getting to the Senate Chamber.

Mr. SALTONSTALL. I will repeat briefly our understanding of the situation. The bill makes some provision for the retirement system. It provides a cost-of-living increase of 6 percent to all retired officers.

Among the Senators whose names I have mentioned, there is a distinct feeling that the committee at a future date, rather than to complicate the bill before the Senate, should consider the subject more at length and determine whether there should be, as a part of the incentive system, a greater opportunity for increased allowances to retired officers and personnel.

Mr. CURTIS. In other words, while the bill does provide an increase in a flat, across-the-board manner, the committee are saying they do not regard that as the ultimate solution, or as total

justice, and they hope to go into the question at a future time.

Mr. SALTONSTALL. I should not want to commit the committee to that extent. The chairman of the committee, the Senator from Georgia [Mr. RUSSELL], is on the floor. It is my understanding that we did agree; but the statement by the Senator from Mississippi was to the effect that the bill may not be the best solution for retired officers and that the subject should be considered at some time in the future.

Mr. CURTIS. I have a question concerning reservists. I refer to the Reserve officers who retired for physical disability prior to the Pay Act of October 1, 1949. Has anything been done to change their situation? I recall that during World War II a resolution was adopted, I believe by both Houses, expressing the policy that reservists should have equal treatment along with other components of the Army. Does the bill contain any provision which takes care of the discrimination which occurred under the 1949 law?

Mr. SALTONSTALL. I do not think so; but I should like to have the Senator from Mississippi answer the question, because I would not wish to make a misstatement.

Mr. STENNIS. Mr. President, the Senator from Nebraska has referred to a special group who elected to retire under the law which was in force prior to 1949. Under the 1955 bill, they were given a 6-percent increase. In the pending bill they are also given a 6-percent increase. So under this bill they will be treated just as they were treated under the prior bill; and they are in that category because under the 1949 law they can exercise an election to retire.

Mr. CURTIS. I seek information. Is it the view of the Senator from Mississippi that as this provision applied to such individuals, every one of them was in a position to make an election; or were not the circumstances such that many of them no doubt had to elect in the manner in which they did?

Mr. STENNIS. I am advised that, under the law as it then existed, they had 5 years in which to elect to come under the new law, if they had been retired because of disability; and if they failed to make the affirmative election within that time, they automatically remained under the old law.

Mr. CURTIS. It is true that a Reserve officer who was retired for physical disability, assuming that he has the same number of years of service as does a regular officer, receives less retirement pay?

Mr. STENNIS. Does the Senator refer to the situation under the old laws—those of 1949 and prior thereto?

Mr. CURTIS. Yes.

Mr. STENNIS. I was not connected with that legislation; I was not then on the committee. But my information is that they had this option, and that some of them drew more pay under the old law than they would under the new one. Presumably that is why they did not elect to leave the old status and come under the new law.

Mr. CURTIS. But nothing in this bill deals with that situation; is that correct?

Mr. STENNIS. The bill does not contain anything that would change that situation; that is true.

As the Senator from Georgia said a moment ago, retirement occurred under many laws. The status quo of each is maintained; but they will receive the 6 percent added retirement pay.

Mr. CURTIS. I do not have all the categories in mind sufficiently to be able to describe them. But I believe in this general field there exists a problem which might at a future time—and I hope not too far in the future—be looked into, because during the war Congress went on record as favoring the policy of treating all branches of the military service alike. However, I believe that, in practical application, some of the reservists are not treated as favorably as are the officers in the regular service.

Mr. SALTONSTALL. I agree with the Senator from Nebraska that there are several such problems. I have discussed them with various officers, and have received correspondence on that subject.

To supplement what the Senator from Mississippi has said, I can say that this bill does not go into that detailed subject. But the problem can very well be considered in the future.

Mr. CURTIS. I thank both of the distinguished Senators.

Mr. SALTONSTALL. Mr. President, I should like to conclude briefly what I was saying about the philosophy behind the bill.

The philosophy is to provide incentives, so that young men who become members of the military services will, as enlisted men, wish to reenlist and to make the military service a career; and that junior officers who work up through the ranks will realize that they can get ahead if they work hard and do their jobs well and show intelligence. That is the philosophy of the bill.

At the same time, the House included in the bill—it was not in the original Cordiner report—a provision for some allowances for longevity for those who remain in the service, but who perhaps are not so efficient as others who can rise to the top ranks.

We are hopeful that this measure will serve to improve and stabilize both the enlisted and officer ranks.

The serviceman must look upon his profession as important. This depends upon two conditions: One is the nature of his career and the opportunities which inhere in it; the other is the respect and value placed on his career by his society. By passing this bill, we shall be making an affirmative contribution to both of these conditions. We shall be improving the quality of a military career, and, in doing so, we shall be demonstrating a measure of our recognition of the importance to our Nation of a professional military career.

Mr. President, I conclude by saying that I hope the bill—which has been carefully studied and prepared—will become law, and that it will help to provide

a better military service, so as to provide our country with greater security.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The bill is open to amendment.

Mr. YARBOROUGH. Mr. President, I offer the amendment which I send to the desk. The amendment is offered by me, on behalf of myself, the Senator from South Carolina [Mr. THURMOND], the Senator from New Hampshire [Mr. COTTON], the Senator from West Virginia [Mr. HOBLITZELL], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Kentucky [Mr. COOPER], the Senator from Mississippi [Mr. EASTLAND], the Senator from Florida [Mr. SMATHERS], the Senator from Maryland [Mr. BEALL], the Senator from Montana [Mr. MANSFIELD], the Senator from Colorado [Mr. CARROLL], the Senator from Montana [Mr. MURRAY], the Senator from Washington [Mr. JACKSON], the Senator from Missouri [Mr. HENNING], the Senator from Vermont [Mr. FLANDERS], and the Senator from Iowa [Mr. MARTIN].

I ask that the amendment be printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment submitted by Mr. YARBOROUGH, on behalf of himself and other Senators, was ordered to be printed in the RECORD, as follows:

At the end of the bill, insert the following new sections:

"Sec. 11.

