at our disposal—in these dealings between private individuals—the best means of securing both economic betterment and a just and lasting peace.

As the economic machinery of other countries around the world is developed or goes through processes of evolution and change, we must make it possible for them to adopt those portions of the American and Free World system of capital as are consistent with their own traditions and their own capabilities. We are leaders in a tremendous cause—the struggle of men everywhere to live without crushing want and to live in freedom. No tyranny in history has been able to crush this hope in the hearts of men. But it is unrealistic as well as dangerously shortsighted to assume that others will want to take over our entire way of life just at it has developed in this country, regardless of how well it may fit their particular needs at this particular period of their development. We must try to be advocates of our system, with emphasis on the benefits which flow to people—recognizing that the particular techniques which helped us achieve those benefits may have to be modified for use elsewhere.

When we look at our country in perspective, we are impressed with the fact that during the last 75 years we have built the most productive system in the world. When one analyzes why this is so, a great deal of attention must be paid to the process of growth and change resulting from the dynamic demand of people for more goods and for better ways to produce them. These demands are expressed in terms of research, technology, and incentives on the one hand, and in higher standards of living on the other. In the whole process of change and development, the constant conflict between liberty and controls continues.

The forces which have been responsible for the evolution and development of our economic system and its tremendous productive power are as vital today as ever before and beckon us to new horizons of accomplishment. There will always be problems with which we have to cope. A competitive economy with dependence upon myriad decisions and judgments will always incur the hazards of recession and inflation. We have learned a great deal about how to cope with them. We must always be endeavoring to learn more. This requires flexibility and a willingness to utilize our maximum competence and instrumentalities both as a people and as a Government to see that neither inflation or deflation should run a ruinous course.

We will always have the problem of providing the incentives for the formation of adequate capital and the education which will secure an adequate supply of skilled people. We will always be concerned with the complexities of cost and price and the consequent responsibilities that are attendant upon labor and management in order that we maintain a sound relationship in the public interest. We will eternally have with us the problem of maintaining our freedoms and avoiding regimentation.

Our faith in this country and our economic system is strong. We have become the grestest productive Nation in the world. Our distributive capacity has run somewhat behind and we must be sure that our ability to distribute both nationally and internationally matches stride with our productive ability.

We doubled our national output once every 24 years before World War II and once in 18 years since that time. The benefits of our growth are being shared on a widening basis. Individual and family income is on the rise. More than one-third of the American families earn in excess of $5,000 per year. And, the Committee for Economic Development, in a recent report estimated that by 1975 the average family income after payment of taxes will amount to $7,100 a year (in terms of dollars of 1956 purchasing power) and that by 1975 our gross national product may well exceed $725 billion.

Today there is a new challenge and a new opportunity.

Our national population has doubled in 50 years. It is expanding at a rate of 3 million persons per year. The number of American workers is increasing at a rate of nearly 1 million per year. Millions of new workers will be needed to make, sell, and distribute our goods.

Looking at even broader figures, it took the world something like 5,000 years of recorded history to have the first billion people alive on this earth at one time. This occurred in 1830. It took us only a little over 100 years to have the second billion people alive at one time on this globe. By 1970 the world will have 3 billion inhabitants—and those 3 billion are the people whose wants and demands will make the economy of our country and the economy of the world.

These factors of growth bring us to the realization of the new demands that will be impressed upon our technology and our science; new obligations for educational opportunities and a higher quality of education. They emphasize the necessity for improving the national health; for utilizing all our ingenuity as individuals, business and Government to minimize fluctuations in our economy; to provide, in addition to material things, new cultural opportunities for people who have time to enjoy them.

The vistas of the future are as limitless as the capacity of our people. It belongs to the dynamic, to the imaginative, to those who are willing to work and compete.

SENATE

WEDNESDAY, APRIL 30, 1958

Rev. James W. Baar, First Reformed Church, Denver, Colo., offered the following prayer:

Our Father in heaven, we thank Thee for another day of grace and life. We are 1 day farther from our birth and 1 day closer to our death. Let this day count before Thee and before men, because we turn our backs on sin and turn to holiness and righteousness.

We pray for Thy mercy and favor upon each Senator and his family. In love provide every need for body and soul, for this life and for the life which is to come. In their sacred duty, use each one as a minister of God for good.

By Thy word and providence, direct the Senate work today, keep our beloved country, and bring all the nations to Thee. In Jesus' name we pray. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, April 29, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H. R. 11451) to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*, and a superliner passenger vessel for operation in the Pacific Ocean, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 308) to provide for the printing of additional copies of hearings on reciprocal trade agreements legislation, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 11451) to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*, and a superliner passenger vessel for operation in the Pacific Ocean, and for other purposes, was read twice by its title and referred to the Committee on Interstate and Foreign Commerce.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on the District of Columbia was authorized to meet during the session of the Senate today.

On request of Mr. MCCLELLAN, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today: The Veterans Subcommittee of the Committee on Labor and Public Welfare, the Railroad Retirement Subcommittee of the Committee on Labor and Public Welfare, and the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. 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 connection therewith be limited to 3 minutes.

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

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the calendar will be stated.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Army be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army will be considered en bloc; and, without objection, they are confirmed.

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of Frank W. Hull, of Washington, to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES TARIFF COMMISSION

The Chief Clerk read the nomination of Walter R. Schreiber, of Maryland, to be a member of the United States Tariff Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of James L. Latimer, of Texas, to be collector of customs for customs collection district No. 21, with headquarters at Port Arthur, Tex.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Douglas Butler, of Texas, to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Fred Elledge, Jr., of Tennessee, to be United States attorney for the middle district of Tennessee for a term of 4 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE REGULAR ARMY, THE NAVY, AND THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Regular Army and in the Navy and in the Marine Corps, which had been laid on the Vice President's desk.

The PRESIDENT pro tempore. Without objection, all these nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified immediately of the confirmation of all these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED AMENDMENTS TO BUDGET, FISCAL YEAR 1959—MESSAGE FROM THE PRESIDENT (S. Doc. No. 94)

A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1959 involving an increase in the amount of $1,802,000 for the Veterans' Administration and a proposed increase in a limitation for the Housing and Home Finance Agency (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

PROJECT PROPOSALS UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

Four letters from the Assistant Secretary of the Interior, informing the Senate, pursuant to law, of the receipt of project proposals under the Small Reclamation Projects Act of 1956, in the States of California, Nevada, and Utah; to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

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

By the PRESIDENT pro tempore:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Armed Services:

"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."

OPERATION OF GLEN CANYON RESERVOIR—LETTER FROM GOVERNOR OF ARIZONA

The PRESIDENT pro tempore laid before the Senate a letter from the Governor of the State of Arizona, transmitting a statement of the Arizona Interstate Stream Commission and the Arizona Power Authority, which indicates the reasons why the State of Arizona is unable to concur in the report of the Secretary of the Interior in regard to the operation of the Glen Canyon Reservoir, which, with the accompanying statement, was referred to the Committee on Interior and Insular Affairs.

RESOLUTION OF DEPARTMENT OF AUDIO-VISUAL INSTRUCTION OF MINNESOTA

Mr. HUMPHREY. Mr. President, I have just received a resolution adopted at the 1958 convention of the Department of Audio-Visual Instruction in Minneapolis, in support of the Hill and Elliott bills.

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:

Whereas the Department of Audio-Visual Instruction of the National Education Association, in convention assembled, gives unanimous assent and support to the defense of education bills, particularly to the Hill bill S. 3187 and the Elliott bill H. R. 10381, providing Federal assistance for greater support of education and increased utilization of facilities for the improvement of instruction which will facilitate the implementation of DAVI objectives: Therefore be it

Resolved, That DAVI urge the active support of the Senate and House in the consideration and passage of these bills.

AMENDMENTS TO RULE RELATING TO CLOTURE—REPORT OF A COMMITTEE (S. REPT. NO. 1509)

Mr. HENNINGS, from the Committee on Rules and Administration, reported favorably, without amendment, the resolution (S. Res. 17) to amend section 2 of rule XXII of the Standing Rules of the Senate, together with individual views.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS INTRODUCED

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

By Mr. HENNINGS:

S. 3728. A bill to incorporate the Big Brothers of America; to the Committee on the Judiciary.

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

By Mr. McNAMARA:

S. 3729. A bill to provide for a program which will contribute to the national defense by encouraging the continuing operation of the iron mines in the United States; to the Committee on Interior and Insular Affairs.

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

By Mr. SMATHERS (for himself and Mr. HOLLAND):

S. 3730. A bill to amend section 89 of title 28 of the United States Code in order to authorize holding terms of the United States District Court for the Northern District of Florida at Crestview, Florida; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself and Mr. HENNINGS):

S. 3731. A bill to authorize the construction of a Federal office building in Kansas City, Mo., and for other purposes; to the Committee on Public Works.

INCORPORATION OF BIG BROTHERS OF AMERICA

Mr. HENNINGS. Mr. President, I have the pleasure at this time of introducing, for proper reference, a bill to provide a Federal charter for the Big Brothers of America. In my opinion, this organization is a tremendous force in opposition to juvenile delinquency. I have been associated with the organization for many years, and I had the high honor in 1955 of being selected the Big Brother of the Year. A Federal charter will be very helpful to this organization in the furtherance of its work with the young boys of our Nation.

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

The bill (S. 3728) to incorporate the Big Brothers of America, introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on the Judiciary.

ENCOURAGEMENT FOR OPERATION OF IRON MINES

Mr. McNAMARA. Mr. President, I introduce, for appropriate reference, a bill to encourage the continuing operation of domestic iron mines in the interest of the national defense.

The bill would require the Secretary of the Interior to establish a program under which iron-mine operators could keep their mines in operation and still realize a reasonable profit.

Under the proposed program, the operator would be paid an amount for each ton of iron ore which, together with the amount he would receive from the sale of the ore, would assure him this reasonable profit.

This is a new approach to a solution to our mineral problems.

I think legislation such as I propose here would serve as a vehicle to explore this vital problem and arrive at sane conclusions. The details of a reasonable program and cost factor, I am sure, would be developed through hearings on this bill.

In effect, this measure is a companion bill to S. 3630, which I introduced on April 17, and which would provide for the stockpiling of copper ore under the Strategic Materials Stockpiling Act.

Unlike copper, however, iron ore obviously is not adaptable to stockpiling and also it is not normally considered a strategic material.

But while its normal abundance bars the strategic classification, it is equally obvious that any threat to an adequate supply of iron ore would immediately create a critical situation.

Until 1947, iron ore production in the United States showed a long-range tendency to rise—while imports were kept at a generally stable and low level.

Prior to that year, imports rose above the 3-million-ton level only once. That was in 1929 when imports totaled 3,139,334 tons.

But in 1947, the import total jumped to 4,895,652 tons—and by 1957, imports totaled a staggering 33,653,048 tons.

It now appears that 30 to 40 percent of our iron ore needs will come from nondomestic sources by 1970.

There are many reasons for the turnabout in the historical pattern of iron ore supply. I will not discuss them here.

However, the problem is easily recognizable: Can we afford to permit our domestic mining industry to decline to a point which will result in a dangerous dependency on imports?

Can we permit our mines to stand idle or be flooded—and our thousands of miners to be deprived of their means of earning a living?

I do not believe we can if we are to maintain a strong America.

I ask unanimous consent that tables showing our iron ore imports and our domestic production be printed in the RECORD at this point in my remarks.

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

The bill (S. 3729) to provide for a program which will contribute to the national defense by encouraging the continuing operation of the iron mines in the United States, introduced by Mr. McNAMARA, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The tables presented by Mr. McNAMARA are as follows:

United States imports of iron ore, 1872–1957

[In gross tons]

Year	Gross tons	Year	Gross tons	Year	Gross tons
1872[1]	23,733	1901	966,950	1930	2,775,124
1873	45,981	1902	1,165,470	1931	1,465,613
1874	57,987	1903	980,440	1932	582,498
1875	56,655	1904	487,613	1933	861,153
1876	17,284	1905	845,651	1934	1,427,521
1877	30,669	1906	1,060,390	1935	1,492,435
1878	28,212	1907	1,229,168	1936	2,232,229
1879	434,338	1908	776,898	1937	2,442,069
1880	493,408	1909	1,694,957	1938	2,122,455
1881	782,887	1910	2,591,031	1939	2,412,515
1882	589,655	1911	1,811,732	1940	2,479,326
1883	490,875	1912	2,104,576	1941	2,343,983
1884	487,820	1913	2,594,770	1942	731,325
1885	390,786	1914	1,350,588	1943	399,117
1886	1,039,433	1915	1,341,281	1944	463,532
1887	1,194,301	1916	1,325,736	1945	1,197,925
1888	587,470	1917	971,663	1946	2,754,216
1889	853,573	1918	787,468	1947	4,895,652
1890	1,246,830	1919	476,461	1948	6,091,677
1891	912,864	1920	1,273,456	1949	7,391,291
1892	806,585	1921	315,768	1950	8,281,237
1893	526,951	1922	1,135,156	1951	10,139,678
1894	167,307	1923	2,768,430	1952	9,760,625
1895	524,153	1924	2,047,057	1953	11,074,035
1896	682,806	1925	2,190,695	1954	15,792,450
1897	489,970	1926	2,555,441	1955	23,471,956
1898	187,208	1927	2,620,717	1956	30,431,152
1899	674,082	1928	2,452,646	1957	33,653,048
1900	897,831	1929	3,139,334		

[1] First year of record according to Mineral Resources, 1909; American State Papers, and Foreign Commerce and Navigation record values but not quantities for earlier years.

Source: Bureau of Mines.

Production of iron ore in the United States, 1880–1957 [1]

[In gross tons]

Year	Gross tons	Year	Gross tons	Year	Gross tons
1880	7,120,362	1906	47,749,728	1932	9,846,916
1881	7,119,643	1907	51,720,619	1933	17,553,188
1882	8,700,000	1908	35,983,336	1934	24,587,616
1883	8,800,000	1909	51,294,271	1935	30,540,252
1884	7,718,129	1910	57,014,906	1936	48,788,745
1885	7,600,000	1911	43,876,552	1937	72,093,548
1886	10,600,000	1912	55,150,147	1938	28,447,282
1887	11,300,000	1913	61,980,437	1939	51,731,730
1888	12,062,530	1914	41,439,761	1940	73,695,899
1889	14,518,041	1915	55,526,490	1941	92,409,579
1890	16,036,043	1916	75,167,672	1942	105,526,195
1891	14,591,178	1917	75,288,851	1943	101,257,835
1892	16,296,666	1918	69,658,278	1944	94,117,705
1893	11,587,629	1919	60,965,418	1945	88,376,393
1894	11,879,679	1920	67,604,465	1946	70,843,113
1895	15,957,614	1921	29,490,978	1947	93,091,520
1896	16,005,449	1922	47,128,527	1948	101,003,492
1897	17,518,046	1923	69,351,442	1949	84,937,447
1898	19,433,716	1924	54,267,419	1950	98,045,360
1899	24,683,173	1925	61,907,997	1951	116,504,672
1900	27,553,161	1926	67,623,000	1952	97,918,004
1901	28,887,479	1927	61,741,100	1953	117,994,769
1902	35,554,135	1928	62,197,088	1954	78,128,794
1903	35,019,308	1929	73,027,720	1955	102,998,969
1904	27,644,330	1930	58,408,664	1956	97,848,936
1905	42,526,133	1931	31,131,502	1957	[2]105,386,000

[1] Preliminary.
[2] Includes byproduct ore after 1941.

Source: Bureau of Mines.

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

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

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

By Mr. HUMPHREY:

Address entitled "Communications: 20th Century Ideas in Motion" delivered by him before Department of Audio-Visual Instruction of the National Education Association Convention in Minneapolis.

By Mr. NEUBERGER:

Correspondence between him and Senator SMATHERS, and editorial entitled "First Aid to Railroads," published in the Portland Oregonian of April 24, 1958, all relating to repeal of Federal transportation taxes.

NATIONAL DEFENSE—ADDRESS BY GEN. CURTIS E. LEMAY

Mr. SCHOEPPEL. Mr. President, when Gen. Curtis LeMay speaks, I listen out of respect for a man who speaks only when he has something worth while to say. But when he speaks about national defense, especially as it involves airpower, I feel that I must recognize his airmanship and leadership and must pay even closer attention.

In a speech before the national conference of the National Association of State and Territorial Civil Defense Directors, on April 10, 1958, General LeMay discussed the Soviet threat and the Air Force answer to that threat. Permit me to bring out a few of the salient points of the speech.

The principal threat to the United States is the Soviet capability for air delivery of nuclear weapons against the United States. Another, but secondary threat, is the Soviet submarine menace. The air threat is both serious and immediate.

Modern and well-equipped with long-range jet bombers, the Soviet air arm is manned by professionals. Quite apparently the U. S. S. R. aims to surpass the airpower of the United States. Their aims lead them toward development of an ICBM which can be launched from deep within the Soviet Union, and which can, in 30 minutes, strike the United States.

Besides the threat of strength and equipment, the Soviets have the advantage of initiative and surprise.

The answer to these Soviet threats is simply this:

Maintain the United States capability for fighting and winning the air battle. The Air Force knows that the best defense is a good offense, and experience has taught the Air Force that a determined air offensive cannot be stopped. We now possess the capability to penetrate and strike the very heart of the enemy's war potential. Today we have the airpower edge. We must not lose it tomorrow.

Our offensive and defensive reaction to the Soviet air threat is measured in time to launch our striking forces and in time to alert our defenses. Our reaction must be quick, a matter of minutes, rather than hours. The United States must improve, and the Air Force is improving, its reaction capabilities.

Within 15 minutes of the initial warning, one-third of our strategic striking forces should be on the way to their targets. To achieve this kind of alertness, the Air Force must have the facilities, the crews, and the dispersal it requires. But we have not yet reached that goal. True, portions of our strategic air forces are on 24-hour alert, and will be heading for their targets within 15 minutes. But the funds necessary to provide these missing elements and to fully prepare us against the threat must be forthcoming.

As ballistic missiles are integrated into our forces, the alert picture will improve. Missiles, however, cannot replace all of our manned bomber forces. We must have both piloted and unpiloted systems. Each has advantages and disadvantages. The combination of the two systems will give us greater offensive power.

Mr. President, I endorse the views expressed by General LeMay; and I ask all Members of Congress to give serious consideration to what General LeMay has described as the Soviet threat. Our Department of Defense cannot supply the answer alone. We of the Congress must supply a large part of it.

I ask unanimous consent that General LeMay's speech be printed in the RECORD, as a part of my remarks.

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

THE THREAT—THE ANSWER

(Remarks by Gen. Curtis E. LeMay, Vice Chief of Staff, United States Air Force, before the national conference of the National Association of State and Territorial Civil Defense Directors, Sheraton-Park Hotel, Washington, D. C., April 10, 1958)

INTRODUCTION

General Huebner, leaders of the civil-defense effort, and guests, I appreciate your invitation to come here today because it gives me the opportunity to talk to men and women who have a somewhat special interest in Air Force plans for the defense of our country.

Air delivery of nuclear weapons has placed people everywhere within the battle zone. Solution of the problem of individual and national survival in what President Eisenhower has called an age of peril is the most pressing task that Americans face today. Civil defense is a great and difficult part of this task.

In his letter inviting me to appear here, General Huebner suggested that I discuss the threat which faces us and the defensive measures which we in the Air Force consider of value. This, I certainly will be glad to do. I hope that some of this information will be of use to you in the continued development of the civil-defense program.

THE THREAT

General Twining, in an address before the western industrial survival conference in Los Angeles last month, stated that the military threat posed by the Soviet bloc is one of the greatest in history. He went on to say that the total strength of the Communist bloc armed forces consists of more than 8 million men—with 450 divisions, 500 submarines and over 25,000 operational aircraft.

Numbers in themselves do not mean everything. However, when we compare present day Soviet bloc figures with World War II figures and also take into consideration the Soviet nuclear air capability, the many improvements in weapons and their recent scientific achievements, it is obvious that the Soviet bloc is on a war footing today.

The principal threat to the United States, of course, is the Soviet capability to deliver nuclear weapons by air. The Soviet Union now has in its inventory numerous high speed jet medium and heavy bombers that are capable of flying intercontinental missions with nuclear weapons of high energy yield against any target in the United States. Another serious and growing menace is the Soviet submarine threat. However, I want to emphasize that the most serious and immediate threat is Soviet air power.

The Soviet long range air force is a modern, well-equipped organization commanded and operated by professional airmen. It is backed up by a good air facility network and logistical support system. Their long range striking force is now composed primarily of Badger medium jet bombers similar in performance characteristics to our own B-47. In lesser numbers, but having considerably more capability and range are the Bison heavy jet bombers, similar in performance to our B-52, and the Bear heavy turboprop bombers. All of these Soviet aircraft are considered capable of carrying high yield nuclear weapons which we have very good reason to believe are now available.

I think it is quite apparent, that the Communist leaders are striving mightily to surpass the United States in airpower. Toward this end, they are modernizing their long-range air force through the introduction of higher performance aircraft and missiles. When the Soviets successfully develop a longe-range ICBM, they will have the capability to strike anywhere in the United States within 30 minutes of launch from deep within the Soviet Union.

Another important component of the Soviet threat is their possession of the advantages of initiative and surprise. This confronts us with more difficult problems as their airpower capabilities increase. It is possible that they could launch an attack against us where, when, and how they choose without advance warning. We would not take such advantage.

AIR FORCE COUNTER TO THE SOVIET THREAT

Although all facets of the Soviet military strength are great, our priority task must be to maintain the capability to fight and win the air battle. I join with you in hoping such a battle will never be fought. I do not think it will be fought if our airpower stands supreme—and our determination to use it, if necessary, is known.

To maintain the capability to fight and win the air battle, the Air Force believes in the old adage that the best defense is a good offense. That is why we have built strong strategic strike forces which can attack targets anywhere in the world. We are dedicated to keeping this force in a high state of proficiency—as a strong reminder that attacks upon us will result in the attacker's destruction.

Air Force experience in three wars has demonstrated that a determined air offensive cannot be stopped. Today, we have better equipment, more effective techniques and better trained personnel. With this combination we possess the capability to penetrate to the very heart of an enemy's target system.

I feel we possess an airpower edge today, but this advantage is being rapidly closed. Our goal is to keep ahead.

Closely allied to this goal is the necessity to be capable of quick reaction, both on the offense and on the defense. But warning is essential to reaction of any type and warning must be measured in time—time to launch our strike forces and time to alert our defenses.