"(6) Section 202 (a) (37 U. S. C. 233 (a)) is amended as follows:

"(A) By striking out the period at the end of clause (7) and inserting '; and' in place thereof.

"(B) By adding the following new clause at the end thereof:

"(8) For each officer of the Judge Advocate General's Corps of the Army, each officer of the Navy, Marine Corps, or Coast Guard designated as an officer for special duty (law) or law specialist, and each officer of the Air Force designated as a judge advocate, 3 years; except that the service authorized to be credited to an officer under this clause shall be reduced by the amount of any service otherwise credited under this section which covers any part of the period of the officer's professional education; and notwithstanding any other provision of law, the service credit authorized by this clause shall not—

"(A) be included in establishing eligibility for voluntary or involuntary retirement or separation from the service, under any provision of law;

"(B) increase the retired or retirement pay of a person who becomes entitled to such pay prior to the effective date of this act; or

"(C) increase the retired or retirement pay of a person who becomes entitled to such pay under chapter 67 of title 10, United States Code, on or after the effective date of this act, but who does not perform active duty after such date."

"(7) Section 203 (37 U. S. C. 234) is amended as follows:

"(A) By striking out the word 'and' before clause (6) of subsection (a).

"(B) By striking out the period at the end of subsection (a) and inserting the following in place thereof: "; and (7) commissioned officers of the Judge Advocate General's Corps of the Army, commissioned officers of

the Navy, Marine Corps, or Coast Guard, who are designated as officers for special duty (law) or law specialists, and commissioned officers of the Air Force designated as judge advocates. This section does not apply to any officer covered by clause (7) who has been called or ordered to active duty for a period of less than 1 year or who is entitled to pay under section 204 or 205 of this act."

"(C) By amending subsection (b) to read as follows:

"(b) In addition to any pay, allowances, or special or incentive pays to which they are otherwise entitled, commissioned officers as defined in subsections (a) and (c) of this section are entitled to special pay as follows:

"(1) Commissioned officers defined in subsection (a):

"(A) \$100 per month for each month of active service for those officers who have not completed 2 years of active service in a category covered by that subsection;

"(B) \$150 per month for each month of active service for those officers who have completed at least 2 years of active service in a category covered by that subsection;

"(C) \$200 per month for each month of active service for those officers who have completed at least 6 years of active service in a category covered by that subsection; and

"(D) \$250 per month for each month of active service for those officers who have completed at least 10 years of active service in a category covered by that subsection."

"(2) Commissioned officers defined in subsection (c)—\$100 per month for each month of active service."

On page 4, line 17, strike out "(6)" and insert "(8)" in place thereof.

On page 5, lines 7 and 9, strike out "(7)" and "(8)" and insert "(9)" and "(10)", respectively, in place thereof.

On page 8, lines 1, 11, and 15, strike out "(9)", "(10)", and "(11)" and insert "(11)", "(12)", and "(13)", respectively, in place thereof.

On page 10, between lines 16 and 17, insert the following:

"(5) Section 3066 is amended as follows:

"(A) By inserting the following new subsection after subsection (b):

"(c) Notwithstanding any other provision of law, the Surgeon General and the Judge Advocate General are entitled to the rank, pay, and allowances of a lieutenant general while so serving, and are in addition to any other general officers authorized by law."

"(B) By redesignating present subsections (c) and (d) as '(d)' and '(e)', respectively.

"(6) Chapter 339 is amended as follows:

"(A) By adding the following new section at the end thereof:

"§ 3453. Officers of the Judge Advocate General's Corps: temporary promotion to captain

"Notwithstanding any other provision of law, an officer of the Judge Advocate General's Corps may be promoted to the temporary grade of captain at any time after the first anniversary of the date upon which he was admitted to practice before a Federal court or the highest court of a State."

"(B) By adding the following new item at the end of the analysis thereof:

"§ 3453. Officers of the Judge Advocate General's Corps: temporary promotion to captain."

"(7) Section 5231 is amended as follows:

"(A) By inserting the following new subsection after subsection (e):

"(f) Notwithstanding any other provision of law, the Chief of the Bureau of Medicine and Surgery and the Judge Advocate General are entitled to the rank, pay, and allowances of a vice admiral while so serving, and are in addition to any other flag officers authorized by law."

"(B) By redesignating present subsection (f) as '(g)'."

"(8) Chapter 545 is amended as follows:

"(A) By adding the following new section at the end thereof:

"§ 5793. Officers designated for special duty (law): temporary promotion to lieutenant

"Notwithstanding any other provision of law, an officer designated for special duty (law) or law specialist may be promoted to the temporary grade of lieutenant at any time after the first anniversary of the date upon which he was admitted to practice before a Federal court or the highest court of a State."

"(B) By adding the following new item at the end of the analysis thereof:

"§ 5793. Officers designated for special duty (law): temporary promotion to lieutenant."

"(9) Section 8066 is amended as follows:

"(A) By inserting the following new subsection after subsection (b):

"(c) Notwithstanding any other provision of law, the officer of the Air Force who is serving in the position in the Air Force corresponding to the Surgeon General of the Army, and the Judge Advocate General, are entitled to the rank, pay, and allowances of a lieutenant general while so serving, and are in addition to any other general officers authorized by law."

"(B) By redesignating present subsections (c) and (d) as '(d)' and '(e)', respectively.

"(10) Chapter 839 is amended as follows:

"(A) By adding the following new section at the end thereof:

"§ 8453. Officers designated as judge advocates: temporary promotion to captain

"Notwithstanding any other provision of law, an officer designated as a judge advocate may be promoted to the temporary grade of captain at any time after the first anniversary of the date upon which he was admitted to practice before a Federal court or the highest court of a State."

"(B) By adding the following new item at the end of the analysis thereof:

"§ 8453. Officers designated as judge advocates: temporary promotion to captain."

"Sec. 12. Section 226 of title 14, United States Code, is amended by adding the following new subsection at the end thereof:

"(c) Notwithstanding any other provision of law, an officer designated for special duty (law) or law specialist may be promoted to the temporary grade of lieutenant at any time after the first anniversary of the date upon which he was admitted to practice before a Federal court or the highest court of a State."

Mr. YARBOROUGH. Mr. President, the amendment is sponsored by the American Bar Association, the Judge Advocates Association, and many other lawyer groups in the country.

In short, the amendment provides incentive pay for attorneys of the skilled legal services of the Armed Forces.

The amendment provides incentive pay ranging from \$100 a month to \$250 a month, depending on the years of service and the type of qualification shown.

The amendment would not apply to every lawyer in the Army, the Navy, the Air Force, or the Marines. If a lawyer carries the base plate of a mortar, in an infantry squad, he would draw the pay for that job.

The amendment applies only to the legal specialists—to the judge advocates



in the Army and Air Force and to the legal specialists in the Navy. There are approximately 2,700 of them. But if they are doing legal service or judge advocate work—and all of them are commissioned officers—those of that limited number would draw pay comparable to that drawn by medical doctors and dentists. The amendment would put them in that professional status, rather than downgrade them.

The amendment is sponsored very strongly by the American Bar Association.

I am sure many Members of the Senate have seen the brochure the bar association has issued. I shall not take time to go into it in detail.

At first glance, the amendment would appear to cost approximately \$6,500,000 a year; but it is the opinion of the different legal specialists corps of the armed services that the amendment would actually save the Government money, because of the rapid turnover which exists at this time in the case of the specialists in the trained lawyer corps. That was indicated at the hearing which was held by the very able committee which considered the bill and reported it.

I wish to commend all the members of the committee for the fine work they have done and for the thoroughness with which it has been done—as indicated by the fact that the hearing is about to conclude.

The amendment has met with wide acceptance by Senators on both sides of the aisle. I believe that all Senators who have participated in the work are entitled to a great deal of credit.

Mr. President, I believe the Senate should give consideration to the recommendations of the American Bar Association and the Judge Advocates Association.

If I may be forgiven for making a personal reference, let me say that I have had some experience in this line of work.

I should like to make a brief statement about what has happened in the turnover in this connection: The personnel for the judge advocates is being obtained mainly through the draft. The bar association has taken a poll of those now in that service, and has found that, at present rates of pay, once those who are now in that service finish their present terms of service, 99.1 percent of them plan to return to civilian life, because their pay in the service is so low.

As a result of the services not being able to keep some of these trained men, it is costing the taxpayers of this country money. It has further been asked if consideration would be given by military lawyers to staying in the service if they had incentive pay rates. Out of the number given, 50.6 percent said they would give serious consideration to staying in the service, and a very high percentage said they would stay in the service if they received incentive pay such as is given to dentists and medical doctors. The facts compiled by the American Bar Association showed that 94 percent of the career lawyers serving the Armed Forces in legal special-

ist capacities planned to retire as soon as they were eligible to retire, and that will be within the next 5 years.

Over 700 lawyers, judge advocates in the Army and Air Force and legal specialists in the Navy, out of a total of 2,700, returned to civilian life in the fiscal year 1957; and 435 have returned to civilian life this year.

There is a veritable flight from the armed services of legal specialists, just as soon as they can get out, because they are not accorded the pay which doctors and dentists, and to some extent veterinarians, receive.

In 1957 and 1958 the Armed Forces recruited only approximately 800 lawyers. Losses have exceeded gains by more than 300. With this turnover in personnel, there has resulted a 50 percent inexperience factor among military lawyers.

Due to his distinguished military service, I am certain the Presiding Officer in the chair at this time [Mr. DOUGLAS] knows of the difficulty there was in the administration of military justice in World War II. Such a storm of protest arose throughout the country that not one, but two, manuals for courts-martial were prepared since World War II. Congress wrote into the law a revision of military court-martial procedure to assure that the rights of military personnel would be adequately secured, and providing that accused personnel would be entitled to the help of lawyers in the Army.

Unless we can keep in the armed services personnel trained in the law, military personnel accused of crimes are not going to get proper representation. It takes 3 years to train a lawyer. As soon as the 3 years of a graduate from a law school are up, he learns to be a trial judge advocate or a defending counsel. It means a continuing acceleration of inexperience in military personnel trained in the law and added difficulty in making the system of military justice work.

I want to point out the importance of a just system of military government working. Any commander will say that the morale of the Armed Forces is one of the greatest incentives to victory in any force. What makes for morale? There are several factors. One is morale resulting from discipline and knowledge of how a command is enforcing discipline. However, how military justice is administered is an indisputable part of the discipline in a command. Discipline makes for morale, and morale makes for victory. One cannot whittle away at the foundation stone of morale and expect to get victory. A just system of military government is necessary for morale. There cannot be a just system of military government simply by making charges and specifications and simply saying, "Somebody will fill it out. We will appoint somebody as defense counsel." Under such a system those charged with crimes will be defended by inexperienced lawyers. That cannot be done year after year without ultimately affecting the morale of a command, which is a most vital factor in a military force.

When the total number of lawyers involved are considered, the fact is that the amendment would cost only \$6½ million,

on the present scale. However, it will save money. In the brochure of the American Bar Association there is an attempt to show that there will not be any net loss. There are pages of statistics to show what has been happening in the administration of military justice. I submit that the saving resulting from retaining trained personnel will mean that it will not cost the \$6½ million a year, it would appear to cost on the face of it.

Mr. STENNIS. Mr. President, I appreciate the Senator's concern and his position. The position of the committee has already been stated, and is in the RECORD. The Defense Department pointed out that there was no greater shortage in the lawyer field than there was in any other specialist field. So we stand on the record already made, and we on the committee are ready to vote.

Mr. COTTON. Mr. President, the purpose of this amendment is to encourage the recruitment and retention of qualified lawyers in the military service.

The needs of the armed services for additional military lawyers is generally admitted. The report of the Senate Committee on Armed Services refers to the fact that the Judge Advocate Corps have a serious problem since they are not retaining a sufficient number of young officers beyond their obligated tour of service. The shortage shows up most acutely in the ranks of captains and majors at the present time because so few of the young lawyers remain in service after their period of military obligation has been fulfilled.