Under present programs, our system for notifying us of approaching jet aircraft will provide us several hours warning when completed. With the advent of hypersonic ballistic missiles, however, warning will be measured in minutes instead of hours. The

shorter the warning, the faster must be our reaction. That is why we are concentrating on improving our reaction capabilities.

We have maintained our air defense forces on alert for many years. Our radars have been scanning the skies and our interceptor pilots have been standing by with armed aircraft ready to attack any invader. But as the probable warning time decreases, the need to also have our offensive forces on alert becomes more critical. We cannot permit our striking force to be caught on the ground and destroyed. Within minutes of warning, they too must be in the air and on their way to enemy targets.

To achieve this goal, we have established a requirement to have one-third of our strategic striking force on the way to their targets within 15 minutes of initial warning. To do this requires adequate alert facilities, additional dispersal bases and well-trained personnel who know their jobs.

Varying types of construction are required to reach such an alert posture. Parking stubs must be provided for quick access to the takeoff end of the runway by aircraft on alert status; we must have readyroom facilities for alert crews, failproof communications, security facilities for the alert area and supporting land and utilities.

To reduce the vulnerability and increase the reaction capability of the strike force, we also need further dispersal of SAC units. Dispersal offers two primary advantages. First of all, better protection is afforded. Secondly, with more bases available, our reaction time is improved greatly because we can launch more aircraft faster. Our ultimate objective is to disperse the strategic bomber force so that not more than 15 B-52's or 45 B-47's, with their supporting tankers, will occupy one base.

We have not yet achieved the goal we seek. But today we do have portions of our strategic force on 24 hour alert and capable of becoming airborne and on their way to targets within 15 minutes. Additional funds recently appropriated by Congress for this fiscal year and funds we anticipate being appropriated for fiscal year 1959 will provide money for the facilities we need to insure an adequate alert and dispersal posture for our strategic forces.

As strategic ballistic missiles are integrated into our forces, our alert picture will improve. Initially, strategic missiles will augment our offensive striking forces. As we learn more about them and know that they will be able to accomplish the job they are designed to do, they will replace a portion of our manned bomber force. However, as far into the future as I can see, I feel we must have integrated forces of both piloted and unpiloted systems to give us greater flexibility in our operations. Missiles have certain limitations which piloted vehicles do not. Also, missiles have certain advantages that piloted vehicles do not. The combination of the two systems will give us much greater offensive power.

As I mentioned earlier, warning is essential to reaction and we are working hard to improve our warning system. The distant early warning (DEW) line which runs across the northern part of Canada was completed last July. The Aleutian and eastern extensions to this line are still in work. This warning system, in conjunction with other radar nets within Canada and the United States and the semiautomatic ground environment system, popularly known as the SAGE system, will provide a very comprehensive warning and control network for defense against jet aircraft. Tied in with our radar system is the Ground Observer Corps with which I'm sure you are familiar.

We are also hard at work on the development of an effective ballistic missile detection capability. Breakthroughs in radar research realized last summer give us confidence that we can attain success in this field.

I would like to point out at this time that both of the radar warning systems I have described must be fully developed. We must perfect our warning and control systems against both the manned and missile threat.

Our manned interceptor forces are rapidly being converted to the supersonic F-102. Four air-to-air missiles are now in the air defense armory. One of these is the MB-1 or Genie nuclear weapon. The other three missiles are of the radar bombing and heat-seeking types. All of these missiles would be effective against manned jet bombers.

The Air Force also has under development a long-range surface-to-air missile known as the Bomarc. This is a supersonic weapon designed for high altitude intercepts at ranges of well over 200 miles. This weapon has exceeded initial expectations in tests.

Four Bomarc sites are already under construction, at McGuire AFB, N. J.; Otis AFB, Mass.; Suffolk County AFB, N. Y.; and at Dow AFB, Maine.

The Air Force has under research and development many other projects designed to improve both our offensive and defensive capabilities. We look forward to higher performance aircraft with greater ranges, new and improved missiles, and better warning systems. In these projects, reaction capability continues to be a prime consideration.

AIR FORCE-CIVIL DEFENSE COOPERATION

I have tried to briefly highlight what the Air Force is doing both for the offense and for the defense. Our actions are designed to deter war. If we can maintain our offensive and defensive capabilities strong enough to convince an aggressor that he would inevitably lose, I believe there is a good chance that there never will be need for you to carry out the war emergency plans of civil defense. This would be the best kind of victory for all of us. But what if the deterrent power should fail to be convincing enough and a potential enemy attacks?

In that case, the Air Force would bend every effort, concentrate every possible strength and usable resource, to win the air battle. This, we believe, would be the Air Force's greatest possible service to the people of the United States. Should an enemy attack, initial damage to our country would be severe. But, the duration of intensive enemy attacks will be an even more highly critical factor in our survival. The first aim of the Air Force is to blunt and then halt the enemy attacks as quickly as possible.

With your understanding, cooperation, and help the Air Force will be free to concentrate on throwing the full weight of United States air power into the battle. This support is needed to shorten the critical initial period.

Should an attack come, the better the civil population is organized and prepared, the less casualties will result. The problem and the solution will be largely local. As I have pointed out, the Air Force will not be able to offer substantial assistance. We will be fighting the air battle. Your duties as civil defense directors and the jobs of the many thousands of others who will assist you will be most difficult. They will become more difficult as the attacks continue. If your Air Force, through fast reaction, can reduce the critical attack period by one day—or even a few hours—the burden will be lightened.

CONCLUSION

In conclusion, I want to stress that the cooperative efforts of military commanders and civil defense representatives at the local level are of the utmost importance. The first phase of Operation Alert for 1958 is to take place next month. The Air Force is emphasizing to its commanders the importance of community-level planning and ordering them to do everything consistent with their military responsibilities to assure the maximum civil-defense effort. In my opinion, strength at the local level is indispensable to the overall success of our combined efforts.

Today, as never before, the military and civil defense must work together to assure that we can win the air battle if it ever has to be fought. Toward this end, we in the Air Force look forward to the continuation and growth of the partnership which now exists.

ACTION ON LABOR LAWS

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "For Action on Labor Laws," which appears in today's issue of the New York Times.

I believe the editorial provides an excellent analysis of the legislative situation in the Congress, as it pertains to labor legislation, and I commend the editorial to the consideration of all concerned.

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

FOR ACTION ON LABOR LAWS

It is all to the good that the Senate finally mastered, as it did, the cross-currents—political, personal, and pro or anti labor—through which it floundered for several days. That the vote in favor of the welfare fund regulation bill was unanimous shows that the Senators themselves felt that way too, in the end.

All the amendments that went beyond welfare fund operations were voted down—Senator KNOWLAND's along with the more liberal ones sponsored by the administration and the more drastic proposals of others. And it is well that they were, all 39 of them. Such basic legislation as union regulation should not be written on the floor of the Senate by amendments to a different measure, but only after thorough committee study and full public hearings.

The bill as approved—providing for registration and complete disclosure of employee welfare funds, with false reporting made a Federal crime—now goes to the House for action. But so far the Education and Labor Committee, of which Congressman BARDEN is chairman, has dragged its feet on all the 15 labor bills it has before it. We hope that the unanimous Senate vote, the approval of organized labor, and the rising insistence of the public will move this one along.

But even more important is action by the Senate committee on the entire range of labor regulation bills which are now before it. Chairman KENNEDY has promised to resume his subcommittee hearings on them May 5 and a bipartisan group of Senators is pledged to an attempt to force legislation out of the committee if not forthcoming before June 10.

Not since the days when the Taft-Hartley law was being fashioned has organized labor faced so dangerous a legislative crisis as this. It can oppose every kind of regulation—the way it did in 1947, allowing all the initiative to come from outsiders, many of them bitterly antilabor. Or it can cooperate in the hearings, as its leaders have now pledged, and present positive proposals of its own. This would be far more likely to give labor the fair hearing it deserves and to decrease the chance of legislation that would hamstring its legitimate activities. Labor needs to keep its friends as well as to confound its enemies—especially at this moment in its history.

PAY FOR THE ARMED FORCES

Mr. KNOWLAND. Mr. President, on yesterday the Senate unanimously passed the military pay bill of 1958, and sent it to conference.

During the debate on this important measure, various Senators expressed the opinion that the time-honored principle of maintaining retired pay at a percentage of active duty pay should be preserved as, perhaps, the greatest single incentive to long service by the hard core of our military services which is so essential to the country and the basic purpose of the legislation itself.

There were expressions of hope, with which I agree, that, at some future time, this principle will be reestablished, and those on the retired lists will be included for the same computation of their retired pay as the pending legislation authorizes for those who, by happenstance, retire after the effective date of this new legislation.

Yesterday, the day when this body passed the proposed legislation, the New York Times published an editorial which completely and emphatically accords with this principle. On two former occasions, I placed in the RECORD editorials from the Washington Star. In order that Senators may have opportunity to read the New York Times editorial, even though belatedly, I ask unanimous consent that it be printed at this point in the RECORD, as a part of my remarks.

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

FOR THE ARMED FORCES

The military pay and incentive bill, which is scheduled to come before the Senate for a vote today, needs some rethinking and rewording before passage. On the whole, the bill should help to provide both the material and psychological boost which the services require if they are to retain skilled professionals. But the attempt to make the measure all things to all ranks, and the elimination of certain provisions recommended in the report of the Committee headed by Ralph J. Cordiner, vitiate some of the objectives desired.

As the administration has pointed out, the bill as passed by the House increases somewhat too much the pay of the lower enlisted and commissioned ranks. It is, indeed, debatable whether or not a man should automatically qualify for a pay raise if he simply serves more than 2 years. The pay and retirement provisions are also an inducement to retirement in certain grades—something that certainly was not intended.

More important, the bill departs fundamentally from a basic concept that has governed every military pay bill until now. The Cordiner Committee report rightly stressed that "military retirement and its firm tie-in with active duty compensation is perhaps the most powerful long-term career incentive existing within the military compensation system. * * * The incentive value of [the] existing military retirement program depends to a major degree upon its integral relationship with active duty compensation and the confidence which has been built up in the military body that no breach of faith or breach of retirement contract has ever been permitted by the Congress and the American people."

The present bill departs from this principle, in effect violates the retirement contract and divorces present retired pay completely from regular pay. Those officers already retired are offered a 6-percent cost-of-living sop—but not the benefits of officers who will subsequently retire. Under this bill it will be entirely possible for a major general who retires after this bill is passed to receive $2,125 more annually than an officer of similar rank who retires a day before its passage.

This and other inequities in the current legislation need further consideration before passage.

BUSINESS AND POLITICS

Mr. GOLDWATER. Mr. President, this morning there was published in the New York Daily News an editorial which I wish to read into the RECORD, in connection with a request which I shall make to have an address printed in the RECORD.

The editorial is entitled "Business and Politics," and reads as follows:

BUSINESS AND POLITICS

As most of us know, numerous labor leaders are in politics up to their chins nowadays—though there is still grave doubt whether they can deliver any sizable labor vote anywhere. However, they have planted various stooges in Congress and the State legislatures.

ARGUE THE CASE FOR CAPITALISM

At the annual meeting of the United States Chamber of Commerce in Washington yesterday, New York attorney Theodore R. Iserman urged businessmen all over the country to promote some backfires against this labor-leader politicking, by organizing political education and discussion groups.

These units would broadcast business and industrial opinions on important issues, publicize candidates' records of friendliness or unfriendliness toward capitalism, etc.

It sounds good to us, and we think a lot of business people had better get cracking—unless they're willing to see labor politicians of the Reuther type gradually chain this country to their chariot wheels.

Mr. President, in connection with the editorial, and because it refers to Mr. Iserman, I ask unanimous consent to have printed at this point in the body of the RECORD the speech Mr. Iserman delivered yesterday to the Chamber of Commerce of the United States. His speech is entitled "The Growing Power of Labor Unions."

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

THE GROWING POWER OF LABOR UNIONS

(By Theodore R. Iserman, Kelley, Drye, Newhall & Maginnes, New York, N. Y.)

One of the greatest political and economic phenomena of the past half century of our country's history has been the surging growth, particularly over the past 20 years, in the power of labor unions and, more especially, of union leaders.

This power today constitutes a more immediate threat to our way of life than does the military might of Soviet Russia, with her sputniks, ballistic missiles and nuclear weapons. Against the Russian threat, we have the deterrent of immediate, massive retaliation. But against the growing powers of labor leaders in political and economic spheres and the continued use of those powers to take us farther and farther along the road toward an odd mixture of socialism and fascism, we have no such defense. Slowing the trend, let alone halting or reversing it, calls for tremendous, tireless and intelligent effort.

Before getting into what we should do, let us see how the unions acquired their powers.

There is one basic source of both the political power and the economic power of unions and their leaders. This is the Wagner Act, now part of the Taft-Hartley Act. This guarantees the right of employees to organize, requires employers to recognize and deal with any union that the majority of the employees in a bargaining unit choose as their representative, no matter how small the majority may be, and gives to the union the exclusive right, even to the exclusion of the individual himself, to handle all dealings between all the employees and their employer. This gives to the unions greater control over the individual than any other organization in the Free World has over its members.

Thanks to the Labor Board's zeal, especially in its early days, in punishing employers who did anything to dissuade their employees from joining unions, and in so rigging elections that unions rarely could lose, the law has subjected millions of employees and their terms and conditions of employment to the control of unions and their leaders, in many instances against the wishes of large minorities of the employees. Add to all this the law's allowing, in most States, unions and employers to agree that all employees must be members of a union and pay dues to it as a condition of employment, and the violence, threats, and other coercion that unions use on dissenters, and you have a basis on which unions can develop tremendous power, and have done so. The National Labor Relations Act and the coercive acts and practices of unions under the law or regardless of it make mere pawns of working men and women in the great games the labor leaders play, with the futures of all of us as stakes.

You, as businessmen, are fully familiar with the economic power of unions. Most of you, I daresay, have felt the force of that power in dealing with representatives of your own employees or in having employees of other employers refuse to handle goods that you produce or that you need for your business.

The Clayton Act and the Norris-LaGuardia Act add to the power of unions and their leaders. Although all other citizens and organizations—schools, churches, professional associations, chambers of commerce—are fully subject to the injunctive process, these acts make it virtually impossible to enjoin against even the most irresponsible of union activities. Except in very narrow areas, these acts, also, in effect, immunize unions against the antitrust laws. When a single union represents employees of substantially all the competing employers in an entire industry, as is the case in most of our industries today, it has a monopoly, and one that the law enforces by compelling employers to deal with it exclusively. The mineworkers, the steelworkers, the automobile workers and dozens of others have strangleholds on the industries whose employees they represent, and through those industries can bring our country to the brink of disaster, as they have done time after time, in peace and in war. And the teamsters, now controlled by that great labor statesman Jimmy Hoffa and uncounted numbers of racketeers, crooks, and hoodlums, can bring our country to its knees in a matter of days, which is more than Khrushchev can do.

Perhaps nothing more clearly illustrates the economic power of labor leaders than happenings in the past 6 months. Notwithstanding layoffs, short workweeks, growing unemployment, and relatively hard times in most areas of our economy, unions, for the first time in a recession, have forced prices up by forcing wages up. They have, in effect, repealed the law of supply and demand.

We turn now to the political aspects of the labor movement.

Samuel Gompers, the A. F. of L.'s first president, said years ago that labor leaders could not deliver working men's votes. John L. Lewis found this out for himself in 1940 when he repudiated F. D. R., staked his presidency of the CIO on his delivering the so-called labor vote for Willkie, and lost. It probably still is true that the rank and file would pay little attention to mere endorsements by union officials of particular candidates. But union officials who are politically ambitious or who are greedy for political power, and their name is legion, have greatly changed their methods since Gomper's day and even since 1940. They now do far more than merely endorse candidates and they try to influence far more votes than the labor vote, as we shall see.

I have mentioned the National Labor Relations Act as a basic source of the economic and political power of unions.

A second important source of their political power, and it stems largely from the first, is money. Thanks again to compulsory unionism and compulsory payment of union dues and initiation fees, unions have almost unlimited financial resources for political purposes. And subsidiary to this is an ability to spend the money astutely and where, from the union leaders' point of view, it does the most good.

It is true that the War Labor Disputes Act and, later, the Taft-Hartley Act, purported to forbid unions to make political contributions or expenditures. But Taft-Hartley's prohibition applies only to primaries and general elections involving Federal officials—President, Vice President, and Members of Congress. The laws of only five States purport to inhibit political spending by unions. All other States permit unions to spend their funds freely in State and local elections, in electing party officials and in supporting or opposing particular issues, such as referendums on right-to-work laws. And as the Supreme Court has interpreted the Taft-Hartley Act, that act still permits unions to spend vast untaxed sums out of their treasuries on political activities.

They can devote column after column of their thousands of magazines and newspapers to vilifying and abusing politicians they cannot control, praising to the skies the ones they can, and exhorting their readers to vote for one candidate as against another. The November 1956 issue of the United Automobile Worker is typical of scores of pulications of national and international unions and thousands of publications of local unions. At least 80 percent of that issue is political. The whole first page proclaims:

"For a Better America—Back Adlai and ESTES." Inside banner headlines scream:

"KEFAUVER Right—NIXON Wrong."

"Why You Need Adlai for Better Schools."

"Scandals Besmirch Eisenhower Rule," and so on.

By way of contrast, in countless house organs throughout the country, employers report the outcome of softball games and record weddings, deaths, and retirements of employees and the doings of the quarter-century clubs, but say never a word on political or economic issues that are of the gravest concern to themselves and their employees, let alone take sides on controversial issues. And more often than not, their trade papers are equally silent on those issues.

Besides spending members' dues on union publications, union leaders, notwithstanding the Taft-Hartley Act, dip into their bulging union treasuries to finance with untaxed funds other widespread political activities that many of their members, or even the majority, may oppose. They do this on the radio and on television and through other mediums that reach the general public, expounding their views and making clear what candidates support their views and what ones do not. Unions buy more than 2,000 15-minute periods of radio and television time each week and much, much more in some weeks. They call this political education and get away with it.

Another type of political activity in which union leaders are extremely effective is in furnishing manpower during registration and on and before election day. Both their power over employees as their exclusive bargaining agents and their great financial resources contribute to their effectiveness. As exclusive bargaining agents, they can command what they call volunteers for many political chores, not only from the rank and file, but from a host of stewards and other union officials. And they can hire swarms of special organizers, whom they pay up to $30 a day plus expenses. All these people ring doorbells, make telephone campaigns, act as baby sitters, provide transportation, watch at the polls, distribute handbills and other literature, and do the hundred and one other things that an effective campaign calls for. In 1956 the Steelworkers alone probably had upward of 12,000 people available for this kind of work and the UAW at least 30,000. The UAW and the Steelworkers are only 2 of the merged labor movement's 138 international unions.

In order to get around the limited restrictions that the War Labor Disputes Act and Taft-Hartley put on political spending by unions, the CIO, during World War II, set up its political-action committees, and the A. F. of L. followed suit with its Labor's League for Political Education. Now that the A. F. of L. and the CIO have merged, these two political organizations have become one—COPE, Committee on Political Education. COPE, like its predecessors, parallels the National, State, and local levels of the great labor organizations. The same people that control the AFL–CIO control COPE and its constituent national and local affiliates. COPE and its branches are political fronts for the labor organizations, set up to do things that labor organizations may not do under Taft-Hartley. To raise the necessary wherewithal, COPE depends on what labor leaders, with tongue in cheek, call voluntary contributions. Stewards and committeemen in the plants ordinarily solicit the contributions. Aside from employees' fear of obloquy and abuse and other social pressures to contribute, the union's power over employees as their exclusive bargaining agent will make the average employee think twice before refusing to contribute, no matter how unenthusiastic he may be about the union's political activities or the candidates it supports. Money they collect this way, union leaders may lawfully use in any way they choose, including direct contributions to candidates for Federal office.

It is impossible to get accurate information on unions' political spending. While the public records indicate that labor's political affiliates contributed only $26,500 to the election of PAT MCNAMARA as Senator from Michigan in 1954, a study by the Association for Industrialization of Mobilization indicates that the UAW alone spent $725,000 out of union funds in the Michigan campaign. Labor's admitted contribution to the campaign of Senator DOUGLAS, $35,500, and to Senator KEFAUVER, $18,888. But the hidden expenditures on behalf of these and other darlings of the AFL–CIO doubtless amounted to many times more.

In 1956, the political fronts for 17 of the 138 international unions admittedly raised by so-called voluntary contributions $2,987,072. There is clear evidence that this is a gross understatement. How much political affiliates of the other international unions spent and how much State and local affiliates spent, we can only guess. But we can conservatively estimate that every union spent 10 times as much out of union treasuries on activities that Taft-Hartley does not forbid as it did of "vountary" contributions on activities that Taft-Hartley covers. Congressman RALPH W. GWINN, who has devoted much time to the subject, estimates that unions average at least $62 million a year in political spending.

I said that union leaders are astute in spending their members' dollars. One of the smartest things they do is to treat elections of State legislators and representatives to Congress as being at least as important as elections to higher office. For example, in 1948 the labor politicians put such emphasis on the senatorial and Congressional races that for the first time in our history a winning presidential candidate, Mr. Truman, polled fewer votes than his party's candidates for the House of Representatives.

Labor leaders are astute, also, in that they do not waste time or money on candidates in areas where they have no chance of winning. They do not waste them in areas where their favorites are bound to win anyway. They spend them in primaries and general elections in which their candidates have a chance.

They do not spend money on men with whom they are in general agreement but who have some independence. They spend it on men who they feel sure will dance to their tune. When a Congressman in Michigan's Sixth District, who had won in 1954 with the UAW's backing, defied the UAW on a single issue, farm price supports, the UAW dumped him, notwithstanding that a poll of the Congressman's district showed that his constituents supported him overwhelmingly on this issue. The vitriolic outburst by the Machinists' president, Al Hayes, a week or so ago against Senator KENNEDY for sponsoring a measure to protect union members against corrupt or ruthless union officials, shows how union leaders demand of politicians they support 100 percent, full-time obedience. After Hayes' blast, Senator KENNEDY voted against a measure carrying out one of his own proposals. What this shows, I leave to your judgment.