At the present time, the military services generally have an adequate number of legal officers in the higher ranks of lieutenant colonel and colonel, largely as a result of persons who remained in uniform after long service in World War II and the Korean war interrupted their civilian life. But these men will soon be reaching the end of their military careers and steps must be taken to insure the availability of experienced military lawyers to fill their ranks. The serious shortage of lawyers in the ranks of captains and majors will soon be reflected in an equal shortage in the higher ranks.

The role of the military lawyer is important, not merely in the administration of the Uniform Code of Military Justice, vital though that is. They have important duties in connection with military procurement, contract appeals, patent cases, and general litigation involving billions of dollars of the taxpayers' funds. Adequate legal counsel is essential if the interests of the Government and of the taxpayer are to be protected.

Unfortunately, the shortage of experienced military lawyers has affected the conduct of courts-martial and the workings of the system of military justice. In an unusual number of cases, the United States Court of Military Appeals has found it necessary to bluntly criticize the conduct of the military courts-martial from a legal standpoint, and has overruled a number of decisions on points of law and legal procedure. I believe the rather outspoken attitude of the court is one of the results of the grave shortage of military lawyers,

which would be corrected by the pending amendment.

I believe the equities of the situation fully justify the approval of the amendment, and that the beneficial results which will flow from its adoption will more than offset the slight additional costs. The amendment merely recognizes the facts of life as far as the military lawyer is concerned, and I hope it will be approved by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. YARBOROUGH].

The amendment was rejected.

Mr. STENNIS. Mr. President, at the meeting of the full committee a question was brought up with reference to certain military contracts and their validity in connection with certain persons who obtained private employment soon after their leaving the service. There was an agreement around the table with reference to the subject matter, provided suitable language could be worked out. It was a very difficult, complex, and far-reaching subject. It was not possible immediately to draft language which we thought suitable to meet the problem. Therefore, the amendment was not offered. I want the record to show the question was not ignored, but it was not possible for the members of the committee to agree to the language of an appropriate amendment.

There was one further matter to which reference was made and which I should like to mention. As the office of Chairman of the Joint Chiefs of Staff, is, so to speak, the pinnacle, the capstone of the military service, and presumably the goal of all young officers, I and members of the subcommittee thought special consideration should be given to that position. Therefore, an additional increase was allowed for that position.

Then the question arose that there had been only three Chairmen of the Joint Chiefs of Staff, General Bradley, who had retired under a special former law, Admiral Radford, and the present Chairman, General Twining, who will presumably retire under the proposed law we are now considering, leaving one man in the middle, so to speak. For that reason, the subcommittee wrote into the bill a proviso—and it was thinking of the position, and certainly not the man—that as to the retirement of the remaining Chairman of the Joint Chiefs of Staff, it would be computed on a basis that would increase his retirement pay from, in approximate figures, \$10,000, which it is presently, to about \$16,000. As I said, that change relates to the position, the capstone, which presumably is, and I hope it is, the goal and ambition of all officers who are honored to wear the uniform. I remember when I was considering whether or not I would be a lawyer, I asked an old lawyer what he thought the possibilities were in the profession. He said, "Young man, the possibility in the profession of a lawyer is that he may become Chief Justice of the United States." That is the capstone. I liked the idea, and the idea is included in the reasoning behind the provision to which I have referred.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute for the bill.

Mr. BUSH. Mr. President, I have been most interested in the bill now pending. I merely desire to say that it is extremely important. It has been very interesting to me, as a member of the Committee on Armed Services, to consider the proposed legislation. The bill is the result of a great deal of very difficult work, especially on the part of the subcommittee presided over so ably by the distinguished Senator from Mississippi [Mr. STENNIS], who has been assisted by the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Washington [Mr. JACKSON], and others.

It is really hard to think of a bill which comes before the Committee on Armed Services which is more complicated and more difficult to consider than a measure like this. It is to the great credit of the members of the subcommittee that they were able to agree upon a unanimous recommendation to the Committee on Armed Services regarding every feature of this most important bill.

Mr. STENNIS. Mr. President, may we have order? Although the Senator speaks in a clear voice, we cannot hear.

The PRESIDING OFFICER. The Senate will be in order. The pages will cease conversing. The Chair has spoken to them twice. He asks them to cease conversing. Will those who are talking retire from the Chamber, please?

Mr. STENNIS. Mr. President, I thank the Chair.

The PRESIDING OFFICER. The Senator from Connecticut may proceed.

Mr. BUSH. It is to the great credit of the group of five Senators on the subcommittee that they were able to submit a unanimous recommendation to the full committee on a bill involving so many points which really could be controversial.

I think it is fair to say that the great confidence which our committee has in the subcommittee is responsible for the unanimous report which was made. It is also fair to say that the lack of attendance in the Senate Chamber today is no indication of a lack of feeling on the part of Senators that this is an important measure, but, on the other hand, it is probably a statement of confidence, if not overconfidence, in the subcommittee and perhaps the committee itself.

I take this opportunity to express my own very warm thanks to the Senator from Mississippi [Mr. STENNIS] and his colleagues on the subcommittee, who have labored so long and with such care over this very, very important bill.

Among the most important features of the bill, of course, is the question of retired officers' compensation. I understand there was some discussion of that feature of the bill earlier in the day, when I was not present. I think the answer is largely contained in a very short paragraph in the report itself, which says:

The aim of the basic pay increases is to provide an incentive for young officers and enlisted men to aspire to higher grades.

That is the point of the whole bill, as I see it. The other aspects of the bill, including pay raises for others, including retired officers, are incidental. The main purpose and the basic purpose of the bill is to provide incentives for young officers and enlisted men to aspire to higher grades and thus remain in the service, to go ahead in the face of competition which has been developing from private industry, and so forth.

I am sympathetic, as are most of us, toward the appeal of the retired officers' association and the individual retired officers. I am very happy to support the unanimous decision of the committee on that point. The 6-percent pay increase which the committee has recommended does give recognition to the fact that some adjustment is necessary. However, if we went further than that, as the committee was importuned to do, it would seem to me we would be getting away from the basic purpose of the bill which, as I have mentioned, is set forth so well in the report.