Union leaders do not limit themselves to appealing to the so-called labor vote. True, they go after it hammer and tongs, using every demogogic device and going to all lengths to stir up class hatreds in our heretofore classless society. But they are all things to all men, vocal on civil rights in the big northern cities, not so vocal when it comes to backing YARBOROUGH, of Texas, or in eliminating racists from union leadership in the South; heartbroken over the prices farmers receive for what they grow, but silent about the high wages that raise the prices that farmers must pay for what they buy; vociferous in demanding protection for the small-business man, except at the bargaining table.

I should mention a third source of labor leaders' political power. Some politicians accept as a fact labor leaders' assertions that they represent 36 million votes. Some, 10 years after the event, assume, incorrectly, that Truman's victory over Dewey in 1948 demonstrated the political power of unions and abjectly acquiesce to labor leaders' demands, particularly in voting on labor issues. They forget the victories of men like Taft, Nixon, Dirksen and Bennett in 1950. Courage, intelligence and integrity, plus bone-tiring hard work, enabled them to win elections in which, unlike the one in 1948, Taft-Hartley was a central issue.

And here let me interject the observation that it is not primarily an interest in so-called labor legislation that prompts the tremendous efforts and huge spending by unions in politics.

George Meany, president of the AFL–CIO, says:

"The scene of battle is no longer the company plant or the picket line. It has moved into the legislative Halls of Congress and the State legislatures."

And James B. Carey, secretary-treasurer of the industrial union department of the AFL–CIO, says:

"More and more, the answers to labor's problems are political."

And Walter Reuther, in January 1958 put his views succinctly when he said:

"You can go to work and lobby your head off and you can go to Washington and lobby your head off and you can go to Lansing and lobby your head off, or you can go to any other State capital, but if you haven't got responsible people (and by this he means people responsible to him) in government sitting in the State legislatures, or in the Federal Congress, all the lobbying in the world will not do any good."

True, the labor politicians are vitally interested in the eighty-odd proposals for labor legislation now pending before Congress. But their interest also is in far wider fields—socialized housing, socialized power, socialized medicine, soak-the-rich taxation, Federal control of education, socialized atomic energy, halting nuclear testing, foreign affairs, farm legislation, and many others. Indeed, the great majority of the issues on which they rate legislators right or wrong have nothing to do with labor unions, collective bargaining or wages, hours, and working conditions.

Now, what have been the results of the labor leaders' politicking? In general, these efforts have resulted in a shift to the left by all political alinements. We used to have in politics a right, a center, and a left. Now, with apologies to Senator MUNDT and Senator GOLDWATER, two outstanding exceptions that prove the rule, there is no right. We have a center, a left, and an extreme left.

Another result that we can state in general terms is that in most States outside the South the labor politicians, with such allies as the Americans for Democratic Action and the Committee for an Effective Congress, have taken over the Democratic Party, body, boots, and breeches, and have captured important segments of the Republican Party.

More specifically, the labor politicians have made great gains in both Houses of Congress and in State legislatures, in numbers, in members they place on key committees and in their ability to intimidate some politicians who, left to their own devices, would tend to be independent. And, in this connection, now might be a good time for someone to write a book entitled "Profiles in Cowardice."

Notwithstanding General Eisenhower's landslide in 1952, the Republicans managed to capture only 219 House seats as against 215 for the Democrats. In 1954, the Democrats won control of both Houses of Congress with a net gain in the House of 17 seats, for at least 10 of which labor help was decisive. They got control of the Senate when MCNAMARA in Michigan and NEUBERGER in Oregon, both with prodigious labor backing, defeated Senator Ferguson and Douglas McKay.

In 1956, the Democratic National Committee concentrated on the presidential campaign, and COPE and its allies in effect ran the Congressional campaign for the Democrats. While President Eisenhower scored an impressive victory, COPE increased the Democrat majority in the House to 233 seats as against the Republicans' 200. The labor leaders were active in 300 Congressional Districts which, for the most part, were doubtful, and elected their candidates in well over 60 percent of these districts. And not all the Republicans, by any means, were conservatives. Many were left-of-center or left.

COPE and its allies scored striking gains in governorships and State legislatures in 1956 and again last year.

The intense interest labor leaders have in bills now pending in Congress touching all phases of American life makes it certain that this year they will be active politically—perhaps more active than ever before. We can predict with confidence that they will stage an all-out drive to elect a subservient Congress—in their newspapers, on radio, and television, with union funds and with so-called voluntary contributions and volunteer electioneering.

What will the business people do? Will we continue to devote our house organs to the scores of softball games, to weddings, deaths, and births, saying nothing about the issues in the campaign, much less presenting our views on them?

I am not going to exhort you on your duties as individual citizens or on what you ought to do in your own self-interest. You know this. Find out what the candidates' views are, and tell them your views. Support with time and money those whose beliefs correspond with your own, whether it is a LAUSCHE in Ohio or a GOLDWATER in Arizona.

But beyond this, what can organized business do? It seems to me that organized business and industry might take at least a few pages from the book of the AFL–CIO and COPE. We have the national chamber, the NAM, and dozens of nationwide trade associations, thousands of State and local chambers of commerce and manufacturing associations. I heartily recommend that the national organizations explore their political potentialities, acting both on their own and in collaboration with affiliates throughout the country. I recommend that you, in your local organizations, determine what issues and what candidates deserve the support of organized business, and that your organizations, in a measure, at least, give them that support. You can discuss the issues publicly and support your views, publicize the voting records of candidates on issues of concern to business, tell at least your members what candidates you prefer and why, and, with a minimum of cash, organize your own people to duplicate in some small measure the intensive efforts of paid and unpaid minions of the AFL–CIO. I urge you not to dismiss these suggestions lightly, but to consider them carefully and carry them back home with you and begin to act on them at once.

It is time for us to stop assuming that those politicians who are ready, able, and willing to fight for free enterprise, for truly free collective bargaining and for a sound economy can preserve our way of life with niggardly help from us, or none at all. It is time for us to stop assuming that a mysterious someone else can shoulder the political responsibilities that too many of us have been shirking. And it is time for men in business and industry to concern themselves, individually and through existing organizations or affiliated ones, with those issues on which the overwhelming majority of us agree, and to support those candidates, regardless of party, who share our views.

Thank you.

UNITED STATES PROPOSAL IN THE UNITED NATIONS FOR ARCTIC INSPECTION

Mr. SMITH of New Jersey. Mr. President, the events which took place in the Security Council of the United Nations yesterday are an impressive tribute to the imaginative diplomacy of Ambassador Lodge. Secretary Hammarskjold's unprecedented appeal in the Security Council for Russia to accept the United States proposal for Arctic inspection and the unanimous support which the proposal received from the other members of the Council constituted one of America's most effective victories in the forum of world opinion.

In the New York Herald Tribune of yesterday, April 29, the lead editorial pointed out that Ambassador Lodge's proposal is far more than "a clever psychological blow in the cold war." It is, above all, a sincere, obviously reasonable attempt to lessen the chance of triggering an allout nuclear war. It is a simple, limited step which, if accepted by Russia, could lead to a major breakthrough in the long stalemate over disarmament. I ask unanimous consent that the Tribune editorial, entitled "A Big Test at the U. N.," be printed in the body of the RECORD at this point in my remarks.

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

A BIG TEST AT THE U. N.

The peoples of all the world live in dread of an atomic Armageddon, triggered perhaps by accident. When the Security Council meets today, it will consider a resolution which the United States has offered to seek to lessen the chances of such a holocaust.

The resolution grows out of the recent Soviet protest to the Security Council over United States bomber flights. It recognizes that the Soviets have a legitimate cause for anxiety about such flights which could be allayed if both sides joined in a system of international inspection.

What is proposed is very simple. It is that the whole area north of the Arctic Circle be constituted a northern zone of international inspection under the U. N., for the purpose of preventing either side from launching surprise attacks against each other. The nations involved, beside ourselves and the Soviet, are Canada, Finland, Sweden, Denmark (through Greenland), and Norway.

It is very heartening that all of these nations, save the Soviet, which has not yet responded, have expressed deep interest in the proposal.

Some observers have praised Ambassador Lodge's proposal as a clever psychological blow in the cold war; others have assumed that the Soviet will automatically use its veto to kill the plan. We believe both these views to be mistaken.

In the first place, Ambassador Lodge is in dead earnest in his hope to persuade the Soviets to cooperate in some phase of disarmament, however limited. This particular proposal was rejected by the Soviets last August when it was offered as part of a much larger plan, which included "open skies" mutual air reconnaissance.

But since then it is the Soviets themselves who have asked the U. N. to take steps to prevent bomber flights which possibly could trigger off a war. It is because they have opened up this subject that Mr. Lodge has renewed this one proposal, in a limited form, which the Soviets can easily accept if they are really in earnest in seeking to reduce the possibilities of an accidental war.

Moreover, he has left it flexible, so that if for any reason they are reluctant to open up all their Arctic area to inspection, the area can be limited to whatever they are willing to accept.

Because this subject is so terribly important to all peoples, we think it wrong to assume that the Soviets will veto it, in a kind of Pavlovian reflex against any Western proposal. They may very well seek to amend it, by adding all sorts of other proposals. But at least that would have the effect of keeping the matter under discussion, and allowing its merits to emerge.

Whatever happens it is refreshing to see Ambassador Lodge taking this positive, imaginative and constructive position. He has kept the discussion, from the time the Russians first raised the issue, free of all the charged, propagandistic language that has

come to be associated, on both sides, with the cold war. This is a deadly serious matter and he is wise in keeping it free of gimmickry. Let us hope the Soviets rise to a similar plane of sober, responsible discussion.

DR. RICHARD E. McARDLE AND NATIONAL CIVIL SERVICE LEAGUE CAREER AWARDS

Mr. NEUBERGER. Mr. President, all too seldom do we note the achievements of the career people in our Federal agencies. I should like to insert in the RECORD an article from the Washington Post listing 10 people who have been named by the National Civil Service League to receive career service awards.

I would not want to single out any one of these persons as more deserving than the next, but because the national forests are so important in my State, I am more familiar with operations of the Forest Service than with other Federal agencies. Dr. Richard E. McArdle, Chief of the United States Forest Service, typifies the devoted service that all members of the Forest Service give to the public. In the case of Dr. McArdle, the award has a meaning which I am sure is applicable to some of the other persons who were honored. His achievement was made possible by the outstanding service his associates have given over the years. This devotion to duty has earned for the United States Forest Service the respect and admiration of the public, the Congress, State and local officials, and the users of the national forest such as timbermen, stockmen, and miners. It is a blue-ribbon agency of Government.

I want to extend to each and every one of these people my warm congratulations for a record of service that redounds to the credit of our Government and to our form of government. Our Federal civil service is the key link in the effectiveness of our Government. I wish that more public notice could be given of the great accomplishments for better government that all of our Federal employees make.

Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD, with my remarks, the following article from the Washington Post.

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

SEVEN IN AREA WIN CAREER AWARDS

Ten civil service employees, including seven from the Washington area, have been named by the National Civil Service League to receive career service awards for "competence, efficiency, character, and continuity of service."

The awards, established by the league in 1955 to honor outstanding career civil service employees, will be presented next Monday at a dinner at the Sheraton-Park. The dinner also will mark the 75th anniversary of the first civil service law. Speakers will include Democratic National Chairman Paul Butler and Republican National Chairman Meade Alcorn.

The National Civil Service League, founded in 1881 as a nonpartisan civil organization dedicated to improving Government career service, selected the winners from 100 nominations submitted by 31 Federal agencies.

The recipients are:

Harry J. Anslinger, Commissioner of Narcotics, who has been in Government service for 41 years. Active in curbing illicit narcotics traffic, he was cited for being an able administrator and for "assuring the United States of an adequate flow of medicinal narcotics in war and peace."

William D. Carey, of 3724 Northampton Street NW., executive assistant to the Director of the Budget, who has spent all his 16 years of Government service in the Bureau. He was cited for "outstanding achievements in the Labor and Welfare Division and in special assignments, notably the coordination of scientific and technical activities."

Ewan Clague, of 3821 Woodley Road NW., Commissioner of Labor Statistics, Department of Labor. Clague, who has been in Government service 18 years, was cited for "increasing the scope and accuracy of statistical programs of the Labor Department."

Hugh L. Dryden, of 5606 Overlea Road NW., Director of the National Advisory Committee for Aeronautics. In Government service for 40 years, Dryden has directed the NACA since 1947. The award described him as an "outstanding scientist-administrator whose personal growth from laboratory assistant to director shows the possibilities of a Federal career."

Richard E. McArdle, of 2907 Rittenhouse Street NW., Chief of the United States Forest Service. McArdle, who has been in Government service for more than 20 years, was cited for "his work in conservation, made possible by friendly and effective cooperation between the industry, the States and the Federal Government."

James O. Riley, of Edgewater, Md., general economist, Post Office Department Bureau of Transportation. In Government service for 33 years, Riley was cited for "his outstanding performance in an extremely technical area of transportation costs and expenditures." Riley started as a laboratory apprentice with the Bureau of Standards and served with the Interstate Commerce Commission before joining the Post Office 10 years ago.

Marjorie M. Whiteman, of 5021 Glenbrook Road NW., legal adviser, State Department Office of Inter-American Affairs. Miss Whiteman, who has been in Government service for 27 years, was cited for her "keen insight into the political as well as the legal aspects" of problems in international law and Latin American politics.

Robert M. Ball, of Baltimore, Deputy Director, Bureau of Old Age and Survivors Insurance, Department of Health, Education, and Welfare. In Government service for more than 15 years, Ball was cited for "his ability to lead and inspire those who work with him," and for "outstanding efficiency and notable public service."

John M. Ide, of near New London, Conn., technical director, Underwater Sound Laboratory, Navy Department. Ide, who has spent his 17 years of Government service in the Navy Department, was cited for achievements in electronic research and development.

Livingston T. Merchant, Ambassador to Canada. Merchant, in Government service for 16 years, was cited for his work in the State Department. The award noted that "the highest Government officials have come to rely heavily on his judgment in dealing with many of the most crucial problems."

AMERICAN FORESTRY ASSOCIATION AND WILDERNESS PRESERVATION BILL

Mr. NEUBERGER. Mr. President, a few days ago I presented for the record an extensive analysis of the wilderness preservation bill (S. 1176), of which I am a cosponsor. I have given my support to wilderness preservation legislation because of a sincere belief that a portion of our outdoor heritage should be dedicated and maintained in its natural state.

Those of us who are supporting wilderness preservation recognize that there is not complete unanimity about the wisdom of this policy. Some groups and individuals believe that S. 1176 runs contrary to the multiple-use concept for management of public lands. Many of those holding such views are sincere and articulate advocates of natural resource conservation. They certainly deserve to have their objections and criticisms of the legislation made a matter of public record, even though they run contrary to the position of those, like myself, who maintain an opposite viewpoint. They have a right to be heard.

I have received a copy of a letter from Mr. Kenneth B. Pomeroy, chief forester of the American Forestry Association, to the distinguished chairman of the Senate Committee on Interior and Insular Affairs [Mr. MURRAY], voicing the objections of that organization to features of the wilderness preservation bill. Although I do not agree with the conclusions, in the interests of fairness, I ask consent to include in the RECORD with my remarks the letter from Mr. Pomeroy outlining the association's action on this matter.

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

THE AMERICAN FORESTRY ASSOCIATION,
Washington, D. C., April 21, 1958.

Senator JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Senate Office Building, Washington, D. C.

DEAR SENATOR MURRAY: Your thoughtfulness in advising us of the error in the CONGRESSIONAL RECORD regarding the wilderness bill is appreciated greatly.

Committee print No. 2, now being considered as a replacement for the earlier wilderness bill, S. 1176, was reviewed by the directors of the American Forestry Association at their February 24, 1958, board meeting. The directors said:

"Examination of this document reveals that it still contains the features initially objected to by the American Forestry Association as incompatible with the basic principle of multiple use of forest resources: Now, therefore, be it

"*Resolved*, That the American Forestry Association in accord with its action of July 6, 1956, is opposed to the proposals in committee print No. 2."

Mr. Chairman, the American Forestry Association is deeply concerned over this threat to the multiple-use concept of national forest management. Not only is it an open invitation to all other special interests to hew out their coveted portions of the public lands but it creates a council that could become a publicity group to propagandize the public at taxpayer expense.

These demands by wilderness enthusiasts come at a time when all conservationists should join together in strengthening the Nation's forest resources. Instead conservation organizations, trade associations, and public agencies have been split right down the middle. Many leaders on both sides deplore this situation. We would like to see the breach healed.

The American Forestry Association believes that wilderness is an intrinsic part of the Nation's heritage. It is something that is precious and should be preserved. We believe it is being preserved capably by ex-

isting agencies who at the same time are attempting to maintain all other important uses of the public lands in balance.

We recognize that some of the guidelines under which the Forest Service operates are based upon departmental regulations and that they should be strengthened by Congressional recognition of their importance.

Therefore the American Forestry Association recommends, earnestly, that legislation along the following lines be considered:

"That it is the policy of Government that all the resources of the public lands shall be so managed, conserved, utilized, and developed as to assure maximum public multiple use thereof; that public use for purposes of recreation, including wilderness enjoyment, hunting and fishing is a beneficial and proper use of such lands; that the development and maintenance of such areas and facilities, including maintenance of wilderness areas, is a proper function of the Secretaries of Agriculture and Interior for their respective Departments."

We are sending copies of this letter to many other organizations that participated in the hearings of last June and inviting them to join with us in this constructive action.

Thank you very much for again permitting us to voice our thoughts.

Sincerely yours,

KENNETH B. POMEROY,
Chief Forester.

THE IMPORTANCE OF COMMON-SENSE COOPERATION IN PRIVATE FUND RAISING FOR CHARITABLE PURPOSES

Mr. WILEY. Mr. President, on many occasions I have expressed the view that one of the greatest features of the American system is the voluntary habit of private initiative. I repeat, private initiative. What is needed now is a rebirth of private initiative, not simply a course of action that looks to Uncle Sam for everything. Americans should adhere to their habit of looking after the needs of fellow citizens through voluntary private channels. The volunteer on the American scene is not the unique person he is on the world scene.

DE TOCQUEVILLE'S SAGE OBSERVATIONS

The great French observer, Alexis De Tocqueville, writing about America in the early days of our freedom, made a significant statement. I stress it because here was a Frenchman diagnosing America. That is what we need now. We need a diagnosis of America, and not a lot of generalities. We have got to look into what our ills are and find a remedy for them. Listen to what this Frenchman said more than 100 years ago:

> These Americans are the most peculiar people in the world. You'll not believe it when I tell you how they behave. In a local community in their country, a citizen may conceive of some need which is not being met.

I emphasize "a citizen." I continue reading:

> What does he do? He goes across the street and discusses it with his neighbor. Then what happens? A committee comes into existence, and then the committee begins functioning on behalf of that need, and you won't believe this but it's true. All of this is done without reference to any bureaucrat. All of this is done by the private citizens on their own initiative. * * * The health of a democratic society may be measured by the quality of functions performed by private citizens.

"By private citizens"—that is the key.

This very apt quotation, I may say, is carried in the March 1958 issue of the bulletin Looking Ahead, issued by the National Planning Association. The association itself is a fine example of private citizens working together to try to foresee the needs of our dynamic country, and to meet these needs.

SIX AND THREE-FOURTHS BILLION DOLLARS IN PRIVATE PHILANTHROPY

In 1957, alone, it is estimated that no less than $6.7 billion was raised by United States private philanthropy. This is, possibly, about 44 percent of all the funds raised in the world for this purpose.

There is included in this United States figure the vast philanthropic amounts raised for private education, for religion, for health, and for a wide variety of other purposes.

Throughout the American scene are a vast number of voluntary organizations—National, State, and local—dedicated to the cause of serving the needs of their fellow men. In 1957, perhaps 37 million Americans—1 in 5 of our population—gave of time and talent to common causes.

Inevitably, the question arises: How best can funds be raised for meeting demonstrated needs? The consensus is that it has long been found that the community chest and related forms of united fund raising usually provide the most efficient method for raising funds with the comparatively least waste of manpower, time, and resources. Yet there has been a perennial controversy between worthy groups which, for a variety of reasons, did not feel they could join in the united fund raising.

It is not my purpose, today, to attempt to offer any arbitrary solution to this difficulty. I know that fine civic leaders who have dedicated countless man-hours to this problem fail to see eye to eye on it. So this is not a matter for recrimination. On the contrary, it is a matter to be worked out with common sense and cooperation.

No doubt there are individual instances of an independent drive, or drives, being indeed justified; although it is to be hoped that such independent drives will not multiply indefinitely, lest the whole concept of united giving be destroyed.

The women of the United States, in particular, number among our finest volunteers. It is upon their shoulders that much of the burden falls; particularly in such fields which have long been the special interest of women as the needs of children, the needs of schools, the needs of welfare.

FINE AID FROM BUSINESS AND LABOR

But our menfolk, as well, likewise find an increasing amount of time necessary to be devoted to problems of this nature. I mean men in labor and in management.

American corporations in my own and other States have been most generous—not only in their donation of money, but in their contribution of the time of their executives. Likewise, the AFL-CIO has been generous in the cooperation of individual unions and union leadership.

The present recession, while it has diminished some collections, has not deterred the enthusiasm of countless public-spirited citizens in fulfilling De Tocqueville's observations.

At this time, here in our own community, Government workers are contributing to one fine package of national health and other organizations. I hope that the collection will be a great success.

FINE CONFERENCE HERE IN WASHINGTON

I send to the desk an item which illustrates the coperative approach I have in mind.

It consists of the splendid program of the Health and Welfare Council in our Nation's Capital, which, on May 16, holds its ninth annual conference. It will be addressed by one of the great voluntary, yes, official, leaders at the grassroots of America, the Honorable Charles P. Taft.

I think this program, with its high caliber of speakers, panelists and participants, gives a fine example of what is being done by volunteers throughout this land. I am glad that our Nation's Capital has the Health and Welfare Council as a part of the United Givers Fund. I hope Washington, D. C., will always provide inspiration and an example for volunteers to communities across the Nation.

I ask unanimous consent that the conference leaflet be printed in the RECORD.

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

WHERE WILL WE BE IN 1963?—YOUR INVITATION, ANNUAL HEALTH, WELFARE, AND RECREATION CONFERENCE, HOTEL STATLER, FRIDAY, MAY 16, 1958

Luncheon meeting, 12:15 p. m.

Hon. Charles P. Taft, mayor of Cincinnati, Ohio, 1955–57. Outstanding volunteer leader in local and national welfare, civic, and church activities. Will speak on "Social Work, Housing, and Urban Renewal."

Sponsored by the Health and Welfare Council of the National Capital Area. Caesar L. Aiello, president; Isadore Seeman, executive director.

(Morning sessions)

1. Where will we be in 1963 in serving families under stress?

What are we doing about the high cost of unhappy living; families in crisis?

Chairman, Mrs. Francis G. Smith, Jr., member of the Fairfax and Falls Church, Va., HWC regional committee.

Panel, Our Changing Way of Life, G. Franklin Edwards, Ph. D., associate professor of sociology, Howard University.

The Added Stress of Low Income, Jay L. Roney, Director, Bureau of Public Assistance, Department of Health, Education, and Welfare.

Homemaker Service, a New Local Resource, Mrs. Ernest G. Warren, president, Homemaker Service Agency of the National Capital area.

A Trial Balance on Services, Mrs. Ezekiel G. Stoddard, member of the board, Family and Child Services, Washington, D. C.

2. Where will we be in 1963 in serving children without homes?

Chairman, Mrs. A. Remigius Lash, member of the board, Alexandria Family Service.

Panel, Mrs. A. L. Spencer, vice chairman, HWC Committee on Children Without Homes; member, District of Columbia Board of Education.

Mrs. Elizabeth H. Ross, Director, HWC Junior Village project; former Deputy Chief, United States Children's Bureau.

Mrs. D. Elaine Starbuck, director, welfare board, Prince Georges County, Md.

Raymond F. Gould, Ph. D., social science analyst, Professional Services Branch, National Institutes of Health, Bethesda, Md.

3. Where will we be in 1963 in understanding and treating alcoholism?

The rate of alcoholism in the National Capital area is one of the highest in the Nation with major implications in family disruption, economic loss and community health problems.

Chairman, Hon. Leonard P. Walsh, chief judge, Municipal Court.

Panel, Frank S. Ketcham, chairman, subcommittee on alcoholism, the American Bar Association.

Anthony Zappala, M. D., Chief, Alcoholic Rehabilitation Division, District of Columbia Department of Public Health.

Mrs. Dorothee F. Mindlin, chief clinical psychologist, Alcoholic Rehabilitation Division, District of Columbia Department of Public Health.

Mr. Henry Roberts, Alcoholics Anonymous.

4. Where will we be in 1963 in new patterns for family recreation?

Chairman, Mrs. Priscilla Urner, consultant, department of parks and recreation, Arlington County, Va.

Speaker, Robert T. Bower, Ph. D., director, Bureau of Social Science Research, Inc., Washington, D. C.

Panel, Use of Parks and Open Space, Theodore T. Smith, manager, Prince William Forest Park, Virginia.

Family Camping, Ira L. Gibbons, acting dean, School of Social Work, Howard University.

YMCA Family Center. Indian Springs Club. Allen L. Cavaness, principal, Glen Haven Elementary School and program director, Silver Spring, Md., branch YMCA.

(Afternoon sessions)

A film festival; follow-up discussions of morning sessions.

NINETEEN FIFTY-EIGHT HWC ANNUAL CONFERENCE COMMITTEE

Cochairmen: Mrs. Theodore O. Wedel, vice president at large, National Council of Churches; chairman, HWC forum planning committee; Edwin Tribble, city editor, the Evening Star, chairman, HWC Public Relations Committee.

Members: Mrs. Nelson Blechman, member of the board, Hillcrest Children's Center; Mrs. Richard Bolling, member of the board, Friendship House; Donald Brewer, deputy director, District of Columbia Department of Public Welfare; Harmon Elder, assistant manager, regional public relations, Safeway Stores; Mrs. Elizabeth Goldfaden, executive director, Social Service League of Prince Georges County; George W. Howard, chief deputy probation officer, United States District Court, District of Columbia; Joseph Leverenze, executive director, District of Columbia chapter, American Cancer Society; Mrs. Ernest K. Lindley, member of the boards, the Ionia Whipper Home and the Washington Urban League; Mrs. Edwin McElwain, secretary, board of managers, Children's Convalescent Hospital; William J. McManus, vice president, public relations, Chesapeake & Potomac Telephone Co.; Mrs. Walter J. Moore, member of the board, Catholic Charities of Northern Virginia; Mrs. Robert W. Shackleton, newsletter editor, American Institute of Architects; Mrs. Norman Taub, member HWC Forum Planning Committee; Austin Van der Slice, Ph. D., professor of sociology and anthropology, the American University; Mel White, information officer, United States Air Force; Mrs. John W. Whitten, member of the board, Visiting Nurse Association; Joseph Zatman, public information officer, Washington Suburban Sanitary Commission.

Chairman of conference volunteers: Mrs. Calvin H. Cobb, Jr., placement chairman, Junior League of Washington.

(For information call Virgil Shinker, Decatur 2-7330, 1101 M Street NW., Washington 5, D. C.)

Mr. WILEY. Mr. President, in my opinion, this is a very clear demonstration of what is needed in America today, which is the awakening of the conscience of the various communities to the challenge which is facing us, and the awakening of the conscience of those who have vision and means to realize the needs of the communities and actually to take care of them.

I referred heretofore to an instance which occurred in my own State when I was a boy. A great sawmill went out of business, and the atmosphere was so thick with discouragement, fear and doubt that one could have cut it with a knife. Two Polish boys, Andrewjeski and Petrowski, began to make shoes. The citizens did not fall asleep. They could not turn to Washington or to any place else. As de Tocqueville had suggested, they called a committee together and sat down to analyze the situation. They got together a little money, and they started shoe factories. Pretty soon there were more shoe factories. Today that town does $25 million worth of business in producing shoes, because the old enterprise of American citizens was evident in their getting together, working together and contributing together to help those who needed work. To me that is what is needed in America today.

I do not discount the activity of our Government in providing jobs in the form of public opportunities, but I believe the time has come when all of us must recognize our individual responsibilities as citizens of the communities in which we live to take care of the situation. This is a Nation of some 170 million people in 48 States, stretching across 3,000 miles, and no government, no matter how able it is, can take care of that vast situation. The Government can, as Lincoln said, "do for the people what needs to be done, but which they cannot by individual effort, do at all, or do so well, for themselves."

LAW DAY, U. S. A.—A REMINDER OF AMERICAN RIGHTS AND PRIVILEGES

Mr. WILEY. Mr. President, tomorrow, May 1, has been proclaimed by the President as Law Day, U. S. A. The purpose of this fine observance is: First, to strengthen the Nation's dedication to the rule of law as the foundation of our free society; and second, to freshen every American citizen's awareness of the rights and privileges he enjoys by reason of our system of law.

Our Nation's basic strength lies in the laws which protect the individual rights of its citizens. Under our system of law, everyone is entitled to his day in court. Naturally, courts must be fully respected if they are to function effectively.

The American citizen has a great many rights and privileges unknown to citizens of other lands. However, I do not believe that any American citizen has the right to take these guaranties for granted. We must all cherish our great American system. We must know what it is and what it represents. Frequently there are attempts—some intentional, and some unintentional—to undermine various aspects of our legal system. However, it is well to remember that our present system was drafted by far-sighted individuals who wisely wrote into the Constitution a system of checks and balances between the judicial, the legislative, and the executive branches of our Government.

In order to recognize any attempts to subvert our American legal system, we must first have a thorough understanding of what is embodied in that system.

I take this opportunity to commend President Eisenhower for his wisdom in proclaiming Law Day, U. S. A. I also congratulate the American Bar Association for its fine educational program in this and in many other connections.

I urge all citizens of our Nation to take advantage of this occasion to further their knowledge of the great benefits they receive under American law.

I send to the desk a copy of the President's proclamation, together with statements on the importance of Law Day from several Cabinet members and Government officials. I request that these statements be included with my remarks in the body of the RECORD.

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

A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

"Whereas it is fitting that the people of this Nation should remember with pride and vigilantly guard the great heritage of liberty, justice, and equality under law which our forefathers bequeathed to us; and

"Whereas it is our moral and civic obligation as free men and as Americans to preserve and strengthen that great heritage; and

"Whereas the principle of guaranteed fundamental rights of individuals under the law is the heart and sinew of our Nation, and distinguishes our governmental system from the type of government that rules by might alone; and

"Whereas our Government has served as an inspiration and a beacon light for oppressed peoples of the world seeking freedom, justice, and equality for the individual under laws; and

"Whereas universal application of the principle of the rule of law in the settlement of international disputes would greatly enhance the cause of a just and enduring peace; and

"Whereas a day of national dedication to the principle of government under laws would afford us an opportunity better to understand and appreciate the manifold virtues of such a government and to focus the attention of the world upon them;

"Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby designate Thursday, May 1, 1958, as Law Day. I urge the people of the United States to observe the designated day with appropriate ceremonies and activities, and I especially urge the legal profession, the press, and the radio, television, and motion-picture industries to promote and to participate in the observance of that date."

In witness whereof, I have hereunto set my hand, and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 3d day of February in the year of our Lord 1958, and of the independence of the United States of America the 182d.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 3, 1958.*

By the President:

JOHN FOSTER DULLES,
Secretary of State.

THE SECRETARY OF STATE,
Washington, April 14, 1958.

Mr. CHARLES S. RHYNE,
President, American Bar Association,
Washington, D. C.

DEAR MR. RHYNE: Thank you for your letter of March 31. I congratulate the American Bar Association on its efforts on behalf of the national observance of Law Day, U. S. A., and hope that the occasion will be a successful one.

In international affairs it is impossible to sustain a just and lasting peace unless that peace is based upon law and order. Indeed, the universal acceptance of the principles of international law and morality is the indispensable requirement for the survival of our civilization.

Thus Law Day, U. S. A., is a meaningful occasion not only to our own country but to free men everywhere. It is a day on which Americans can rededicate themselves to the great concept of "equal justice under law."

I hope that my fellow countrymen will accept the President's urging and commemorate Law Day, U. S. A., in every appropriate way.

Sincerely yours,

JOHN FOSTER DULLES.

STATEMENT BY HON. WILLIAM P. ROGERS, ATTORNEY GENERAL OF THE UNITED STATES, FOR USE IN THE OBSERVANCE OF LAW DAY, U. S. A., MAY 1, 1958

President Eisenhower has proclaimed May 1, 1958 as Law Day, U. S. A.

At no time in our history has an understanding of the role of the rule of law in our land been more important. From the day the Constitution was ratified 169 years ago this Nation has subscribed to a system of laws, not men.

Law means order. It means that no person or crisis can shatter the orderly procedures by which we live. It means that the ultimate power of the Nation remains with its source, the people.

By living under the rule of law each individual and his fundamental rights are all important. Equal justice in the courts—the freedoms of the Bill of Rights—the opportunity to elect lawmakers * * * all have become accepted parts of each American's way of life.

Absent the rule of law in this Nation, this would not be true. We need only to look at those living behind the still rigid Iron Curtain to understand this.

Our system based on the rule of law will remain as strong as each person understands and rededicates himself to it.

Law Day, U. S. A., therefore, should be a time for every American to refresh himself with knowledge of our system of government by law. By so doing the day will not only be one of commemoration—it will be one of strengthening the force behind the law being honored.

THE SECRETARY OF THE TREASURY,
Washington.

STATEMENT BY SECRETARY OF THE TREASURY ROBERT B. ANDERSON FOR USE DURING OBSERVANCE OF LAW DAY, U. S. A., ON MAY 1, 1958

The world today is at a crucial point in the struggle between freedom and tyranny. On the one side are those who hold to the principle of individual human freedom under the rule of law as the inherent right of every man; on the other side stand the forces of darkness who would deny freedom and exalt the state. It is fitting and proper that this special day be set aside to commemorate our great heritage of liberty, justice, and equality under law so that it may echo and re-echo throughout the world and break through the curtain of darkness until these principles are accepted by all peoples and all nations.

ROBERT B. ANDERSON.

THE SECRETARY OF DEFENSE,
Washington, April 7, 1958.

LAW DAY, U. S. A., MAY 1, 1958

By proclamation of the President, May 1, 1958, has been designated Law Day, U. S. A., and an occasion for special recognition of our national dedication to the principle of government under laws.

It is most appropriate for representatives of the Department of Defense to take particular note of this day and to join wholeheartedly in its observance. A powerful element of the strength of this Nation, to the defense of which our Armed Forces are dedicated, is our people's unflagging devotion to the rule of law, both domestically and internationally. Not only much of our strength but much of our purpose stems from the moral force of this feature of our way of life.

Accordingly, I urge military and civilian personnel of the Department of Defense and the Armed Forces to participate in every appropriate way in Law Day, U. S. A., activities. In most cases, this probably can be done most effectively through cooperation with State and community bar associations, as by accepting invitations for speaking appearances or for service on Law Day, U. S. A., committees.

Finally, I would emphasize that while Law Day, U. S. A., is naturally of special import to military and civilian members of the legal profession, it is by no means merely a lawyer's day. Rather does it furnish us all an opportunity to express our devotion to the principle that law shall have precedence over force in the affairs of men.

NEIL MCELROY.

UNITED STATES DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 23, 1958.

LAW DAY, U. S. A.

President Eisenhower has proclaimed May 1, 1958, as Law Day, U. S. A., and has urged the people of the United States to observe the designated day with appropriate ceremonies and activities.

Many civic, professional, religious, and patriotic organizations are expected to join in various observances or special programs of this day. The American Bar Association is sponsoring special observances and local bar associations throughout the communities of the Nation are planning to present programs or to assist schools and other organizations in special observances.

I deem it most fitting that this event be given special mention in this Department and that it be drawn to the attention of all personnel, perhaps by the circulation of this message.

The aims of this Department are founded, of course, by law, and we carry out an important segment of the will of the people for a prosperous and happy land, expressed through statutes and protected by the courts. As you will be informed in the various observances of Law Day, U. S. A., the enjoyment of the freedom and abundance of this land is only possible through the order and security guaranteed by the laws of free men. The employees of this Department, I am sure, need only reflect briefly to realize that every act they perform is living evidence of the existence and indispensability of our constitutional government.

I have asked the General Counsel to suggest to his attorneys in the field that they cooperate with local bar associations in programs or observances of Law Day, U. S. A. Likewise, if personnel of other agencies are called upon to assist in these observances, they should be encouraged to participate.

EZRA TAFT BENSON,
Secretary.

LAW DAY STATEMENT OF HARRIS ELLSWORTH, CHAIRMAN, UNITED STATES CIVIL SERVICE COMMISSION

On the observance of Law Day, May 1, 1958, the Civil Service Commission salutes the many men and women of our land who are concerned with the formulation, administration, and enforcement of the laws of this Nation, and it congratulates the American Bar Association and its affiliates for sponsoring this observance.

The more than 2 million members of the Federal civil service are directly concerned with upholding and administering the laws of this Nation. Each is at his particular station because some law or laws, enacted by the Congress in response to the will of the American people, requires the performance of his special duties.

It is appropriate that we set aside this day to give honor to the law and to recall that while ours is a Government of, by, and for the people, it is a Government of laws, not of men. And it is likewise appropriate during this 75th anniversary of the Civil Service Act of 1883 that all of us in the Federal service rededicate ourselves to uphold the law in our service to this Nation and its citizens.

UNITED STATES DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, D. C., April 15, 1958.

LAW DAY, U. S. A.

The foundation stone of our American system of Government is respect for the law. Over the years, men and women have fought, suffered, and died that the concept of constitutional law might reign supreme. They had seen tyranny first hand—a tyranny that robbed them of their individual liberties or prevented their worship of God. These courageous people came to our shores, determined that the candle of liberty was based on this respect for the law, not on the whimsical desires of men. To that end they dedicated their lives.

Today, as we see the menancing shadows of a Communist world empire, we must be ever more dedicated to our free way of life. Communism would deprive us of our constitutional liberties. Communism is dictatorial. It is atheistic. It is deceitful. In communism, the individual exists only to serve the state. He is a mere pawn of the party. Law is what the Communist dictator says it is. The rights of the individual are purely fictitious.

Law Day, U. S. A., should make us conscious of our great obligations to law and order. It should serve to remind us that we exist as free men because only under law can individual rights prosper. Never must we forget this.

JOHN EDGAR HOOVER,
Director.

LIMITATION OF APPELLATE JURISDICTION OF THE SUPREME COURT

Mr. HENNINGS. Mr. President, today the Judiciary Committee voted to report favorably S. 2646, with amendments. To the best of my limited ability, I have vigorously opposed this bill and its

amendments since their earliest consideration by the committee.

During the past few weeks, I have received several communications from outstanding persons who are learned in the law, and from several organizations, respecting this bill and the amendments. All these communications, with the exception of one, are opposed to the enactment of S. 2646 and the amendments. I believe that all Members of the Senate will find these communications most interesting. Therefore, I ask unanimous consent that the communications be printed at this point in the CONGRESSIONAL RECORD.

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

THE CHICAGO BAR ASSOCIATION,
Chicago, Ill., April 25, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: At its meeting on Thursday, April 24, 1958, the board of managers considered and approved the enclosed report from the association's committee on Federal legislation concerning S. 2646 (Jenner bill), H. R. 9207 and H. R. 10775. As you know, when our board of managers approves a report of one of our committees, the position stated in the report becomes the position of the Chicago Bar Association.

Sincerely,

RICHARD H. CAIN,
Executive Secretary.

APRIL 21, 1958.

BOARD OF MANAGERS,
Chicago Bar Association,
Chicago, Ill.

GENTLEMEN: The Committee on Federal Legislation has had under study bills H. R. 10775, H. R. 9207, S. 2646. These bills, in general, provide for limiting the appellate jurisdiction of the Supreme Court, establishing rules of interpretation of the effect of acts of Congress on State laws, and facilitating the admission of confessions in United States courts.

Bills H. R. 10775 (introduced by Representative COLMER), H. R. 9207 (introduced by Representative ST. GEORGE), and S. 2646 (introduced by Senator JENNER), would deny the Supreme Court jurisdiction to review the following:

1. Cases in which Congressional investigation panels have won convictions for contempt of Congress against witnesses who refused to answer questions.

2. Suspensions or dismissal of Government employees in the executive branch for security reasons.

3. Case in which local or State boards of education have dismissed teachers on security grounds.

4. Rules or regulations of any State authorities who refuse to license as lawyers, persons found unacceptable on security grounds.

Bills H. R. 9207 and S. 2646 (with identical provisions) in addition eliminate Supreme Court review of cases in which convictions have been made under State laws controlling subversive activities within the State. H. R. 10775 also provides a Federal act cannot occupy a legislative field to the exclusion of the State law unless it expressly so provides, that neither State nor Federal courts will be obliged to follow decisions of the Supreme Court where that Court fails to adhere to the principle of stare decisis and that confessions otherwise admissible shall not be inadmissible because of delay in taking the confessor before a United States commissioner.

The amendment to S. 2646 introduced by Senator BUTLER is in reality a substitute bill which retains the provisions of that bill in depriving the Supreme Court of its jurisdiction to review cases from State authorities denying admission of persons to practice before the bar, and in addition provides for the following:

1. A Congressional committee is final in its ruling of whether or not a question should be answered on the point of pertinency.

2. In certain sensitive security agencies, there could be no appeal from the authority to suspend without pay, certain employees found to be security risks.

3. A Federal act cannot occupy a legislative field to the exclusion of the State law, unless it expressly so provides (and this same provision is in H. R. 10775).

4. The Smith Act is amended so that advocating or teaching the overthrow or destruction of the Government is made a crime without regard to the immediate probable effect of such action.

After full consideration of the aforesaid bills, the Committee on Federal Legislation unanimously adopted the following motion on April 8, 1958:

Moved that a recommendation be made to the board of managers of this association that bills H. R. 10775, H. R. 9207 and S. 2646 be disapproved.

The committee adopted the aforesaid motion in the case of all the bills for the following reasons:

1. The independence of the Supreme Court is jeopardized if its jurisdiction can be curtailed because of the unpopularity of its decisions with certain Members of Congress.

2. The independence of courts is vital in order to preserve the constitutional and democratic form of Government under which we live.

3. Persons involved in litigation of the types that these bills cover are just as much entitled to review by the Supreme Court as other litigants, and to legislate specially as these bills do is discriminatory.

4. Curbing the Supreme Court's appellate jurisdiction in certain fields is contagious and will spread to other fields whenever decisions in those fields become politically unpopular.

5. The Bill of Rights of the Constitution is impaired by these bills which withdraw the protection of the Supreme Court in selected legislative areas since that Court is the ultimate guardian of constitutional liberties of individuals against arbitrary governmental action.

6. There is need for a common reviewing authority in order to resolve conflicting interpretations of law; otherwise, the constitutional rights of an American in one Federal circuit may well be different from the rights of another American in another Federal circuit.

7. A fundamental and essentially conservative influence in our Government could be placed at the mercy of unwise and rash political action.

The committee found H. R. 10775 additionally objectionable because some of its provisions have nothing to do with the Supreme Court's jurisdiction, and, as in the case of the Butler amendment, nothing to do with each other. If such matters are to be handled at all, they should be handled in separate bills.

In conclusion, the committee urges strongly upon the board of managers that these bills be defeated on account of their kill the umpire philosophy because their authors do not agree with certain decisions of the Supreme Court.

WILLIAM W. FULLAGAR,
Chairman, Committee on Federal Legislation.

REPORT OF NEW YORK COUNTY LAWYERS ASSOCIATION OPPOSING PROPOSED BUTLER AMENDMENTS TO THE JENNER BILL (S. 2646)

The New York County Lawyers Association opposes the proposed Butler amendments to the Jenner bill (S. 2646). Our general basis of opposition is as follows:

1. The association opposed the original Jenner bill. The proposed Butler amendments retain the objectionable feature of withdrawing one important area of litigation from ultimate review in the Supreme Court because of disagreement with some decisions in the area. We regard this method of dealing with such matters as extremely undesirable and a direct attack on the independence of the judiciary. The organized bar has for many years favored a constitutional amendment which would preclude such tampering with the Supreme Court's appellate jurisdiction. The fact that the revised measure would withdraw only 1 area from ultimate review in the highest court, whereas the original Jenner bill withdraws 5, is only a difference in degree; the principle is equally objectionable. The organized bar opposes this attack on the appellate jurisdiction of the Supreme Court even though many members of the bar agree with the dissenting opinions in recent cases involving admission to the bar. The way to cure alleged error is, we believe, by further presentation to the highest Court or by the direct method of constitutional amendment.