Mr. President, again I congratulate the committee. It is a pleasure to support a subcommittee which is so conscientious and so effective in the discharge of its responsibilities as the subcommittee has been under the Senator from Mississippi [Mr. STENNIS].

Mr. STENNIS. Mr. President, if I may, on behalf of the subcommittee, I thank the Senator from Connecticut for his very generous words. I also thank the Senator for his encouragement and for spurring us on months ago.

I remember the Senator told me, after spending months on the military programs, he was impressed with the need for the Cordiner report bill, and the need for advancement in the development of missiles. I remember telling the Senator then, "We will try to get the bill passed. You try to get the missiles up." We are still doing business, and I know the Senator is still interested in both those subjects and is doing a fine job.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute for the bill.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. STENNIS. Mr. President, I now have certain material which was not available a few minutes ago. I ask unanimous consent to have printed in the RECORD at this point enclosure (2) on page 732 of the hearings, which contains a table in connection with the specialist groups, showing status as to shortages, including lawyers, engineers, electronic engineers and others.

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

#### ENCLOSURE (2)

#### EXTENT OF SHORTAGES OF OFFICER SPECIALISTS

The services report general shortages of officer specialists. They all believe, however, that a general adjustment of the military



compensation system—such as S. 3081 or H. R. 11470—should resolve these shortages. More and better qualified officer specialists—through a revised pay structure—will be attracted to and retained in military careers.

*Army: Status of officer strength in certain specialist corps as of Jan. 31, 1958*

	Percent over or short, generals through captains	Percent over or short of requirements
Chemical Corps.....	-14.0	-13.1
Engineer Corps.....	-9.6	-5.6
Ordnance Corps.....	-11.9	-7.3
Judge Advocate General's Corps.....	-13.0	+8.0
Signal Corps.....	-12.7	-1.2

The relatively good position of the above corps is in numbers of officers only. Any shortages that develop can be filled in, within reasonable limits, by obligated tour officers from ROTC. However, this does not fill in any shortage in experience. The problem is the retention of the junior officers beyond the 2-year obligated tour.

The Army had during fiscal year 1957, 460 nonregular officers and 146 regular officers, who had formal legal training (although not necessarily members of any bar), and who were not members of the Judge Advocate General's Corps. These officers are serving at their own desire in other than JAGC.

#### *Air Force: Officer shortages in specialist areas*

Specialist field	Authorized	Assigned	Shortage	Percent authorized short <sup>1</sup>
Legal officers.....	1,260	1,164	-96	7.6
Aeronautical engineers.....	404	385	-19	4.7
Electronic engineers.....	517	434	-83	16.1
Mechanical engineers.....	321	288	-33	10.3
Nuclear research and physicists.....	295	274	-21	7.1
Communications-electronics.....	6,356	5,506	-850	13.4

<sup>1</sup> Shortages exist in all grades in all specialist fields excepting in the grade of lieutenant. The primary shortages in all specialist fields occur in the grades of captain and major.

There are a number of officers in the Air Force with legal training who are not now assigned as judge advocates. Several are being utilized in SAFLL, special investigations, and other special areas. In addition, there are a number who have had legal training who are serving with tactical units. In order to provide the numbers who are in these categories, it would require the obtaining of a special survey report which would take at least 30 days to complete.

#### **NAVY AND MARINE CORPS**

The Navy and Marine Corps report some shortages in all categories, but state their most serious shortages exist in qualified unrestricted line officers. About half of naval specialists are regular officers.

Mr. STENNIS. I should like to say one additional word with reference to the amounts carried in the bill, speaking only for myself, although I think it is largely the sentiment of all the subcommittee members. The figures carry just about as much increase as I think I could agree to. In conversation with Representative KILDAY, with whom we worked in close cooperation on the bill, I told him that we had his figures before us when we wrote our figures into the bill and that we yielded to him in part, which

represents real consideration that we gave to the House figures.

I believe the overall cost of the bill represents as much as the Senate subcommittee and Senate full Committee on Armed Services thought we could agree to.

Mr. President, I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

Alken	Goldwater	Morton
Allott	Gore	Mundt
Anderson	Green	Neuberger
Barrett	Hayden	O'Mahoney
Beall	Hickenlooper	Pastore
Bennett	Hill	Payne
Bible	Holland	Potter
Bricker	Hruska	Proxmire
Bridges	Humphrey	Purtell
Bush	Ives	Revercomb
Byrd	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Jenner	Saltonstall
Carroll	Johnson, Tex.	Schoeppel
Case, N. J.	Johnston, S. C.	Smathers
Case, S. Dak.	Kefauver	Smith, Maine
Church	Kennedy	Smith, N. J.
Clark	Knowland	Sparkman
Cooper	Kuchel	Stennis
Cotton	Langer	Symington
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Yarborough
Flanders	McClellan	Young
Frear	Monroney	
Fulbright	Morse	

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNING], the Senator from Oklahoma [Mr. KERR], the Senator from Michigan [Mr. McNAMARA], and the Senator from Montana [Mr. MURRAY] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from West Virginia [Mr. HOBLITZELL] are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, I ask that the yeas and nays be ordered on the passage of the bill.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, the pending bill is designed to establish a career force by providing a compensation system of the type needed to reward military personnel, to reduce the tremendous personnel turnover now being experienced, and to attract and retain highly qualified personnel in career service.

Regardless of the complicated machines which make up a modern military force, regardless of the maze of electronic computers which guide and control these machines, they are only as efficient as the personnel who operate them, and only as courageous as those who employ them.

Pay, of course, is not an end in itself. The goal we seek is a strong, alert, and completely combat competent armed force, to protect this country and its worldwide obligations. It is hoped that the bill will be of major assistance to-

ward such a goal. It is hoped that it will provide somewhat the reward so well deserved by our men and women in uniform, and that its passage will also indicate to those who serve, often at great personal sacrifice, the gratitude and respect we here in this Chamber, and those in the country as a whole, hold for them.

The Senator from Mississippi [Mr. STENNIS] as chairman of the subcommittee, the Senator from Georgia [Mr. RUSSELL] as chairman of the Committee on Armed Services, the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Massachusetts [Mr. SALTONSTALL], as well as the other members of the committee, deserve great credit, as does also Mr. Cordiner, who formulated the Cordiner report. His report and the administration recommendations have been carefully considered.