2. The attempt to legislate, broadly and without adequate consideration of extremely delicate and difficult particular problems, in order to change in the future the results of some decisions with which the authors of the legislation disagree, is objectionable because the legislation is not and cannot be sufficiently discriminating. The decisions involve very important questions of individual rights and governmental power, including the proper balance between the Nation and the States. Grave constitutional questions are presented. If any change is desirable or necessary, it should be very carefully worked out and should not be a mere incidental part of general legislation aimed in an omnibus way at a large number of decisions. Proposals relating to widely different subjects should not be included in one measure, but should each be considered separately.

We shall not attempt at this time to comment upon the particular decisions of the Supreme Court or the method of dealing with them, if they need to be dealt with at all, which are proposed in the Butler amendments. However, an example of need for more careful appraisal is presented by the method by which the Butler amendments attempt to deal with the result of the Watkins decision. In effect, the Butler proposal would withdraw from judicial review any question of the pertinency of any inquiry in the course of a Congressional investigation. It would leave all such questions to the unfettered discretion of those conducting the investigation. It is only natural that legislative committees will tend to resolve such questions in favor of the pertinency of the questions to their investigations. The need for independent judicial review in such circumstances is evident. If there is need for legislation in connection with such investigations, Congress might well address itself to consideration of the adoption of a code of fair procedure in Congressional investigations, long recommended by the organized bar, rather than relieving such inquiries from any independent scrutiny. Congress might also give thought to such measures as the Keating bill (H. R. 259) favored by the American Bar Association, which would permit prompt resort to the courts for rulings upon questions of pertinency.

INDIANA UNIVERSITY SCHOOL OF LAW,
Bloomington, Ind., April 8, 1958.
The Honorable THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Thank you for your letter of April 3, 1958, and the material on the amendments proposed by Senator BUTLER.

I am in complete agreement with your opposition to the omnibus approach of the proposals. They are wide-ranging, complex, and demand thorough study individually, since they do not cohere in a consistent single policy, but manifest several distinct policies.

The proposal to amend title 28 with respect to State regulation of admission to the bar is the subject of one part of my memorandum of March 24, 1958. Limiting the appellate jurisdiction of the United States Supreme Court in this way would almost certainly mean in the vast majority of cases not merely the exercise by Congress of its constitutional power to make exceptions to the appellate jurisdiction of the Court, but a violation of the constitutional injunction to vest all of the judicial power of the United States in the Federal courts, as explained in *Martin* v. *Hunter's Lessee* (1 Wheat. 304). Even if it were constitutional, it would be unwise to the point of creating chaos, thus to erect 48 supreme courts administering Federal issues in this class of cases as the supreme law of the land. What kind of supremacy could obtain in a situation where even 1 State supreme court could finally determine an issue of Federal law in conflict with the determinations of that issue by one or more of the other 47?

The proposal to make refusal to answer impertinent questions propounded to witnesses before Congress a crime by process of waiver through failure to make timely objection and through failure to appeal requires careful study. The due process clause of the fifth amendment would seem to require that if the gist of the offense is waiver combined with refusal to answer, there must be adequate procedure by which waiver is in substance and fact the deliberate relinquishment of a known right, with a fair opportunity to avoid waiver as by a fiction. If this is so, the proposal is deficient in that it lacks specification of right to object and right to appeal. That is, the remedies internal to the Congress are not spelled out. The Congress, on the other hand, should be careful in binding its own hands procedurally in judicializing its committee procedures. Legislative investigations abort their own purposes when they are converted into trials. Against these costs in terms of formalizing legislative investigations should be weighed the ultimate utility of imposing criminal punishment for refusal to answer a question to which the power of Congress to compel an answer is ultimately judged lacking.

The proposal to expand the categories of so-called sensitive positions seems to me to call for extensive hearings. The executive branch has more of a stake in this kind of determination than the Congress, and it should be heard in the process of weighing civil-service tenure policy against antisubversion policy. (I do not mean to suggest that the Congress is not the ultimate repository of power to make this kind of decision, but only that Congress ought to consider the advice of executive officers in making plans for civil-service tenure. For example, Congress in acting on such advice might wish to specify standards by which heads of departments or the President himself classifies positions as sensitive, thereby modifying the doctrine of the Cole case in the direction of making the classification more of an executive-legislative judgment than a function of the courts.)

I can add little to your discussion of the problem of Federal occupation of the field, except to point out that the issue as drawn by the proposal of Senator BUTLER is highly multifarious. It is one kind of problem in safety regulation, another in certificate of convenience and necessity licensing, another in door-to-door canvassing regulations, another in prescribing limits of weight, size, and loading of highway vehicles, another in plant disease inspection, another in harbor regulations of marine equipment and use, etc. Congress should consider sedition against the States in its own setting, in order to get at the problem of cooperation between Federal and State law enforcement officers and the issue of double punishment for the same conduct, if the Nelson decision is to be legislatively modified (for future cases, of course). There are several alternatives that could be explored here, among which might be removal of the State case to the Federal courts, with or without vesting discretion in the Department of Justice to dismiss the prosecution (to protect its investigative apparatus, for example). This is another area in which hearings should be employed to get advice from the administration and the benefit of the experience of the Federal Bureau of Investigation and State and other Federal law enforcement agencies concerned with sedition, espionage, and sabotage.

There should also be hearings on the proposals contained in section 5 of the amendments. Offhand, it appears that the distinction between advocacy as teaching abstract doctrine and advocacy as incitement to action is, however subtle and difficult to grasp, one that inheres in the dictionary meaning of advocacy and in the constitutional limitations upon Congressional power imposed by the first amendment. Even if the finding in paragraph (a) is a proper discharge of legislative function, the simplistic abolition of the distinction does not abolish the constitutional problem. Premumably the first clause of paragraph (b) is intended to carry out the object stated in paragraph (a), but it is hardly a fortunate piece of draftsmanship. Does it mean that the law is more concerned with remote than with proximate consequences in determining the criminality of conduct or of intent? If so, we are proceeding on a principle that would make attempts more serious crimes than completed offenses. I am certain, therefore, that this is not the meaning of the qualification, but I am at a loss to suggest alternative meanings. If this clause is as vague as it seems to me to be, the object of paragraph (a) is defeated by it. I can add nothing to your discussion of paragraph (c), except to point out that it should be qualified in the same manner as paragraph (b) is qualified, however, that may be, if it is not to create an inconsistency in the statute. A provision along the lines of paragraph (d), with regard to organizational activity should be drawn in the light of the more general prohibitions of advocacy and abetting, and the more general prohibition of the conspiracy statute. After the holding in the Yates case, there is justification for legislative consideration of the relationship between conspiracy and organizational activities subsequent to initial organization. This consideration should, in my judgment, be disentangled from the other proposals of Senator BUTLER and should be deliberate, including public hearings.

Very truly yours,
IVAN C. RUTLEDGE,
Professor of Law.

NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE,
New York, N. Y., March 27, 1958.
Hon. THOMAS C. HENNINGS, Jr.,
Senate Judiciary Committee,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: On March 4, 1958, the NAACP presented testimony against S. 2646, a bill which would seriously restrict the power of the United States Supreme Court. At the time of our appearance, we also registered opposition to a proposal offered by Senator JOHN MARSHALL BUTLER of Maryland, which would expose lawyers who handle civil rights cases in the South to certain disbarment without a chance to appeal to the United States Supreme Court.

The sweeping provisions of S. 2646 make it a threat to orderly judicial procedure. We urge that you vote against it. We also urge that Senator BUTLER's proposal, which he offers as an amendment to S. 2646, be set aside until it can be considered on its own merits during hearings set for that purpose.

Sincerely yours,
CLARENCE MITCHELL,
Director, Washington Bureau.

LAW SCHOOL OF HARVARD UNIVERSITY,
Cambridge, Mass., April 14, 1958.
Hon. THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: Thank you very much for your letter of April 9, and for your kindness in sending me a copy of your memorandum with respect to the so-called Butler amendments.

Your memorandum is excellent, and persuasive. I hope very much that the committee will not approve these amendments.

I noted in the papers the other day that you are making an inquiry with respect to the printing of the "Appendix IV to Part 2" to the hearings on the Jenner bill. This is the document which is called a Study by SPX Research Associates.

I was really rather shocked to find that this was printed under Government auspices. The fact that it came out as a separate item, not part of the regularly published hearings, aroused my curiosity. I hope that you will find out some more facts about this.

With best wishes,
Very truly yours,
ERWIN N. GRISWOLD, *Dean.*

YALE UNIVERSITY LAW SCHOOL,
New Haven, Conn., April 8, 1958.
Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: I am sorry that my telegram from Miami was so sketchy. I was late, and I was anxious to do what I could to help you in this extremely important fight you are leading to protect the very possibility of civil rights in this country. The groups which have mobilized to attack the jurisdiction of the Supreme Court are sinister and determined. I am sure that when the sensible, ordinary opinion of the country has been alerted, they will be defeated. I shall look over your impressive legal memorandum during the next few days to see whether I can add anything to it.

Meanwhile, let me thank you once again as a citizen and as a lawyer, for your most important leadership in this fight.

With great appreciation,
Yours sincerely,
EUGENE V. ROSTOW.

MIAMI BEACH, FLA., *April 3, 1958.*
Hon. THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.:

Just received your letter of March 27. I find Senator BUTLER's amendments to S. 2646 as objectionable as the original bill. Its passage would be a tragic blow to liberty under law. If the basic requirements of due process are important to any citizen as protection against the risk of arbitrary action by the State, they should be available to lawyers, to guarantee them against disbarment or refusals of admission on arbitrary capricious or unreasonable grounds. My views on the problems of the Cole case appear in Harpers magazine for July 1957. I

disagree with Senator BUTLER's proposal to change the rule in the Watkins case, which stands as a desirable reminder of the necessity for responsible exercise of the broad powers of Congressional committees. As for Yates and likes cases, the reasons for my disagreement with Senator BUTLER's proposals are developed at length in my article in Harvard Law Review for 1952. I see no need to revise the Nelson case. Such a step would promote a multipliat of prosecutions and penalties in field to no good end.

EUGENE V. ROSTOW,
Dean, Yale Law School.

INDIANA UNIVERSITY
SCHOOL OF LAW,
Bloomington, Ind., April 1, 1958.

Hon. THOMAS C. HENNINGS,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: I regret that I did not receive your letter of March 27 until yesterday evening. It seems to me that the proposals of Senator BUTLER are equally objectionable to those of S. 2646 and would achieve the same results by different methods.

In the first place, while I am sure all would join in wanting to do what was necessary to protect the traditions of this country from any totalitarianism, I believe that we should be most careful not to destroy the liberties we have enjoyed in doing it. Further, it seems to me that the matter of sedition is a matter for the Federal Government. Certainly, too, I cannot believe that the Congress would not wish to have proper limitations placed upon its investigatory powers.

I realize fully here that we are not necessarily dealing with constitutional questions but rather with the wise exercise of Congressional power in which there may be a wide field of disagreement. However, I believe that if careful study is made to the Butler proposals it could be shown that they might very well introduce as undesirable results as those which they would cure.

I would, therefore, oppose the Butler proposals for essentially the same reasons as I opposed S. 2646.

Sincerely yours,
LEON H. WALLACE, *Dean.*

ARKANSAS BAR ASSOCIATION,
OFFICE OF THE PRESIDENT,
April 15, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: Thank you for your letter of April 10 and enclosures with respect to the Butler amendment to S. 2646. You are correct in your impression that it will be impossible for our association or the executive committee thereof to take any action on the material before the next meeting of the Judiciary Committee on April 21.

While I am in sharp disagreement with a number of decisions of the Supreme Court of the United States and conscientiously share the views expressed by Judge Learned Hand and Mr. Alfred J. Schweppe in recent bar journals, I do not believe that the problem could be or should be solved by Congressional limitations on appellate jurisdiction of the Supreme Court. While I lament, for the good of the United States and my own State of Arkansas, the unjustified overboard decisions of the Supreme Court of the United States in the recent past, I am unable to go along with the thought that the highest Court in the land should have its jurisdiction eroded away by legislation every time a bad decision is rendered.

You understand, of course, that the views expressed in this letter are personal, and I am not purporting to speak for the association of which I am president, even though I may be secure that the overwhelming majority of our members share my views.

Incidentally, John G. Scott, of New York, and Fred Schlafly, of Alton, and Bob Schlafly, of St. Louis, are very good friends of mine.

With personal good wishes, I am

Sincerely,
EDWARD L. WRIGHT, *President.*

STATE BAR ASSOCIATION OF CONNECTICUT,
Hartford, Conn., April 15, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
Committee on the Judiciary,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: I received your recent letter with your comments in respect to the Jenner bill and the Butler amendments last Saturday, and as it happened, the semiannual meeting of the board of delegates of the State Bar Association of Connecticut was held yesterday, Monday, April 14. At this meeting I was able to read your letter.

The board of delegates, which is the official decision-making body of our State Bar Association, by unanimous resolution placed itself on record as opposing any and all efforts to limit the jurisdiction of the Supreme Court of the United States directly or indirectly because of disapproval of the decisions of that Court in a particular field or fields. The association also, through its board of delegates, directed that its action be communicated to the Senate Committee on the Judiciary, and I shall appreciate it if you will be kind enough to carry out this request.

Sincerely yours,
JAMES W. COOPER.

P. S.—Speaking personally, and as a Republican, I feel that this position of the bar association is completely nonpartisan, and for my own part, I find the proposed legislation to be the same type of legislation as the court-packing bill in the thirties. I'm happy to be able to be consistent in disapproval in all such similar instances for the same reasons.

J. W. C.

AMERICAN BAR ASSOCIATION,
March 31, 1958.

The Honorable THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: I have your letter of March 27 with reference to the Butler amendment to the Jenner bill. In my view, the opposition of the American Bar Association to Senator JENNER's bill, S. 2446, applies in principle to the proposed amendment of Senator BUTLER. What the American Bar Association really voted in favor of was an expression of opposition to any tampering with the jurisdiction of the Supreme Court of the United States.

Very truly yours,
CHARLES S. RHYNE.

THE ASSOCIATION OF THE BAR
OF THE CITY OF NEW YORK,
New York, April 16, 1958.

The Honorable THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

My Dear Sir: I am enclosing a copy of a letter written to Senator HENNINGS by Mr. Richard W. Hogue, Jr., in regard to S. 337 and a copy of a telegram to Senator HENNINGS expressing the opposition of this association to the Butler amendments.

Sincerely yours,
PAUL B. DEWITT.

HUGHES, HUBBARD, BLAIR & REED,
New York City, April 10, 1958.

Hon. THOMAS C. HENNINGS,
Committee on the Judiciary,
United States Senate,
Senate Office Building,
Washington, D. C.:

The committee on Federal legislation of the Association of the Bar of the City of New York last night approved its chairman's letter of April 3 to you, but wishes to express its opposition to Senator BUTLER's proposals to Senator JENNER's bill in much stronger terms than contained in that letter. This necessarily includes opposition to S. 337. Neither Jenner bill nor amendments proposed by BUTLER should be reported out by Judiciary Committee. Certainly not without further extensive hearings on each aspect of bill and proposed amendments. Our committee of opinion that lawyers peculiarly qualified to express opinion on this type of legislation. If further hearings and Judiciary Committee so desires undersigned or secretary our committee or both happy to testify. Copies of this telegram and letter of April 3 being sent to all members Judiciary Committee.

RICHARD W. HOGUE,
Chairman, Committee on Federal Legislation.

COMMITTEE ON FEDERAL LEGISLATION,
ASSOCIATION OF THE BAR OF THE
CITY OF NEW YORK,
New York, April 3, 1958.

The Honorable THOMAS C. HENNINGS, Jr.
Committee on the Judiciary, United States Senate, Senate Office Building, Washington, D. C.

DEAR SENATOR HENNINGS: Your letter of March 27 with which you enclose a copy of the mimeographed memorandum of Senator BUTLER containing proposed amendments to S. 2646 did not reach me until day before yesterday. Because of the press of other matters I have been unable to answer until now. If the newspaper reports concerning Attorney General Rogers' testimony before the committee are accurate I am in complete accord with his view that the proposed amendments of S. 2646 are of such a nature that the committee should make haste slowly in order that the implications of the respective proposals can be seriously studied in the light of the relevant Supreme Court decisions and the background of those decisions. The proposals would, in effect, overrule several of those decisions. Such a proposal to overrule a decision of the judiciary, a coordinate branch of the Federal Government, is a matter which requires grave consideration.

Illustrative of the type of consideration called for is that embodied in the reports of the committee on Federal legislation of the Association of the Bar of the City of New York on the bills to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities, copies of which have been sent to the Judiciary Committees of the Senate and of the House of Representatives, as well as to the individual members of those committees. Enclosed is an additional copy of those reports. The majority report, opposing such legislation, was overwhelmingly approved at a stated meeting of the members of the association on March 11, 1958.

The enclosed report is addressed to the specific area involved in *Pennsylvania* v. *Nelson* (350 U. S. 497 (1956)) and thus is not addressed to item (3) of Senator BUTLER's proposal. Senator BUTLER's proposal is similar to an earlier bill which was introduced in the last session of the 84th Congress and which was opposed by labor representatives, the railroads and the Attorney General, substantially upon the grounds that such legislation would result in con-

fusion in the fields of labor and railroad law and that the effects in other areas of the law could not be determined without study of each area of its application. Such studies of necessity would be exhaustive and time consuming. The Attorney General's recommendation was that each area be studied specifically in order to determine whether legislation was needed or advisable. He preferred specific legislation by separate bills rather than a shotgun approach. The former type of approach, in my judgment, is necessary in order that the committee and Congress be able to reach an intelligent, informed, and reasoned conclusion on the innumerable problems which would otherwise attend the enactment of a proposal such as that involved in item (3) in the memorandum of Senator BUTLER. For the foregoing reasons I believe that the enactment of item (3) would be unwise.

Time forbids my giving a serious study (such as was given in the enclosed report in the area of the Nelson case) to the areas involved in *Watkins* v. *United States* (354 U. S. 178 (1957)); *Cole* v. *Young* (351 U. S. 536 (1956)); and *Yates* v. *United States* (754 U. S. 298 (1957)). I am quite sure, however, that there are many lawyers who would defend these decisions as proper and many more lawyers who, whether or not they agreed with the decisions, would oppose Congressional action overruling them.

Even without serious study I would like to comment briefly upon the remainder of Senator BUTLER'S proposals. Item (1) of the proposals deals with the decision in the Watkins case, in which the Supreme Court affirmed the unanimous reversal by the District of Columbia Court of Appeals of a conviction for contempt of Congress arising out of a refusal of a witness to testify before a Congressional investigating committee. Six Justices concurred in this decision, 1 Justice dissented, and 2 did not participate. Ten of the eleven Federal judges who participated in the case from the trial through the appellate stage agreed with the conclusion of the Supreme Court. The effect of the decision is merely to require a more specific procedure in the conduct of Congressional investigations where the constitutional rights of witnesses are concerned. The majority opinion points out (at p. 205) that:

"It is, of course, not the function of this Court to prescribe rigid rules for the Congress to follow in drafting resolutions establishing investigating committees. That is a matter peculiarly within the realm of the legislature, and its decisions will be accepted by the courts up to the point where their own duty to enforce the constitutionally protected rights of individuals is affected."

and again (at p. 215) that:

"We are mindful of the complexities of modern government and the ample scope that must be left to the Congress as the sole constitutional depository of legislative power. Equally mindful are we of the indispensable function, in the exercise of that power, of Congressional investigation. The conclusions we have reached in this case will not prevent the Congress, through its committees, from obtaining any information it needs for the proper fulfillment of its role in our scheme of government. The legislature is free to determine the kinds of data that should be collected."

In the light of these statements of the Supreme Court it would seem that the Congress should be equally mindful of the scope which should be afforded the Supreme Court in the protection of constitutional rights. Item (1) of the proposals under consideration appears to be aimed at making the Congress the final arbiter of the constitutional rights of witnesses at Congressional hearings. This function, in my judgment, is a judicial function which should be left in the hands of the judiciary. Traditionally, the judiciary branch of the Government has always been regarded as the appropriate branch to protect individual constitutional rights. In this connection I should point out that this item of the proposals is not restricted to testimony with respect to affiliation with any subversive organization. It might deprive any citizen of his constitutional right to free speech or to plead the Fifth Amendment, at the discretion of the Congress rather than the courts.

Item (2) of the proposals relates to the area of the Cole case, in which the Supreme Court held illegal the discharge from Federal employ of a food and drug inspector. The discharge had been based upon the finding that his continued employment was not "clearly consistent with the interest of national security." In reaching this result, the Court concluded that the statutory term "national security" was used in a limited sense, relating only to "those activities which are directly concerned with the Nation's safety, as distinguished from the general welfare," and held that no determination had been made that the position in question was connected with the "national security" as so interpreted. Only 3 of the 9 Supreme Court Justices dissented from that decision. Seven of the judges who participated in the case from the trial through the appellate stage agreed with the result reached by the Supreme Court. Six voted otherwise.

This item of the proposals falls within the legislative rather than the judiciary function. The legislative issue is whether or not the summary provisions for discharge embodied in the existing statute (which is specifically applicable to the Departments of State, Commerce, Justice, Defense, Army, Navy, Air Force, Coast Guard, the Atomic Energy Commission, the National Security Resources Board and the National Advisory Committee for Aeronautics) should be extended to cover all departments and agencies of the Government. In reaching a conclusion on this issue it is essential to balance the inadvisability of applying a summary method of dismissal to employees of the Federal Government in positions which might afford no real opportunity for injury to the security of the country. My conviction is as firm as that of any citizen of our country that there is no place in Federal employ for any person who is disloyal to our Nation. As Calvin Coolidge laconically put it, in substance: "We are all agin sin"—but "sin" has varying degrees of moral reprehensibilities and evil consequence. It is normally punished or sought to be prevented by measures adapted to the seriousness of the crime and of its consequences. Moreover, summary punishment or summary dismissal implies urgent necessity justifying a shortcut in normal procedures. It is more apt to result in injustices to specific individuals who are necessarily suspect because of the very nature of the charge against them and who frequently have the very onerous burden of proving an innocent mind.

Considerations such as the foregoing must enter into any decision on this particular item of the proposals. I do not feel that my profession as an attorney would lend any greater weight to my personal views than other personal views of any other citizen as to the desirability of enacting this item were I to devote more study to the matter than time permits. I have the utmost confidence that your committee will strike the appropriate balance in considering this item of the proposals.

Item (4) of the proposals under consideration deals with the area of the Yates case, in which the Court (1) held that the Smith Act did not prohibit "advocacy and teaching of forcible overthrow as an abstract principle, divorced from any effort to instigate action to that end, * * *" (354 U. S. at p. 318); and (2) construed the term organized in the Smith Act as limited to acts entering into the creation of a new organization and not including acts theretofore performed in carrying on organizational activities (354 U. S. at p. 310). As a result of this construction the statute of limitations was held to apply to the charges involved under this phase of the statute.

On the first aspect of item (4), that relating to the amendment of 18 U. S. C. 2385 so as to punish advocacy of the overthrow of the Government without regard to the existence of an immediate probable effect of such act, I shall content myself with calling to your attention and to the attention of the committee the classical language of Justice Holmes in his dissent (concurred in by Justice Brandeis) in *Abrams* v. *United States* (250 U. S. 616, at p. 630 (1919)):

"Persecution for the expression of opinions seems to me perfectly logical. If you have no doubt of your premises or your power and want a certain result with all your heart you naturally express your wishes in law and sweep away all opposition. To allow opposition by speech seems to indicate that you think the speech impotent, as when a man says that he has squared the circle, or that you do not care whole-heartedly for the result, or that you doubt either your power or your premises. But when men have realized that time has upset many fighting faiths, they may come to believe even more than they believe the very foundations of their own conduct that the ultimate good desired is better reached by free trade in ideas—that the best test of truth is the power of the thought to get itself accepted in the competition of the market, and that truth is the only ground upon which their wishes safely can be carried out. That at any rate is the theory of our Constitution. It is an experiment, as all life is an experiment. Every year if not every day we have to wager our salvation upon some prophecy based upon imperfect knowledge. While that experiment is part of our system I think that we should be eternally vigilant against attempts to check the expression of opinions that we loathe and believe to be fraught with death, unless they so imminently threaten immediate interference with the lawful and pressing purposes of the law that an immediate check is required to save the country. * * *"

Finally, the proposals of Senator BUTLER would leave unimpaired the provisions of S. 2646 which relate to admission of persons to the practice of law in State courts. The attempt here is to overrule the decisions of the Supreme Court in *Schware* v. *Board of Bar Examiners* (353 U. S. 232 (1957)) and *Konigsberg* v. *State Bar of California* (353 U. S. 252 (1957)).

The reasons advanced in opposition to S. 2646 in my letter to you of February 19, 1958, written on behalf of the Committee on Federal Legislation of the Association of the Bar of the City of New York, are still applicable to this portion of the bill. For the reasons therein stated that committee is opposed in principle to legislation of this type.

Except for this last expression of views of the committee on Federal legislation I must characterize the statements and opinions expressed in this letter as personal with me. There is insufficient opportunity to secure my committee's views until our next meeting, which will take place on April 9. At that meeting I shall submit a copy of this letter for the consideration of the committee and will advise you of any action or expression of views on its part.

Very truly yours,

RICHARD W. HOGUE, *Chairman.*

UNIVERSITY OF PENNSYLVANIA,
Philadelphia, April 17, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: I am grateful to you for your letter of March 31 and enclosures.

I heard today that the Committee on the Judiciary is scheduled to consider the Jenner bill and Senator BUTLER'S proposed amendments to it next Monday. I hope most earnestly that the committee will reject the measure in its entirety, and I take this occasion to offer a few observations about the proposals of Senator BUTLER. As you know, I have already testified in opposition to the original Jenner bill.

At the outset, I must say that I find it well nigh unbelievable that a Senate committee consisting entirely of members of the legal profession could find enough merit in proposals such as these to dignify them, as has been done. The committee would do much better to devote its attention to means of making the rule of law in this country operate evenhandedly without regard to race, creed, or color than to attack the highest court in the land because of disagreement with some of its decisions. It is alien to the genius of American political thought and subversive of the American constitutional system to attack the institution and processes of one or another of the three coordinate branches of the National Government because you disagree with some of its decisions.

The proposals of Senator BUTLER would retain only one of the Jenner bill's projected limitations on the appellate jurisdiction of the Supreme Court, namely, that having to do with admission to the practice of law. That proposed limitation remains objectionable, as it has been from the outset. It is perfectly obvious that the Supreme Court has not taken over control of admission to the legal profession. What it has determined in two cases is related simply to whether or not the individuals involved had been denied the benefit of the protection of the 14th amendment. Certainly, admission to the legal profession must be administered consistently with the 14th amendment's equal protection of the law and due process of law clauses, just as must State and local governmental activity generally. A State rule which would deny access to the legal profession on the grounds of religion or race would be plainly unconstitutional and no act of Congress could change this. If there is any area in which the lawyers should be sharply sensitive to the ideas embodied in due process, it should be that of qualification for the practice of law.

The other proposals of Senator BUTLER have to do with disparate matters of substantive policy. They, thus, should not be thrown together in one bill, but should be considered separately. This is elementary from the standpoint of sound legislative practice.

As to the merits, I consider all four of the substantive proposals objectionable.

The proposal to meet the decision in the Watkins case is, as I understand it, designed to make a committee determination of the pertinency of a question put to a witness final for purposes of the contempt of Congress' criminal statute. Since a man's liberty may depend upon the question of pertinency, judicial review should not, in my opinion, be excluded. It is true that each house has contempt power in its own right, but the power is normally exercised only as civil contempt with a view to getting the information desired. The statute is punitive and, unlike civil contempt action by a legislative house, permits imprisonment extending beyond the life of a legislative session. The Butler proposal would predetermine for the courts a vital element of the crime.

The proposed language designed to meet the decision in the Cole case is intended to make the power to terminate employment in the National Government in the interest of the national security applicable across the board to nonsensitive, as well as to sensitive, positions. I recognize that there is a considerable body of opinion to support this line of thought, but I think that it is wiser policy to confine the power involved to sensitive positions for two reasons. It does not serve well the security objective to have a blanket scheme which reaches far beyond the real problem area. In our system we should show the greatest possible restraint in applying sanctions to people because of their political ideas and associations. It seems to me that the line between sensitive and nonsensitive positions is a good one for present purposes.

The proposal to meet the decision in the Nelson case is much broader than the subject of sedition; it relates to the subject of Federal supersession generally. So far as the subject of sedition alone is concerned, I contend that there ought to be Federal supersession at least insofar as sedition against the Government of the United States is concerned. I see no indication that the several States are in a satisfactory position to deal with this subject in relation to the protection of the National Government; this is a national problem which overlaps all the States.

The proposal as to the Nelson case, moreover, is simply an interpretive measure. Subsequent Congressional legislation would still have to be interpreted in relation to its own language and the facts in particular cases, and supersession would still be possible. Incidentally, the reference in the proposed language to invalidation of a provision of a State law is not a happy one; supersession is one thing and invalidation is another.

It is not clear, moreover, that the proposed language would serve the purpose, so far as the Nelson case is concerned, since it is interpretive in character and would not clearly cover the interpretation of preexisting legislation not enacted with reference to it.

The proposed language with respect to the Yates case simply ignores a serious constitutional question. The Supreme Court in that case, with a strong basis in previous decisions, pointed out that to hold the Smith Act applicable to the espousal of the idea of overthrow of the Government by force as abstract doctrine would present a serious constitutional question as to freedom of speech. As to the first amendment, it is clear that freedom of thought is absolute. It can be said, moreover, that freedom of speech, not tied to the influencing of action, is certainly very broad. Thus, I think that there is grave doubt that the instant proposal is within constitutional bounds.

What the Jenner bill and the proposed changes deserve is prompt consignment to limbo.

Sincerely,

JEFFERSON B. FORDHAM.

CINCINNATI BAR ASSOCIATION,
Cincinnati, Ohio, April 15, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate, Washington, D. C.

DEAR SENATOR HENNINGS: I have your letter of April 10, 1958, and the enclosures on the proposed amendments being considered by the Senate Judiciary Committee when it meets again on April 21, 1958. I was unable to refer this matter to the Judiciary and Legal Reform Committee of the Cincinnati Bar Association, because of the shortness of time. However, I read over the enclosures and I am of the personal opinion that the adoption of the Butler amendments would be unfortunate.

Moreover, I am one of those who feel that even the Jenner amendment should be rejected. I believe that the attempt to take away the jurisdiction of the Supreme Court in matters involving Congressional hearings, is just another adaptation of the attitude to kill the umpire if you don't like the decisions. At the risk of being stodgy, I believe that our current system of checks and balances, as guaranteed by the Constitution, should not be disturbed. I see nothing in the recent decisions of the Supreme Court which requires a limitation on the jurisdiction of that Court. I, too, have found it difficult to agree with some of the recent decisions. However, that, in my judgment, does not serve as a basis for changing the procedure.

I appreciate your sending the material to me, and asking for an opinion. As indicated, this is my personal opinion, and does not reflect the thinking of any committee of the Cincinnati Bar Association.

Sincerely yours,

ROBERT F. DREIDAME.

THE IOWA STATE BAR ASSOCIATION,
Winterset, Iowa, April 16, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: I have read your letter of April 10 with the enclosures. The time is too short to obtain an expression of opinion from the Iowa State Bar Association.

It is my own personal opinion that the appellate jurisdiction of the United States Supreme Court should not be limited. While I personally sometimes disagree with the opinions of the Supreme Court, I do feel that the independence of the Court should not be limited as proposed by the Jenner bill.

I likewise concur in your opinion as to the Butler amendments. The Butler amendments cover too many subjects, and it would seem that each of the subjects should be introduced as a separate bill to be considered on its own merits.

Yours very truly,

SHIRLEY A. WEBSTER.

MILBANK, TWEED, HOPE & HADLEY,
New York, April 16, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: This is an answer to your letter of April 10 addressed to me as president of the American Law Institute. I must make it clear, however, that I am expressing only my individual views with respect to S. 2646 (called the Jenner bill) and the amendments submitted by Senator JOHN BUTLER.

It happens that I am familiar with the subject because in November 1950 I gave some lectures at Boston University, a copy of which I enclose herewith. Both as a member of the Association of the Bar of the City of New York and of the American Bar Association, I was in favor of the approval of the proposed constitutional amendment which subsequently was introduced by Senator BUTLER, Senate Joint Resolution 44. Both associations approved the proposed amendment.

I am against the Jenner bill and the Butler amendments, jointly and severally. I cannot express my opposition to the Jenner bill as clearly and forcefully as opposition has been expressed by Hon. John Lord O'Brien in his letter to Senator EASTLAND.

Yours very sincerely,

HARRISON TWEED.

P. S.—You may make this public if you wish.

THE FEDERAL BAR ASSOCIATION,
Philadelphia, Pa., April 15, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: I have for acknowledgment your letter of April 10 and

enclosures concerning S. 2646, the so-called Jenner bill, together with Senator BUTLER's proposed amendments. You state that this bill would take from the Supreme Court its appellate jurisdiction in five types of cases and ask for an expression of views.

We have not had time enough to present the matter to the association or to get a committee report (which I expect will be forthcoming promptly). However, discussions have been had with each member of the committee. These include persons in public office, both State and Federal, as well as former Federal attorneys now in private practice. They are uniformly opposed to the bill and its amendments (which they consider merely a restatement or substitute). In addition, I have talked with various of our members and none are in favor of any part or portion. The language of some in opposition was quite strong.

The view was expressed that of the 5 sections, probably 3 were unconstitutional. One would apparently involve the amendment dealing with freedom of speech; another, the separation of functions theory; and a third (section (5) of the bill and 1258 of the amendments) dealing with the "admission of persons to the practice of law" would certainly seem discriminatory.

I have reviewed your very fine brief and have distributed copies to the members of the committee. Since this in part involves joint Federal-State jurisdiction and functions, I have requested additional copies from you for distribution to our interrelations committee with the Philadelphia Bar Association, of which former Congressman, Judge Earl Chudoff, is chairman.

I am avoiding a detailed discussion of the five sections and the proposed amendments at this time, since that is the function of our very representative committee, appointed for the purpose. And to express their views received verbally and without full opportunity for reflection and consideration, would seem premature.

For your immediate purposes, in principle, I have consulted with men learned in our history and our laws, and in their immediate reaction they consider the proposals inconsistent with our basic concepts.

Thanking you for this opportunity to be of service, and with assurances of esteem, I am,

Sincerely yours,

A. S. HARZENSTEIN, *President.*

MINNESOTA STATE BAR ASSOCIATION,
Minneapolis, Minn., April 14, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I acknowledge receipt of your letter of April 10, addressed to me as president of the Minnesota State Bar Association, relating to Senate 2646, introduced by Senator JENNER, and the amendments proposed by Senator BUTLER.

Since the Senate Judiciary Committee will consider these matters on April 21 next, there is obviously not time for our association or any committee thereof to give consideration to these two bills.

However, as a member of the House of Delegates of the American Bar Association, I was present in Atlanta when the debate took place relative to the wording of the association's condemnation of the Jenner bill. I was in thorough accord with that action and voted to disapprove the Jenner proposal in the language of the ABA resolution. Therefore, without expressing the views of the Minnesota State Bar Association, but merely my personal views, I have no hesitancy in stating that I am opposed both to the Jenner bill and the proposed amendments by Senator BUTLER. I am in thorough accord with many of the comments made by you in your press release regarding limitations on the Supreme Court's jurisdiction. As you so well point out, the issue here is not whether one agrees or disagrees with any particular decision of the Supreme Court. The issue is whether we should start cutting down the Supreme Court's jurisdiction piecemeal. If we do, the operation will either be found to be futile because unconstitutional, or the functions of the Supreme Court will become so emasculated and limited that it will no longer be the Supreme Court of the land.

I have no objection to having these views made public provided it is made clear that they are my personal views, and not those of the Minnesota State Bar Association.

With best wishes.

Sincerely yours,

JAMES G. NYE, *President.*

ST. LOUIS, MO., *April 21, 1958.*

Hon. THOMAS C. HENNINGS,
United States Senate, Washington, D. C.:

The Missouri Bar Board of Governors heartily approves your opposition to S. 2646 and commends you for your position thereon you may make this telegram public if you wish.

HARRY GERSHENSON,
President the Missouri Bar.

NOTRE DAME, IND., *March 29, 1958.*

Senator THOMAS C. HENNINGS, Jr.,
Washington, D. C.:

I have had no opportunity to examine the proposed amendment by Senator BUTLER and his memorandum in support thereof. Accordingly, I am not in position to express a considered opinion on the merits of Senator BUTLER's proposal. It is perfectly obvious, however, that it raises questions of great importance and difficulty. With all respect, therefore, I submit most earnestly that no action on this new proposal should be taken by the committee until after hearings have been held and a full opportunity has been extended to all sides to express their views.

JOSEPH O'MEARA,
Dean, Notre Dame Law School.

WASHINGTON, D. C., *March 28, 1958.*

Hon. THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.:

Senator BUTLER's proposed amendments to Jenner bill require most thoroughgoing examination. The AFL-CIO requests opportunity for time for further testimony on proposals constituting grave threats to labor.

ANDREW J. BIEMILLER,
Director, Department of Legislation, AFL-CIO.

WASHINGTON, D. C., *March 28, 1958.*

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.:

Americans for Democratic Action urge you, as a member of the Judiciary Committee, to hold public hearings on the merits of the Butler proposals offered as amendments to the Jenner bill, S. 2646. These proposals have as their only common theme the reversal of Supreme Court decisions which we regard as legally and morally sound. The Butler amendments would have dangerous, far-reaching, and as yet unfathomed effects on basic rights of American citizens and should be exposed to searching scrutiny by the committee and by the public.

JOSEPH L. RAUH, Jr.,
Vice Chairman, ADA.

WASHINGTON STATE BAR ASSOCIATION,
Seattle, April 16, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senator, United States Senate Office Building, Washington, D. C.

DEAR SENATOR HENNINGS: Replying to your letter of April 10 and your memorandum in regard to S. 2646, which is now up before the Senate Judiciary Committee for consideration, I have read with interest your thoughts in connection with the proposed bill. As you point out in your letter, there is not time to refer it to the Federal legislation committee of our State Bar Association.

As you point out in your memorandum, the house of delegates in the midyear meeting of the American Bar Association in Atlanta on February 24 and 25, pursuant to the recommendation of the board of governors of the American Bar Association, went on record opposing Senate bill 2646.

Individually, and I wish to stress the point that this matter has not been considered by our State committee, I would agree with the action of the house of delegates of the American Bar Association. The appropriate committee in the American Bar Association gave considerable study to this bill, and certainly their conclusions are entitled to considerable weight.

It seems to me that we should be extremely hesitant in passing any legislation that would limit the jurisdiction of the United States Supreme Court for the reason so well stated in your memorandum.

I have no objection to your making my individual views public, if you care to do so.

Yours truly,

FRED C. PALMER.

YAKIMA, WASH., *April 21, 1958.*

Hon. THOMAS C. HENNINGS, Jr.,
United States Senator, United States Senate Office Building, Washington, D. C.:

Board of Governors of Washington State Bar Association recommends passage of that part of S. 2646 removing jurisdiction of United States Supreme Court to review admission to State bar cases and State bar disciplinary matters. Our bar association makes no comment on balance of the bill.

FRED C. PALMER,
President, Washington State Bar Association.

CAMPBELL, CASTEEL & THOMAS,
Pittsburgh, Pa., April 18, 1958.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: Mr. Ira R. Hill, to whom you addressed your letter of April 10, has handed it to me because I am incumbent president of the Allegheny County Bar Association. As you state in your letter, there is not sufficient time for our association or one of its committees to express an opinion on S. 2646 and the amendments thereto, but I am very pleased to have received your memorandum and comments on the bill.

Speaking personally and not on behalf of the Allegheny County Bar Association, I am opposed to S. 2646 and to the Butler amendments thereto.

I agree with the American Bar Association when it says that the bill is contrary to the maintenance of the balance of powers set up in the Constitution. I am particularly impressed with your statement that "As a matter of policy, I do not think we should start limiting the Supreme Court's jurisdiction. If we do, every time the Court hands down a decision which is unpopular with some of the vocal groups, there will be great pressure to cut off the Court's appellate jurisdiction in another field."

You may, if you so desire, make public my views, but only as an individual and not as an officer of the Allegheny County Bar Association. I shall pass along your letter and memorandum to our appropriate committee and I am sure it will be of great interest to them.

Very truly yours,

J. VINCENT BURKE, Jr.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to 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; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KILDAY, Mr. RIVERS, Mr. HÉBERT, Mr. HARDY, Mr. GAVIN, Mr. PATTERSON, and Mr. BATES were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 71) to print the proceedings in connection with the acceptance of the statue of Maria L. Sanford, late of Minnesota.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "TRADE AGREEMENTS EXTENSION ACT OF 1958"

Mr. HAYDEN. Mr. President, the House passed House Concurrent Resolution 308, which provides for the printing, for the use of the Committee on Ways and Means of the House of Representatives, of 4,000 additional copies of the hearings entitled "Trade Agreements Extension Act of 1958."

As a courtesy which we owe to the House of Representatives, the Senate should act promptly on this concurrent resolution.

Therefore, Mr. President, I ask unanimous consent for the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The resolution will be read.

The concurrent resolution (H. Con. Res. 308) was read, 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 hearings entitled "Trade Agreements Extension Act of 1958."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona for the immediate consideration of the resolution?

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

EFFECT OF DECLINE IN GOLD CERTIFICATES HELD BY FEDERAL RESERVE SYSTEM

Mr. ROBERTSON. Mr. President, the gold stock of the United States Treasury declined by $611 million between the end of 1957 and April 16, 1958, and has declined further since that date. Some observers have suggested that the foreign demand upon our gold might indicate a growing distrust abroad of the stability of the American dollar.

I asked the Chairman of the Federal Reserve Board for his comment on this matter, and I ask unanimous consent that Mr. Martin's reply be printed in the RECORD at this point.

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

In your letter of April 21, 1958, you inquire about the decline in gold certificates held by the Federal Reserve System and ask for an explanation of the effects of that decline on the current credit situation.

The gold-certificate holdings of the Federal Reserve System rose in 1957 by $816 million from $21,269 million to $22,085 million, and declined between the end of 1957 and April 16, 1958, by $496 million to $21,589 million. These changes reflected approximately corresponding changes in the gold stock of the United States Treasury, which increased by $832 million in 1957 and declined by $611 million between the end of 1957 and April 16, 1958.

Apart from transactions in domestically mined gold, the volume of which is negligible, the changes in the United States gold stock invariably reflect gold purchases from, and gold sales to, foreign monetary authorities and the International Monetary Fund. When the rest of the Free World experiences a substantial deficit in its balance of payments with the United States, it tends to replenish its dollar holdings by selling gold to the United States Treasury. If the rest of the Free World has a substantial surplus in its balance of payments with the United States, it tends to convert a large part, and sometimes the total, of its dollar gains into gold by purchasing gold from the United States Treasury.

In 1957 many important countries of the Free World suffered a substantial deficit in their balance of payments, in part because of excess imports due to domestic inflationary pressures and in part because of capital flight due to rumors of an expanding devaluation of the pound sterling. By the end of the year, inflationary pressures had been brought under control in most major foreign countries and the financial community had recognized that the pound sterling was not going to be devalued. For these reasons the balance of payments of the rest of the Free World with the United States improved both on current account (since excess imports of many foreign countries were eliminated by the restoration of financial equilibrium) and on capital account (because the capital that fled foreign countries, and in particular the United Kingdom, started to return). As a result of these changes, the flow of funds between the rest of the Free World and the United States was reversed: the foreign countries that had lost reserves in 1957 started to regain them; and conversely, the United States Treasury, which had purchased gold from foreign countries and the International Monetary Fund in 1957, now sold a large part of this gold back to foreign monetary authorities. The changes in the United States gold stock were thus normal consequences of the changes in the balance of international payments of the rest of the Free World between 1957 and 1958.

Changes in the United States gold stock affect the gold certificate holdings of the Federal Reserve System, as follows: As the Treasury buys gold, it generally replenishes its dollar balances by issuing gold certificates to the Federal Reserve banks, which credit the Treasury's deposit account with a corresponding amount. When the Treasury sells gold, it generally uses the proceeds to redeem gold certificates held by Federal Reserve banks. The recent decline in certificate holdings was smaller than the decline in the United States Treasury gold stock, however, because the Treasury transferred $100 million from its free-gold balance to the gold-certificate account.