The gratitude of all military personnel should go out to those people for the diligent and tireless work they have done on a very complicated subject.

I wish personally to compliment Mr. Ed Braswell, of the staff of the Committee on Armed Services, for his always outstanding assistance.

This is a good bill. Perhaps it is not perfect in all aspects, but I believe it is basically sound. Properly administered, it can help promote the security of the Nation.

I realize that the committee may wish to give future attention to some of the retired pay aspects, and I hope that they will bear this in mind and see how the measure operates in order to give further consideration along this line.

I am pleased that a unanimous committee brought the proposed legislation before the Senate. I know that the personnel of the services and the administration will appreciate the prompt action of Congress in this regard.

Mr. KNOWLAND. Mr. President, I should first like to congratulate the Committee on Armed Services in toto, and particularly the distinguished chairman of the committee, the Senator from Georgia [Mr. RUSSELL], who heads that very important group in the Senate; our own ranking Republican member of the subcommittee, the Senator from Massachusetts [Mr. SALTONSTALL]; the Senator from New Hampshire [Mr. BRIDGES]; and the Senator from Mississippi [Mr. STENNIS], who has been so active; as well as the other members of the committee who have played a part in framing this very important measure.

There has been a great deal of painstaking work, which has resulted in the very excellent bill which is now under consideration. The purpose of the bill is, of course, to attract and maintain in the Armed Forces of our country the personnel needed to man the highly scientific weapons which are now at our disposal.

Personally, I have a reservation as to whether the bill, as presently worded, may not fail to meet its objective completely. This reservation is occasioned by a feeling that the failure to continue the time-honored system of computing the pay of retired officers may militate against the basic intent of the bill.

Of course, the recommendations of the Cordiner committee originally stressed this point.

On April 15, 1958, there was inserted in the CONGRESSIONAL RECORD, at my request, a statement relative to the subject of the military pay bill. The statement included what appears to be a well considered editorial from the Washington Star of April 6, 1958, bearing on the subject.

I ask unanimous consent to have printed in the RECORD at this point an editorial which appeared in the Washington Star of April 26.

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

#### AVOID THIS MISTAKE

It is regrettable that the Senate Armed Services Committee has followed the ill-advised example of the House in breaking down the traditional relationship between active-duty and retired pay for military personnel. The importance of maintaining this relationship, under which retired pay rises in proportion to increases in pay for active officers, was stressed in the Cordiner report. The report pointed out that this assurance of automatic pay adjustments for retired officers has been a major factor in maintaining the stability of the Armed Forces in peacetime, since it has been an incentive for career service.

But the House, in a misguided economy move, ignored the advice of the Cordiner committee and the warnings of veteran military men—and the Senate committee has gone along with the House. Thus, for the first time in a century of legislating on service pay, it is proposed that retired pay be completely divorced from regular pay. Instead, a 6 percent cost-of-living increase for retired personnel is recommended. This departure from long-established policy would be a mistake. We hope the Senate, when the bill reaches the floor, will revise it so as to maintain the vital tie-up between active duty and retired pay.

The PRESIDING OFFICER. The question is on the passage of the bill. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MARTIN of Pennsylvania (when his name was called). As I am a retired officer of the United States Army, I ask unanimous consent to be excused from voting.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and the Senator from Pennsylvania is excused from voting.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Oklahoma [Mr. KERR], the Senator from Michigan [Mr. McNAMARA], and the Senator from Montana [Mr. MURRAY] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Oklahoma [Mr. KERR], the Senator from Michigan [Mr. McNAMARA], and the Senator from Montana [Mr. MURRAY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from West Virginia [Mr. HOBLITZELL] are necessarily absent, and, if present and voting, they would each vote "yea."

The result was announced—yeas 87, nays 0, as follows:

#### YEAS—87

Aiken	Fulbright	Morse
Allott	Goldwater	Morton
Anderson	Gore	Mundt
Barrett	Green	Neuberger
Beall	Hayden	O'Mahoney
Bennett	Hickenlooper	Pastore
Bible	Hill	Payne
Bricker	Holland	Potter
Bridges	Hruska	Proxmire
Bush	Humphrey	Purtell
Byrd	Ives	Revercomb
Capehart	Jackson	Robertson
Carlson	Javits	Russell
Carroll	Jenner	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Smathers
Church	Kefauver	Smith, Maine
Clark	Kennedy	Smith, N. J.
Cooper	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Langer	Symington
Dirksen	Lausche	Talmadge
Douglas	Long	Thurmond
Dworschak	Magnuson	Thye
Eastland	Malone	Watkins
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	McClellan	Yarborough
Frear	Monroney	Young

#### NOT VOTING—8

Butler	Hoblitzell	McNamara
Chavez	Kerr	Murray
Hennings	Martin, Pa.	

So the bill (H. R. 11470) was passed.

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

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. STENNIS, Mr. BYRD, Mr. SYMINGTON, Mr. SALTONSTALL, Mrs. SMITH of Maine, and Mr. BARRETT conferees on the part of the Senate.

#### DEPARTMENT OF INTERIOR APPROPRIATIONS, 1959

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1506, H. R. 10746, making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes.

I announce that a copy of the bill, of the report, and of the hearings, is on the desk of each Senator.

It is not planned to have any votes on the bill this afternoon. We expect to have the Senate convene tomorrow at 12 o'clock noon. So far as I am informed, I know of no yea-and-nay votes to be had on amendments.

It is planned to consider minor legislation during the rest of the week. We do not expect to consider any controversial bills during the balance of the week.