Gold movements also affect the reserve position of the member banks. A sale of gold to the United States Treasury generally increases the amount of bank deposits and bank reserves, since the seller of gold generally uses the proceeds of the gold sale in a way that transfers them to member banks; conversely, a purchase of gold from the United States Treasury generally reduces bank deposits and bank reserves, since the purchaser generally pays for the gold by drawing on his account with member banks. If the Federal Reserve System wishes to counteract these effects of gold sales and purchases, it has to take measures to reduce bank reserves (e. g., by open-market sales of Treasury bills) in the case of an increase in the United States gold stock; and to expand bank reserves (e. g., by open-market purchases of Treasury bills or by reducing member bank reserve requirements) in the case of a decline in the United States gold stock.

To this extent it is correct to state that the recent expansionary actions of the Federal Reserve System were in part necessary to offset the contracting effect of the decline in the United States gold stock. It would not be correct to state that the decline in the gold stock was in part offsetting the actions of the Federal Reserve System, since the decisions of the Federal Reserve System take account of the changes in the United States gold stock. If there had been no decline in the United States gold stock in 1958, the same degree of ease would have been achieved by somewhat less expansionary actions of the Federal Reserve System.

The problem of maintaining the statutory 25-percent reserve in gold certificates against Federal Reserve notes and deposits does not at present affect the credit situation since Federal Reserve holdings of gold certificates amounted to 46.5 percent of deposits and note liabilities on April 16, 1958, as compared to 46.3 percent on December 31, 1957. There is no danger that gold movements in the foreseeable future would bring the gold-certificate holdings of the Federal Reserve System down to the neighborhood of the statutory minimum.

I hope that this somewhat technical discussion answers your questions. Let me emphasize once more that international movements of gold are necessary in order to maintain the functions of the international gold standard; and that their effect on the reserve position of our banks can easily be offset, as far as necessary, by the policy tools available to the Federal Reserve System.

Sincerely yours,

WM. MCC. MARTIN, Jr.

Mr. ROBERTSON. It may be noticed that Chairman Martin says the loss of our gold reserves so far in 1958 was more than balanced by an increase of $832 million in 1957 and he attributes both movements to normal efforts of other nations to balance their dollar payments to the United States. Last

year foreign inflation and rumors that the pound might be devalued sent gold to this country. This year more stabilized financial conditions abroad have reversed that trend.

Mr. Martin also indicates confidence that the Federal Reserve Board can offset changes in our gold supply by policy tools which it has available and still make adjustments needed to stabilize our bank credit supply, and he says there is no danger that gold movements in the foreseeable future will bring gold certificate holdings of the Federal Reserve System down to the statutory minimum.

Nevertheless, Mr. President, I believe we should not overlook the fact that the current movement of gold is out of the United States; that the privilege of exchanging American dollars for gold, which is denied to American citizens, does reduce our bank reserves and the credit based on them, that if inflation abroad last year caused gold to be sent to this country, inflation here could cause it to be sent out again; and if carried to the extent which foreign holdings of American dollar exchange would make possible, this movement could have a serious impact on our economy.

A recent tabulation of pending spending plans, including one made by the Chairman of the Federal Reserve Board, indicates a possibility of a deficit at the end of the next fiscal year of $10 billion without a tax cut and a deficit of from $15 to $18 billion with a tax cut. A deficit of that magnitude is bound to be inflationary and at the same time be disturbing to foreign nations which acquire large sums of American dollars through our purchases abroad, the spending of American tourists, and donations made under our foreign-aid program.

With consumer buying running at the rate of $280 billion a year, each 1-percent price increase represents an invisible tax upon the American consumer of more than $2 billion.

It is highly important, therefore, for us to plan a recovery from the current recession in a manner that will prevent uncontrolled price inflation at home and which will prevent loss abroad of confidence in the American dollar which, in turn, would further complicate our economic problems.

THE FOREIGN-TRADE PROGRAM

Mr. GORE. Mr. President, the United States, by taking the lead in the creation of the United Nations, has demonstrated the dedication of our people to the concept of peaceful settlement of international disputes. By the Marshall plan, the Truman doctrine for Greece and Turkey, and NATO, we made known to friend and foe alike America's determination to preserve peace through cooperation and strength—economic and military.

The reciprocal-trade program is important both to the development of our economy here at home and to the strength and stability of free nations everywhere. It was conceived by my great fellow Tennessean, Cordell Hull, and initially implemented under the leadership of former President Franklin D. Roosevelt. This program has passed the test of time, serving our country well under the administration of 2 Democratic presidents and 1 Republican president. It has contributed to our own economic development and has promoted mutually advantageous trade among the nations of the Free World, thus contributing to collective strength and security.

Today this program stands in danger. It will expire altogether unless action is taken within 60 days to extend it. The issue is clear. The issue is whether our representative form of government can once again demonstrate that the overall national interest will prevail over the desires of local and sectional interests.

A great deal of misinformation has been disseminated about this program. Some would have us believe that it is a sort of giveaway deal under which we eliminate all of our tariffs unilaterally, for the benefit of other countries—a sort of sly method of transferring the jobs of American men and women to foreign countries. Nothing could be further from the truth. The real purpose of the program is to increase mutually advantageous trade among the nations of the world by reducing artificial trade barriers. Insofar as we ourselves are concerned, it has meant the promotion of increased trade, exports as well as imports.

We have come to depend on imports for such vital materials as asbestos, chromite, industrial diamonds, manganese, nickel, and tungsten. Altogether, we import about one-tenth of our raw material requirements. Such vast imports certainly create many jobs. Indeed, without some of them, our whole industrial structure would have to be changed. Imports certainly figure prominently and constructively in the overall balance of the economy. Imports, like exports, create many jobs.

More trade means more money in the pockets of American businessmen, farmers, and workers. Increased exports are translated into increased jobs. Last year we sold $19.5 billion worth of goods abroad. We have been exporting recently about 9 percent of our production of movable goods, 8 percent of our manufactured goods, 26 percent of construction and mining equipment, 19 percent of our trucks, 11 percent of our machine tools, 14 percent of our coal production, and from 20 to 40 percent of our cotton, rice, and tobacco. We cannot expect to main that level, much less increase it, unless we are willing to accept some of the articles our friends abroad have for sale. To me, the evidence is overwhelming that more trade will help our economy.

There is a tendency on the part of some to disregard the substantial volume of our export trade and to seek to focus attention on the approximately $13 billion in imports which were brought into this country last year. Of this volume of imports, however, only about $3 billion worth could reasonably be said to be competitive with domestic production. The remainder consists of raw materials vital to our industries and other items not grown or produced competitively in the United States.

Thus, to the extent that imports create a problem, the problem is confined to imports of about $3 billion in value. It just does not make sense to jeopardize $19.5 billion of export trade in order to reduce or prevent $3 billion in imports. That is exactly what would happen if we fail to continue our reciprocal trade program. A revision to the catastrophic protectionist philosophy of the Smoot-Hawley Act would inevitably encourage other countries to erect trade barriers against American products, with consequent decrease in our export trade, bringing about serious repercussions in our own economy as well as in the economy of other nations.

With more than 5 million people unsuccessfully seeking jobs and with a continuing decline in the indexes of economic activity, we can ill afford a decline in export trade.

The world economic challenge we face has not been dramatized by the launching of a sputnik, but it is nevertheless real, and potentially just as dangerous to our security as is the military threat. The leaders of the Kremlin think nothing of depriving the Soviet people of the fruits of their own productivity to seize any opportunity to open the trade routes to other nations.

Let us not delude ourselves. Many nations of the world must trade to live. If they do not trade with us, they will trade elsewhere. The Soviet Union is determinedly undertaking to seize markets heretofore enjoyed by the United States and our friends. We cannot meet this challenge by erecting trade barriers and by encouraging others to erect trade barriers against us. This is the formula for defeat, not victory.

This vital program cannot be judged in finality on the basis of a narrow interpretation of local or regional interests. The national interest must be the real yardstick. And when viewed broadly and realistically, that which is good for the United States is also good for each State and citizen.

Mr. President, I recognize the political difficulty of this issue—for individual Members of Congress, and particularly for the Democratic Party, since the overwhelming majority of the members of the President's own party stand in solid opposition, ready to take political advantage of a Democratic effort to maximize the national interest. Even so, the Democratic Party must accept responsibility for, and undertake the task of, securing legislative approval of this program, preferably with bipartisan support, but alone if need be. We must not fail in this effort.

TIMBER RESOURCES

Mr. JACKSON. Mr. President, the eight Senators who represent Montana, Idaho, Oregon, and Washington have sent to Secretary of Agriculture Benson a joint letter on our timber resources which I ask unanimous consent be

printed in the RECORD, at the close of my remarks.

The PRESIDING OFFICER. Without objection, the letter may be printed in the RECORD, as requested.

(See exhibit 1.)

Mr. JACKSON. Mr. President, we have all been most favorably impressed by this 700-page study which has been under way since early 1952. A tremendous amount of conscientious effort on the part of many people brought forth this comprehensive review. But it is just a starting point. It gives us facts and information we never before possessed. It provides a basis for action and for programs. It will enable us to assess the Federal, State, and local responsibilities and to define the efforts each level of government and private initiative must undertake.

This document sets forth no plan or policy. It suggests no course of action or cure. Instead it paints the picture as it now exists and unveils for us what the future may hold. We have the destiny of our children and of this Nation in our hands. What we do, and more important, what we fail to do, to protect and develop our natural resources will set the pattern for the future. Dickens in his Christmas Carol took Morley back to the past and into the future. This timber review contains the same moral and it contains a message we cannot wisely fail to heed.

As Chief Forester McArdle so aptly said in the preface:

> What we do in the next 10 or 20 years will determine whether we shall grow enough timber to enable our children and their children to enjoy the timber abundance that we ourselves know.

The Federal programs that affect our national forests and our public-domain timberlands are a part of this structure. We are not developing these lands rapidly enough. We need roads and services to equip these forests to produce their full allowable cut.

Our small private holdings suffer from overcutting and lack of management. This is a most perplexing problem which cries for serious consideration. I want now to reiterate the 21 highlights of this report so that its significance will be clear.

First. Continued expansion of the Nation's economy is expected.

Second. Potential demand for timber products is strikingly upward.

Third. The United States must continue to rely chiefly on domestic timber resources.

Fourth. The Nation has no surplus of commercial forest land.

Fifth. One-fourth of the forest land is poorly stocked or nonstocked.

Sixth. Three-fourths of the forest land is in the East, but two-thirds of the saw-timber volume is in the West.

Seventh. Total timber volumes are about the same as in 1945.

Eighth. Heavy reliance is placed on a small group of species.

Ninth. Timber quality is declining.

Tenth. Timber growth is increasing.

Eleventh. Most eastern species now have favorable growth-cut ratios.

Twelfth. One-fourth of the timber cut is not utilized.

Thirteenth. Destructive agents, principally insects and disease, take extraordinary toll.

Fourteenth. Fifty-two million acres need planting.

Fifteenth. Forest productivity is poorest on small farms and other private ownerships, especially in the South.

Sixteenth. Forest productivity is best in public and forest industry ownerships.

Seventeenth. Inadequate stocking is the most significant factor in reducing productivity of recently cut-over land.

Eighteenth. Improved stocking, control of destructive agents, accelerated planting, and better utilization are the four best possibilities of increasing timber supplies.

Nineteenth. The key to adequate timber supplies in the future lies with the 4.5 million farm and other private holdings.

Twentieth. Growth needed to sustain future timber demands is much greater than 1952 growth.

Twenty-first. Projected growth is far short of needs.

It is our hope that the Secretary of Agriculture will take advantage of the legislative authority he now possesses to come forth with a national program of forestry. It would be my personal view that the Federal Government must supply the one great aid that it can so ably provide—leadership—in order that we may enjoy the maximum effectiveness from our combined efforts.

EXHIBIT 1

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
April 24, 1958.

Hon. EZRA TAFT BENSON,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

MY DEAR MR. SECRETARY: On March 28 the Chief of the Forest Service transmitted a copy of the Timber Resource for America's Future to Members of Congress. It is a most comprehensive study of our forestry situation. It is our hope that you are equally pleased and that you will use the means Congress has authorized for you to publicly commend and perhaps award those associated with the production of this timber resource review.

We are dedicating this year to the celebration of the 100th anniversary of the birth of Theodore Roosevelt. It is most appropriate that we undertake to make this dedication even more meaningful by breathing new life into the great programs that President Theodore Roosevelt started, with the able assistance of his Secretary of Agriculture, James Wilson, and his Chief Forester, Gifford Pinchot.

The McNary-McSweeney Act authorizes and directs the gathering of facts necessary to determine ways and means to balance the timber budget of the United States, and this language is broad enough to embrace the presentation of recommendations to the Congress.

We would like to suggest that serious consideration be given to a departmental report to the Congress on legislation now enacted at the Federal and State levels, as well as additional legislation and authorizations which the Congress and several States could consider and would insure a national forestry program now to assure our wood needs by the year 2000.

We would also appreciate your making this letter available to Chief Forester McArdle, along with our warm congratulations to him and those who labored with him in the assembling of this great timber resource review.

We desire your views on the action you will propose to take this year. We look forward to hearing from you soon and to working with you in every possible way.

Sincerely yours,

FRANK CHURCH, HENRY C. DWORSHAK, HENRY M. JACKSON, WARREN G. MAGNUSON, MIKE MANSFIELD, WAYNE MORSE, JAMES E. MURRAY, RICHARD L. NEUBERGER.

THE RUSSIAN VIEWPOINT

Mr. HUMPHREY. Mr. President, recently three Americans visited the Soviet Union to observe the elections to the Supreme Soviet—the Soviet legislative body. A group of three Soviet citizens had visited America during the presidential election year of 1956 to observe a national political campaign and to study the election process. One of the Americans who visited Russia is a very good friend of mine, and a highly respected scholar in the field of political science. He has had several years of service to our Government in important capacities in the Department of State. He is considered one of America's foremost students on the subject of elections. I refer to Mr. Richard M. Scammon, director of elections research, Governmental Affairs Institute, 1726 Massachusetts Avenue NW., Washington, D. C.

Mr. Scammon has written several interesting and informative articles concerning his recent trip to the Soviet Union. One of them, entitled "Why the Russians Bother With Elections," appeared in the magazine section of the New York Times. Another, entitled "It's Hard To Argue With a Soviet Citizen," appeared in the Washington Post and Times Herald on Sunday, April 20, 1958. Both of these articles deserve the careful attention of Members of Congress and all persons interested in a better understanding of the Soviet Union.

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

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

[From the Washington Post and Times Herald of April 20, 1958]

IT'S HARD TO ARGUE WITH A SOVIET CITIZEN

(Three Americans went to Russia last month to watch the elections to the Supreme Soviet. They were invited by the State Department to return the visit of three Russians who came here in 1956 to observe our presidential campaign. The Americans visited Moscow, Leningrad, Kiev, Tibilisi, Stalingrad and Tashkent. They asked many questions, answered some and argued still others. The Washington Post has asked one of these observers to write his impressions of these verbal exchanges. The author is director of elections research for the Governmental Affairs Institute here and is editor of the institute's elections handbook, America Votes.)

(By Richard M. Scammon)

It is hard to argue with a Soviet citizen. It is hard, not because he is not ready to argue for communism—far from it. It is hard because words mean such different

things under democracy and under communism. And it is hard because the Russian has so little information about the world beyond the Iron Curtain.

These were the major difficulties encountered by the American elections team in its March tour of the U. S. S. R. Yet this 18-day journey from Leningrad into central Asia was packed with questions, discussions and arguments.

Some of these exchanges were conversations aboard the plane which carried the Americans and their seven Russian escorts around the Soviet Union. On the longer trips—from Stalingrad to Tashkent, for example—the conversations went on for hours. Other exchanges developed from questions put to the Americans in the many conferences with Soviet governmental, economic and party officials. Still others came from casual meetings with the Soviet "man in the street."

Some of the discussions were quiet talks about technical questions; others were noisy free-for-alls over broad policy. Some were earnest Russian efforts to get information about our country; others seemed to us to be "curve ball" efforts to point up a hoped-for Soviet advantage.

TWO BIG BARRIERS

But almost always the conversations were marked by these same two difficulties: Words just didn't mean the same thing in the two languages, and the Russians seemed not to have our advantage of knowing at least something about the other man's viewpoint. The American defense of the individual's right not to go to the polls if he didn't want to, got into real trouble when the excellent Russian interpreter frankly admitted that he didn't understand what the Americans were talking about and found it hard to translate what he couldn't understand.

To the Soviets, this right not to be active was simply not comprehensive. If it was good for people to vote—which all the Americans agreed was true, providing there was a contest and therefore something to vote for—then it was obvious that the state ought to see to it that people voted. In a society in which so many things are pure white or pitch black, the doctrine of a tolerant grayness found little understanding.

So it was, too, with the one question which seemed to come up endlessly in Russia. At nearly every conference someone would ask, "Why does your American Congress have so few workers?" Usually, the questioner would add a statistic about the number of workers from his area sitting in the Supreme Soviet—one-fourth or one-third of the delegation, or whatever the proportion might be.

WHAT IS A WORKER?

For the Americans the answer was simple: No workers sit in Congress because Congress is a 16-hour-a-day job all by itself. A man can't paint houses 8 hours a day and be a Member of Congress in his spare time.

A Member of Congress spends more than half the year in Washington making laws and attends to the wants of his constituents the year round. A worker has to quit his regular job if he goes to Congress—quit it to take on the bigger job of representing his district in setting national policy and looking after his people with the Federal Government.

The Russians had considered Congress a counterpart of their Supreme Soviet, but the Congress described by us was nothing like their parliamentary body.

The Supreme Soviet meets only twice a year and then for only a week or so each time. A farmer, a carpenter, or a streetcar conductor can be a delegate by taking a brief leave of absence from his work. In fact, he is expected to stay on the job after being elected. One building plasterer whom the Americans met in Stalingrad is probably back at work right now, having taken a few days off to attend the March meeting of the Supreme Soviet in Moscow.

POWER RESTS ELSEWHERE

Of course, these brief semiannual meetings allow no time for any real consideration of policy or for hearings on legislation—in short, no time to make laws. But in the Soviet Union this isn't necessary, because the real seat of Soviet power is the Communist Party and, more particularly, the presidium or executive board of the party's central committee. This presidium used to be known as the Politburo.

When it was decided to decentralize industry, and again to transfer farm machinery ownership from the machine tractor stations to individual collective farms, the decisions were made within the party. Very possibly these decisions were made after much debate—enough debate to get several members of the presidium thrown out of office. But no such debate was heard in the Supreme Soviet. The real decisions of Soviet politics are made in the presidium.

Again and again the Americans asked their hosts, how many house painters or plasterers actually leave their 8-hour-a-day jobs to sit in on sessions of the presidium or of the party's central committee. We never got an answer, and I suppose it was because there may not be any such workers on these bodies.

There aren't any in Congress, either, for the same reason. Making the policy of a nation is a full-time business, whether it be in Washington or Moscow.

So the different meanings of words in the United States and the Soviet Union is one obstacle to useful discussion with the Russians. The other is that most Russians have only such knowledge of the outside world as has been fed to them by their own propaganda agencies. It is difficult to argue politics with them because they have no effective idea of what their opponents believe.

In the United States, a Khrushchev speech or a Kremlin policy statement is available to any newspaper reader in English. In Russia, the statements of Free World governments are available in libraries in the original language to those who can translate them. The Soviet press publishes little of such information and the Western press is banned from Russia except for such Communist-line papers as the London Daily Worker and the Paris L'Humanite.

The same is true of books and magazines. Nothing favorable to democracy or capitalism is available in Russia in the Russian language. Nikita Khrushchev told the American election observers that the Soviet press would soon publish the comments of AFL-CIO President George Meany on the American recession, but he indicated that it would be done to "show the evils of capitalism" to Russia's younger generation.

Many Russians, however, do not want to argue politics with Americans; they simply want information about life in the United States. The Russian man in the street has been told so often that his country will overtake and surpass capitalist America that he is intensely curious about this fairyland whose riches are the envy of the Soviet economy.

His questions are not about the difference between Congress and the Supreme Soviet, but, "How much does an American worker earn?"; "Could I own a car?"; "How much did that suit cost?"

Exchange visits of Americans to the U. S. S. R., and large-scale exchanges of films, radio, and television programs, newspapers, books and magazines would answer some of these questions for the Russians. They need answering, for the answers would contribute to understanding, and true peace can be achieved only on a basis of mutual understanding.

[From the New York Times of April 6, 1958]

WHY THE RUSSIANS BOTHER WITH ELECTIONS

(By Richard M. Scammon)

Recently some 134 million Soviet citizens trooped to voting precincts all over the U. S. S. R. to participate in the quadrennial choice of their national congress. This congress is a two-chamber body called the Supreme Soviet, made up of a Soviet of the Union and a Soviet of Nationalities. Theoretically it is the fountainhead of all authority in the Soviet state, the highest organ of state power in the U. S. S. R.

To the houses of this Supreme Soviet were elected 1,378 candidates; 738 sit in the Soviet of the Union on the basis of 1 per 300,000 of population and 640 more form the Soviet of Nationalities, allocated on fixed quotas to subdivisions of the U. S. S. R.—25 per republic, 11 per autonomous republic, and so on. It would be hard to find 1,378 candidates who had an easier job of winning an election. Not a single one of these men and women was opposed; the 1,378 districts had exactly 1,378 candidates.

Of the 134 million voters in the Soviet Union, 99.97 percent turned out to vote and all but a half-million dutifully dropped their ballots in the box for the official candidates. Certainly the Soviet candidate, once his name gets on the ballot, can count himself the world's least worried seeker after public office.

Who are these unworried candidates? And how are they selected? And why? It was to seek answers to these questions that a three-man American elections team visited the Soviet Union last month. This team, invited by the Soviet authorities as an exchange for a Soviet group which observed the American presidential elections in 1956, toured the U. S. S. R. for 2 weeks just prior to the March 16 voting. These are some of the views the author, as a member of the American delegation, developed during this recent visit.

The first question to emerge in the minds of most Western observers as they watch the unfolding of a Soviet election is "* * * Why?" There is no contest in any of these votes. Only the single name of the single official condidate appears on the ballot. Nominations of these candidates are arranged by the Communist Party in its character as the only recognized political unit in the Soviet Union and in its work as guide to the Soviet people in the building of socialism. Though candidates are formally presented by so-called public organizations, actually, as in any one-party state, nominations are organized by the Communist Party apparatus.