#### LEGISLATIVE PROGRAM

There will be a call of the calendar; and Senators can, I believe, safely make their plans not to be in the Chamber the

rest of the week, unless they wish to be here in connection with some special bills of their own.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 10746) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

#### ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until tomorrow, at 12 o'clock.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

#### LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I announce that it will be in order for the Senate to consider Calendar No. 1488, House bill 9655, to permit the free importation from foreign countries of articles to be displayed at the Oregon Centennial Exposition and International Trade Fair;

Calendar No. 1351, House bill 3604, making it a felony to destroy communication, power, and other systems in the Canal Zone;

Calendar Nos. 1491, 1492, and 1493, being Senate Concurrent Resolutions 80, 81, and 82, respectively, which relate to the placing in Statuary Hall of a statue of the late Charles Marion Russell;

And Calendar No. 1507, House Joint Resolution 556, to permit the free importation from foreign countries of articles to be displayed at the California International Trade Fair and Industrial Exposition.

I announce these measures which are in addition to the other measures I have previously announced.

#### ACCELERATION OF THE RECLAMATION-CONSTRUCTION PROGRAM (S. REPT. NO. 1500)

Mr. ANDERSON. Mr. President, by unanimous direction of the Committee on Interior and Insular Affairs, at a meeting today, I report from the committee Senate Resolution 299, for acceleration of the reclamation-construction program.

Earlier today, I submitted the resolution.

On March 31, the Subcommittee on Irrigation and Reclamation held a hearing on this proposed program. As a result of the hearings and other information, the accelerated program was developed.

The preamble of the resolution takes cognizance of unemployment in the 17 Western States, particularly in areas



where reclamation construction will provide jobs on site, in industries, and services.

In brief, the resolution proposes that the reclamation-construction program go forward in the fiscal year 1959 at a rate of approximately \$330 million. This figure represents an increase of about 50 percent over the combined regular and supplemental budget recommendations of the President for reclamation construction for the fiscal year 1959. Not less than 20 new starts are recommended.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. JOHNSON of Texas. Do I correctly understand that the Senator from New Mexico is reporting from the Committee on Interior and Insular Affairs a resolution which is designed to accelerate the construction of reclamation projects in the 17 reclamation States?

Mr. ANDERSON. That is exactly the case. Earlier today, I submitted the resolution; and at a meeting today, the Committee on Interior and Insular Affairs voted unanimously to report the resolution to the Senate.

As I said a moment ago, the resolution provides for approximately 20 new starts, which involve projects in a great many of the States.

Mr. President, I ask unanimous consent to have the resolution printed at this point in the *Record*, in connection with my remarks.

There being no objection, the resolution (S. Res. 299) was ordered to be printed in the *Record*, as follows:

Whereas there is now urgent need for additional supplies of water for irrigation and related multiple purposes by the increasing population in the 17 Western States under the reclamation program; and

Whereas hearings and reviews by the Committee on Interior and Insular Affairs have demonstrated that these urgent needs can be met even in part only by speedy completion of Federal reclamation projects and the start of new construction in other areas; and

Whereas there is acute unemployment in many of the areas where these projects are under construction or planned, and also in the industries and services throughout the Nation that supply the materials and equipment for project construction; and

Whereas the sense of the Senate, expressed in Senate Concurrent Resolution 68 and Senate Resolution 148, is that construction of civilian public works should be accelerated, and that expeditious progress should be made in the conservation and development of the Nation's land and water resources; and

Whereas hearings before the Committee on Interior and Insular Affairs have demonstrated that many urgent water needs can be fulfilled, and the acute local and widespread unemployment can be met in part at least by new starts in the construction of additional authorized projects along with acceleration of developments already under way; and

Whereas the President of the United States on March 12 sent to the Congress \$45,773,000 in supplemental appropriation estimates for fiscal year 1959 for reclamation projects under construction, and \$25 million for a loan program under the Small Projects Act principally for rehabilitation of existing non-

Federal irrigation projects, but abstained from recommending any new starts; and

Whereas the committee commends the President for recognizing in his supplemental estimates the urgency for providing additional funds for the upper Colorado River storage project (including \$14 million for Glen Canyon Dam, \$7 million for Navaho Dam, and \$8 million for Flaming Gorge Dam, \$7 million for Trinity division, Central Valley project, California and varying amounts for other going construction projects); and

Whereas there are other critical areas in the West in addition to those included in either the original or supplemental estimates where the need is equally urgent for acceleration of reclamation construction especially with respect to so-called new starts of reclamation developments: Now, therefore, be it

*Resolved*, That it is the sense of the Senate that Federal reclamation project construction during the fiscal year 1959 should proceed that year at the rate of approximately \$330 million (a 50-percent increase over the total of original and supplemental budget estimates, including limited additional funds for general investigations and advance planning) and that construction should be started on not less than 20 additional authorized projects, with preference to those developments where engineering has been completed and actual work can be begun promptly; and that consideration be given to prompt authorization of additional feasible reclamation projects that will contribute to the objectives of this resolution.

Mr. ANDERSON. Mr. President, I am reporting the resolution at this time by direction of the committee, in accordance with the unanimous vote of the committee.

Some items had been overlooked. For example, in the case of the State of Colorado, the chairman of the subcommittee had failed to include an item for the Cureanti project; it was at first omitted because of a belief that it was not ready. But the able Senators from Colorado [Mr. ALLOTT and Mr. CARROLL] called attention to that omission; and we have included that project.

Also, at the very last moment, we included provision for a project known as the Smith Fork project, and set aside \$1,000,000 for it.

In other words, we have tried to cover in the various States, various projects which may involve new starts but, as is pointed out in the resolution, "with preference to those developments where engineering has been completed and actual work can be begun promptly; and that consideration be given to prompt authorization of additional feasible Reclamation projects that will contribute to the objectives of this resolution."

Mr. JOHNSON of Texas. Does the resolution cover only projects where engineering has been completed, and which are ready to go?

Mr. ANDERSON. Practically. For example, there is a provision for some additional engineering work on one project which was virtually ready to go. The project has been submitted. It will require a little additional engineering work.

Mr. JOHNSON of Texas. How much money is involved in the resolution?

Mr. ANDERSON. The total amount of the program for the fiscal year 1959 will be \$330 million.

Originally the President's program was for \$160 million. Then he added

to it \$45,773,000, which all of us appreciated very much, and for which all of us were very glad. Then he added to it \$25 million for small projects. So the total of the President's program amounted to approximately \$230 million.

The resolution as reported would increase it to \$330 million. It covers some additional programs.

For instance, for the upper Colorado storage project, there is an additional amount for the Glen Canyon Dam, which is progressing very well; and there is an additional amount for the Flaming Gorge Dam, which is far ahead of the preliminary schedule; and there have also been included other items of that nature, in cases in which we think the economy could be quickly stimulated by work of this type.

Mr. JOHNSON of Texas. In February, I had with the Senator from New Mexico a detailed conversation about the resolution which he seeks to have the Senate pass upon.

I understand that the Senator's committee has completed its hearings on the resolution, and that all representatives of the various Government agencies concerned have had an opportunity to be heard. Is that correct?

Mr. ANDERSON. The Senator from Texas is exactly correct. We invited to the hearings the governors of all the States. Some of the governors appeared there in person. More of them were represented there by their engineering staffs.

We also invited Senators to come to the hearings and make statements to the committee. We were pleased with the statements which were received.

The able Senator from South Dakota [Mr. CASE] was one of the first to call attention to the fact that certain projects in the Western States had been omitted from the program; and we were happy to hear from the Senators who knew the conditions existing in those States.

Mr. JOHNSON of Texas. Does the Senator from New Mexico plan to file today the report to accompany the resolution?

Mr. ANDERSON. No. It will have to be changed slightly. If it can be finished by midnight today, I shall be happy to file it today. If not, it will have to be filed tomorrow.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs be authorized to file its report on the resolution during the adjournment of the Senate following today's session, if the committee is unable to file the report by midnight tonight.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Let me ask whether the hearings on the resolution have been printed.

Mr. ANDERSON. Not yet. They are short, and they are scheduled to be printed and to be available to the Members of the Senate soon.

Mr. JOHNSON of Texas. Mr. President, as soon as the report and the hearings are available, and as soon as it suits

the convenience of the Senator from New Mexico and the other members of his committee, the policy committee will immediately meet and will take prompt action on the matter; and we shall try to schedule for consideration by the Senate, at the earliest possible date, this resolution, which is a part of our previously announced legislative program.

Mr. President, I wish to commend the able Senator from New Mexico [Mr. ANDERSON] and the other members of the committee, on both sides of the aisle, for their prompt and effective action on the resolution, which relates to this extremely important field of natural resources.

Mr. ANDERSON. I thank the Senator from Texas for his statement. The progress we have made has been possible only as a result of the cooperation of Members on both sides of the aisle. We have had the finest possible type of cooperation.

Mr. CASE of South Dakota. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. CASE of South Dakota. Inasmuch as I believe the Senator from New Mexico was referring to me—and of course I hope he was—

Mr. ANDERSON. Yes; I was.

Mr. CASE of South Dakota. Then let me say that I hope the report will include provision for the project known as the B. C. B., which provides for pumping water from the Fort Randall Reservoir for adjacent lands in Brule, Charles Mix, and Bon Homme Counties.

Mr. ANDERSON. Forty or fifty projects are covered by the resolution. I am glad to be able to inform the Senator from South Dakota that the projects to which he has referred are definitely covered by the resolution.

I appreciate the fact that the Senator from South Dakota has called my attention to the previous omission of these items. The particular projects the Senator from South Dakota has mentioned are among the good ones, and are included.

Likewise, I know that the projects in Colorado about which the Governor of Colorado came before the committee and testified, and in which both of the distinguished Senators from Colorado [Mr. ALLOTT and Mr. CARROLL] are tremendously interested, are included.

Mr. CASE of South Dakota. I thank the Senator from New Mexico.

Mr. ANDERSON. In addition, Mr. President, let me say that in the report the President is commended for sending up additional estimates for units of the Colorado River storage project and other going projects. The report notes that the President abstained from including any new starts in the regular or supplemental estimates.

Additional funds are also proposed for general investigations and advance planning.

It is also urged that consideration be given to additional authorizations of feasible projects that will contribute to the objectives of the resolution.

The list of the projects and other items in the accelerated program will be embodied in the committee report.

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

The PRESIDING OFFICER (Mr. CLARK in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ADJOURNMENT

Mr. STENNIS. Mr. President, in keeping with the unanimous-consent agreement which already has been made, I move that the Senate adjourn until tomorrow, April 30, at noon.

The motion was agreed to; and (at 4 o'clock and 15 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, April 30, 1958, at 12 o'clock meridian.

#### NOMINATION

Executive nomination received by the Senate April 29, 1958:

##### FEDERAL COMMUNICATIONS COMMISSION

Robert T. Bartley, of Texas, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1958. (Reappointment.)

### HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 29, 1958

The House met at 12 o'clock noon.

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

*John 9: 4: I must work the works of Him that sent me, while it is day; the night cometh, when no man can work.*

Almighty God, humbly and gratefully we lift up our souls unto Thee as the source of life and light and love.

May we accept this new day with all that it has of risk and responsibility, of peril and possibility, as a gracious gift and a glorious opportunity.

Grant that in these bleak and bitter times, we may lay hold of our duties with vigor and courage, putting all our endowments and talents, our capabilities, and capacities to the utmost use.

Help us to hasten the coming of that blessed day of prediction when all that is evil shall be supplanted by that which is good and righteousness shall reign supremely.

Hear us in Christ's name. Amen.

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

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following date

the President approved and signed a joint resolution of the House of the following title:

On April 24, 1958:

H. J. Res. 588. Joint resolution making advance procurement appropriations for the fiscal year 1958, and for other purposes.

#### MESSAGE FROM THE SENATE

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

S. 2888. An act to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans.

#### ACQUISITION OF LAND IN DISTRICT OF COLUMBIA

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 552, Rept. No. 1664), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 728) to authorize the acquisition of certain property in square 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate or for the purpose of addition to the United States Capitol Grounds. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from New York [Mr. CELLER], I ask unanimous consent that the Committee on the Judiciary may sit today and tomorrow during general debate.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

#### THE TRADE AGREEMENTS EXTENSION ACT OF 1958

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 308 and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That there be printed for the use of the Committee on Ways and Means, House of Representatives, 4,000 additional copies of the hearing entitled "Trade Agreements Extension Act of 1958."