Moreover, once these unopposed candidates are elected they have very little to do. For the great majority, their semiannual week in Moscow is the major expression of their public activity. It is not in the brief sessions of the Supreme Soviet that basic decisions of policy are made, not in the uniformly unanimous votes of these bodies that a true location of power may be identified. Rather must the observer look to the machinery of the Communist Party, the party's central committee, and especially to the presidium of that central committee for the real policymakers.

It has been within these party institutions that Soviet authority has been exercised. If new policies are to emerge in the organization of industry, if new freedoms are to be granted factory directors in the management of their enterprises, it is within these party institutions that discussion will be held, and decisions made. When it was decided to abolish the long-established machine tractor stations and permit individual collective farms to buy and keep their own farm machinery, this decision was reached within the party, not by debate in the Supreme Soviet.

Nor can these votes be regarded in any way as a guide to the party leadership as to how the Soviet people feel about them or their program. Nomination of candidates is done by unanimous open voting in open meetings. On election day the voter is permitted to make use of a secret polling booth if he wishes, but he is not required to do so. The ballot needs no "X," it can be put in the box as printed, without further effort. Since the elector is not required to use a booth or do anything but drop his prepared ballot in the box, that is what he usually does. To enter the booth is to indicate to one and all an intention to cross out the official party-endorsed candidate. In a state-organized referendum on the state's own policy, such an act obviously is the work of an oppositionist, and this in an election day atmosphere in which even failure to appear at the polls may be regarded as an evidence of antistate activity.

But the party obviously feels there is value in these elections or it would not expend time and effort in organizing them—and the expenditure of both these resources is enormous. Partly the purpose behind this investment of resources may be the need felt by every regime (even a one-party regime) for popular endorsement and consent to its program, no matter how unreal the conditions under which that endorsement be produced.

Partly the purpose may be to have on hand a representative state body (the Supreme Soviet) to appear to maintain some of the realities of Western democracy. Though the comparison has no validity whatever, many Soviet citizens are undoubtedly convinced that their Supreme Soviet is something like the American Congress. Moreover, the very existence of a parliament serves to divert a measure of public attention from the true location of Soviet power in the hands and institutions of the Communist Party.

Then, too, the elections are a great decoration day ceremony for honoring those who have excelled in building socialism—not just party leaders, but people in every stratum of Soviet life and work. The honor of Supreme Soviet membership is widely distributed and there is no question but that members of the Supreme Soviet wear their honor proudly.

The 1,378 unopposed members of the Supreme Soviet seem to be all sorts of persons, to come from all walks of life. Some are bench workers, some collective farmers, some teachers, some party officials. There is probably no major activity in the U. S. S. R. that does not count a Supreme Soviet delegate among its numbers. Many are younger people, many are women. This is possible since candidates for the Supreme Soviet are not picked to govern, but are picked because of their contribution to the building of socialism.

A recordbreaking dairymaid, a master plasterer, a scientific researcher, an explorer, a high party functionary—these would be ideal candidate types. Members of the Supreme Soviet do not put in the long, hard months of work typical of an American Congressman. They are not bothered with tough policymaking decisions on farm legislation, taxes, or foreign policy, although a few are more active than the majority by virtue of committee assignments.

In theory candidates may be nominated by any public organization—a trade union, a youth group, a cooperative, a meeting of factory workers. In practice, units of the Communist Party operate in all organizations having the right to nominate candidates, and these units are probably the first point of candidate selection.

One must say "probably" because details of party work in proposing and selecting candidates are obscure. One cannot say how much instruction may come from above in these matters, or how much the views of local organizations are followed in picking those whose names are to go on the unopposed ballot.

What can be said is that the Soviet Union is a one-party state and that the Communist Party operates effectively and finally at every level of the election process. Party Secretary Nikita Khrushchev remarked to the American observers of the March 16 voting that the American team was "quite right in noticing the party organization plays a major role in selecting candidates" and that in the final analysis nominations were made by "reliable persons."

This does not mean that the party takes every job for itself. On the contrary, the organization is anxious to have nonparty people among the list of nominees. Much is made of the "bloc of Communist and nonparty people," the official label under which the 1,378 official candidates seek votes. Although a substantial minority are not party members, all are supposedly loyal and zealous supporters of the regime—they could not have qualified for this honor if they were not, nor would the party send them to the Supreme Soviet had it any doubts about them.

Frequently more than one name will be put up by the public organizations of the area to be represented—but the extra names are those of national leaders like Khrushchev, Voroshilov, or Mikoyan. If several names are proposed, an unofficial preelection meeting of representatives of public organizations within the district will be held. At these preelection meetings, voting is by show of hands, and there is no evidence of any meeting ever having a contested or split vote. All decisions seem to be made unanimously, whether these decisions are to put forward a single local candidate, or to present a national figure, or to combine the two and suggest several candidates.

National leaders in the U. S. S. R. can be on the ballot in only one district, but meetings may suggest their names in any number of constituencies. Such extra nominations are a special type of honorary mention in Soviet politics, and all save one are later declined by the leaders concerned.

Thus, but one genuine candidate comes before the voters on election day. As one observer put it 20 years ago, in commenting on the way in which but a single candidate was finally registered in each district, "Some machinery must have been in operation which is not revealed by the public record." That machinery was—and is—the party.

Once the candidate has been formally registered for the district, the campaign machinery can get up full steam. Basic to getting out the vote in the unopposed Soviet election is the agitpunkt—literally an agitation point. There will be about as many of these agitpunkts as there are voting precincts, some 150,000 in the March 16 elections. The agitpunkt may be a room or two in a factory, perhaps the foyer of a large office building—any place to which attention of the voters may be directed and from which the roundup of voters may be directed. Prominently identified by large red signs and furnished with election literature, the agitpunkt will be manned by volunteer agitators for weeks before the actual voting.

Election materials featured in most agitpunkt locations will include pictures and biographies of the official candidates, posters urging people to vote, magazine and newspaper tables, and usually a copy of the list of voters in the precinct concerned. While not universally the case, many of the agitpunkt operations are dismantled on election eve and reappear on election day at precinct polling places.

From the agitpunkt a huge army of agitators moves out during the campaign to insure that all citizens of 18 and over have been listed by the local authorities and that all are aware of their duty on election day. Indeed it would be hard for the Soviet citizen to be unaware of the voting process. Press and radio, banners and decorations, agitpunkt centers and agitators, big rallies and small local meetings—all combine to press home the date of the vote and the opportunity of the citizen to endorse the work of the party and the regime.

As to the campaign itself, there is no contest, of course. For the March 16 election there were no competing banners, no contesting canvassers, no seeking after votes between rival candidates. The public decorations, the campaign rallies, the meetings organized by agitators and by candidates—all were pitched to constant themes: the unity of party and state, the great accomplishments of the U. S. S. R. domestically, "peace" in foreign affairs, the glowing future of the Soviet Union, and the like. From time to time, as with Party Secretary Khrushchev's speech in Moscow 2 days before the actual voting, these themes were interlarded with attacks on the West, criticisms of Western election methods; and comment on the hard life of the Western worker.

On election day the polls opened at 6 in the morning, and polling operations seemed to go smoothly everywhere and to be well (if massively) organized. For a typical Moscow precinct of some 2,000 voters as many as 20 or 25 clerks would be on hand to check voter names and hand out ballots.

Lines were not long, for the voting procedures was hardly onerous. Although curtained voting booths were provided for any who might care to use them, on-the-spot observation indicated that less than one elector in fifty did so. For the vast majority of voters the prepared ballots passed directly from election clerk to ballot box.

For those too ill or infirm to come to the polls, an official came around with a miniature ballot box into which the votes of electors confined at home might be placed. For those absent from home, special certificates were issued to enable them to vote anywhere in the Soviet Union. With all the exhortations of the weeks prior to election day it is not surprising that most precincts had virtually every vote cast by mid-afternoon. For any laggards the party organization provided stimulus—agitators going around to residences to point out their duty to those few who had failed to appear at the polling place.

At midnight the polls closed. Ballot boxes were unsealed and the counters carefully noted the few ballots in which the voter had bothered to cross out the name of the single official candidate—the only way in which he might indicate opposition. With the figures all over the Soviet Union totaled up, it could then be announced that 99.97 percent of the voters had appeared at the polls and that all save a few hundred thousand had indicated their support of the "bloc of Communist and nonparty people."

Perhaps the real answer to our first question—"Why?"—comes actually in the very unanimity and massiveness of the vote cast. Soviet elections are but one in the long series of "methods of activism" pursued in Soviet society—methods designed to weave the citizen and his life inextricably into a world of active struggle against capitalism. For party members or for ordinary citizens "passivism" is wrong; it is the error of resting a moment from assigned tasks, of momentarily standing passive and mute, aside from the struggle. Activity is a key word in Soviet life, and elections present maximum activity. Everyone participates—this one as an agitator, that one as an election clerk, everyone as a voter. In the Soviet mind, every participant is thus an activist and every participant commits himself just a bit more to the Communist way of life.

CONTROL OF ADVERTISING OF ALCOHOLIC BEVERAGES

Mr. HUMPHREY. Mr. President, recently I have received in my office many petitions and letters from organizations and individuals in Minnesota expressing their interest in the Langer bill, S. 582, which prohibits interstate transmission, by mail or otherwise, of newspapers, periodicals, newsreels, photographic films, or records advertising alcoholic beverages or soliciting orders therefor, also prohibiting liquor advertising by radio.

Since hearings on this measure are today being resumed by the Interstate and Foreign Commerce Committee, I ask unanimous consent to read into the record the names of individuals and organizations who have written urging support of S. 582.

Mr. William R. Peterson, chairman, and Mr. Fred D. Shandorf, secretary of the Minnesota Methodist Board of Temperance, Rosemount, Minn.; Mrs. E. H. Nickum, Rochester, Minn., who sent in a petition with 117 signatures; Mrs. Emma Bjornstad, Duluth, Minn., who sent in a petition with 145 signatures; Mrs. Sophie Rasmussen, Milaca, Minn., who sent in a petition with 18 signatures. A petition circulated by the Reverend Harold E. Lind, pastor of the First Baptist Church, Red Wing, Minn., consisting of 42 signatures. Mrs. Ardell E. Nelson, social action secretary of the Women's Missionary Federation, the Evangelical Lutheran Church, Kirkhoven, has written in behalf of the membership of that organization. Petitions have also been received from Rev. V. A. Jensen, pastor, Glendorado Lutheran Church, Princeton, Minn.; Mrs. Frances N. Wiest, Minneapolis, Minn.; Mrs. Lester Skoberg, president, First English Lutheran Ladies Aid, Sacred Heart, Minn.; Mrs. Dana Portner, Northfield, Minn.; Mr. D. W. Fuller, Danube, Minn.; the Reverend Herbert D. McDonald, pastor, First Baptist Church, Milaca, Minn.; Mrs. Paul Everts, Foley, Minn.; Rev. Lawrence Palmquist, Oak Park, Minn.; and Mrs. Clarence Fondell, Dawson, Minn.

I should also like to make special mention here of the very deep interest in S. 582 expressed by my very good friend, Mr. Wilbur Korfhage, administrative director of the United Temperance Union, Minneapolis, Minn.

INTERIOR DEPARTMENT APPROPRIATIONS, 1959

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of 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, under the heading "Title I—Department of the Interior—Departmental Offices—Office of Saline Water—Salaries and Expenses," on page 2, line 8, after the word "uses", to strike out "$785,000" and insert "$825,000."

Under the subhead "Office of Oil and Gas—Salaries and Expenses," on page 2, line 17, after "(15 U. S. C. 715)", to strike out "$500,000", and insert "$550,000."

Under the subhead "Office of the Solicitor—Salaries and Expenses," on page 2, at the beginning of line 21, to strike out "$2,750,000" and insert "$2,825,000."

On page 3, after line 9, to insert:

ACQUISITION OF STRATEGIC MINERALS

For necessary expenses in carrying out the provisions of the "Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956" (70 Stat. 579), exclusive of section 2a, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $2,318,000, to remain available until December 31, 1958; and the unobligated balance of the funds made available under this heading in the Department of the Interior and Related Agencies Appropriation Act, 1958 (Public Law 85-77), shall remain available until said date.

Under the subhead "Bureau of Land Management—Management of Lands and Resources," on page 4, line 4, after the word "on", to insert "or adjacent to"; and in line 6, after the word "lands", to strike out "$20,940,000" and insert "$22,940,000."

Under the subhead "Construction", on page 4, line 15, after the word "on", to insert "or adjacent to"; at the beginning of line 17, to strike out the word "on"; in the same line, after the word "of", to insert "rights-of-way and of", and on page 5, line 3, after the word "expended", to strike out "$4,435,000" and insert "$4,685,000."

Under the subhead "Bureau of Indian Affairs—Education and Welfare Services", on page 7, line 14, after the word "museums", to strike out "$57,469,000" and insert "$58,809,000."

Under the subhead "Resources Management", on page 7, line 24, after the word "law", to strike out "$17,000,000" and insert "$18,100,000."

Under the subhead "Construction", on page 8, line 15, after the word "contract", strike out "$13,800,000" and insert "$40,526,000", and in line 16, after the word "expended", to insert "of which not to exceed $12,000 may be paid to the North Dakota State Water Conservation Commission for the construction of culverts at Zeibaugh Pass, N. Dak."

Under the subhead "Geological Survey—Surveys, Investigations, and Research", on page 12, line 15, after the word "activities", to strike out $36,000,000" and insert "36,915,000", and in line 16, after the word "which", to strike out "$6,035,000" and insert "$6,950,000."

Under the subhead "Administrative Provisions", on page 13, line 3, after the word "exceed", to strike out "ninety-two passenger motor vehicles, for replacement only" and insert "one hundred and twelve passenger motor vehicles, of which ninety-two are for replacement only."

On page 14, after line 7, to insert:

CONSTRUCTION

For the construction and improvement of facilities under the jurisdiction of the Bureau of Mines, to remain available until expended, $1,719,000.

Under the subhead "National Park Service—Management and Protection," on page 16, line 3, after the word "Basin", to strike out "$14,150,000" and insert "$14,632,000."

Under the subhead "Maintenance and Rehabilitation of Physical Facilities", on page 16, at the beginning of line 12, to strike out "$11,600,000" and insert "$12,750,000."

Under the subhead "Construction", on page 16, line 22, after the word "expended", to strike out "$12,400,000" and insert "$24,000,000, of which not to exceed $135,000 shall be available for the construction of additional school facilities at Grand Canyon National Park, Ariz."

Under the subhead "Fish and Wildlife Service—Bureau of Sport Fisheries and Wildlife—Management and Investigations of Resources", on page 18, line 24, after the word "deer", to strike out "$11,508,000" and insert "$11,616,000."

Under the subhead "Construction", on page 19, at the beginning of line 11, to strike out "$1,458,000" and insert "$3,879,350."

Under the subhead "Alaska Public Works", on page 25, line 4, after "(48 U. S. C. 486-486j)", to strike out "$4,000,000" and insert "$5,300,000."

Under the heading "Title II—Related Agencies—Department of Agriculture—Forest Service—Forest Protection and Utilization," on page 29, at the beginning of line 14, to strike out "$68,857,000" and insert "$81,357,000."

On page 30, line 3, after the word "law", to strike out "$12,128,000" and insert "$16,728,000."

On page 30, line 11, to strike out "$12,195,000" and insert "$13,245,000."

On page 30, line 12, after the word "exceed", to strike out "$50,000" and insert "$150,000."

Under the subhead "Forest Roads and Trails," on page 30, at the beginning of line 25, to strike out "$23,750,000" and insert "$27,000,000", and on page 31, line 1, after the word "expended", to insert "and this amount may be used to the extent necessary for liquidation of obligations incurred pursuant to authority contained in section 106 of the Federal-Aid Highway Act of 1956 (23 U. S. C. 155) and section 6 of the Federal-Aid Highway Act of 1958 (Public Law 85-381)."

On page 31, after line 11, to insert:

ASSISTANCE TO STATES FOR TREE PLANTING

For expenses necessary to carry out section 401 of the Agricultural Act of 1956 (70 Stat. 188), $500,000, to remain available until expended.

On page 31, after line 21, to insert:

SUPERIOR NATIONAL FOREST

For the acquisition of forest land within the Superior National Forest, Minn., under the provisions of the act of June 22, 1948 (62 Stat. 570; 16 U. S. C. 577c-577h), as amended, $300,000, to remain available until expended: *Provided*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

Under the subhead "General Provisions, Forest Service", on page 33, line 12, after the word "improvements", to

strike out the comma and "but the cost of any such building, exclusive of the cost of constructing a water supply or sanitary system and of connecting the same with any such building, and exclusive of any tower upon which a lookout house may be erected, shall not exceed $25,000 ($30,000 in Alaska), except for one building which shall not exceed $80,000: *Provided*, That one building may be constructed to serve the purposes of two or more buildings at a cost not to exceed the sum of the limitations for separate buildings", and in line 21, after the word *"Provided"*, to strike out *"further"*.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill, as thus amended, be regarded, for purposes of amendment, as original text; provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Arizona? The Chair hears none, and it is so ordered.

Mr. HAYDEN. Mr. President, the amount of the bill as passed by the House of Representatives was $413,145,600.

The net amount by which the bill was increased by the Senate committee was $75,794,350.

The total of the bill as reported to the Senate is $488,939,950.

The amount of the budget estimates considered was $414,484,600.

The amount of 1958 appropriations, including the Supplemental Appropriation Act, 1958, and the Second Supplemental Appropriation Act, 1958, is $459,865,100.

The bill as reported to the Senate is $74,455,350 over the budget estimates, and $29,074,850 over the appropriations for the fiscal year 1958.

I invite attention to the following statement on page 2 of the committee report:

The committee recognizes that the recommendations represent a substantial increase over the budget estimates. However, it is the view of the committee that the funds recommended are fully justified and required to:

1. Provide adequate education facilities for Indian children;
2. Continue the 10-year program for the development of the national parks;
3. Strengthen management, protection, and development practices on our public lands and national forests;
4. Provide for an adequate research program for the conservation and development of natural resources; and
5. Provide for the construction of a limited number of long-deferred facilities that are urgently needed for various management and research programs.

In addition to being a sound program from the standpoint of wise conservation and development practices, it must be recognized that an expansion of these programs will provide many job opportunities throughout the country immediately, as no time-consuming plans and preparations are required.

Mr. President, I wish to emphasize as strongly as I can that the increases recommended by the committee will provide jobs immediately. The programs provided for are not new but an expansion of going programs. To a large extent these increases recommended by the committee will merely offset a curtailment of these programs recommended in the budget.

These programs will be administered by permanent agencies in the Department of Agriculture and Department of the Interior. For the most part, plans and specifications are available for the construction projects, and all that has to be done is award the contracts.

It will not be necessary to engage architects or to do anything else which will take a great deal of time. The work is available and ready if Congress will provide the money.

Mr. MANSFIELD. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 19, line 11, it is proposed to strike out "$3,879,350" and insert in lieu thereof "$4,109,350."

Mr. MANSFIELD. Mr. President, it is my hope that action can be taken to provide the necessary funds to equip the Bureau of Sport Fisheries and Wildlife to expand an important fish hatchery at Creston, Mont., to take care of the increased demand for trout and other fish.

The May issue of the National Geographic has a wonderful article on our national parks by Conrad Wirth, Director of the Park Service. It is entitled "Heritage of Beauty and History." As I read it last night, I was struck by the opening lines where Mr. Wirth related the need to inspect our parks. He told of the necessity of settling an argument on whether to stock a trout stream in Glacier National Park in my State of Montana.

This is a real and pressing problem because we do not have enough trout in Glacier to meet the demands of the expanding number of fishermen who seek to enjoy Isaak Walton's sport in the scenic and inspiring grandeur of this magnificent park. The Park Service cannot solve this problem because the fish that are needed must come in large measure from the Creston fish hatchery, managed by a sister agency in the Department of the Interior—the Bureau of Sport Fisheries and Wildlife. This hatchery is the only one in Montana that requires major improvement. It has been in operation since 1939 and it has not developed to its full potential. I ask unanimous consent that a letter that I have received from the Whitefish Rod and Gun Club and a justification for these funds be inserted in the record at the close of my remarks. It would take only $230,000 to expand this hatchery, and with this small sum the capacity could be doubled.

I sincerely hope that the committee will give the proposal its very serious and thoughtful consideration.

I ask unanimous consent that a statement and correspondence relative to the fish hatchery be printed in the RECORD at this point.

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

The Federal fish hatchery at Creston, Mont., was constructed in 1939 and operated jointly by the National Park Service and Fish and Wildlife Service until transferred to the Fish and Wildlife Service in 1944. The Creston hatchery was not developed to full potential at the time of establishment. Since that time, construction funds in the following amounts have been provided for improvements at the hatchery:

Fiscal year 1957 (construction of trout raceways)	$18,000
Fiscal year 1958 (storage building)	15,000

To fully develop the Creston hatchery to its full potential would require the items included in the following improvement and expansion program:

Fish-food preparation and cold-storage building	$52,000
Raceways	80,000
Replace troughs with concrete tanks and 20 hatching troughs	9,000
2 sets of quarters with garages	30,000
Replace water-supply line to spring	30,000
Domestic water supply and sewage system	4,000
Construct bridge	5,000
Engineering and contingencies	20,000
Total	230,000

The Creston hatchery has produced an average of 52,000 pounds of trout (cutthroat, rainbow and brook) annually during the past 3 years. An improvement and expansion program, as outlined above, would almost double the capacity of rearing facilities at the hatchery.

JUSTIFICATION

The Federal fish hatchery at Creston, Mont., was established in 1939 to provide fingerling trout for stocking waters in Glacier National Park. In the last 10 years, however, because of increased tourist travel and greater emphasis placed upon the sport of fishing as a source of relaxation, the fishing pressure on trout populations in the waters of northwestern Montana has become much greater. Thus the Creston hatchery is now required to restock waters in a large area in northwestern Montana in addition to its assignment of maintaining trout populations in Glacier National Park waters. The construction of Hungry Horse Dam has added to the problem of maintaining the fishery resource of the area. The fishing pressure has increased to the point where many streams must be restocked with legal-sized trout in order to maintain populations.

The Creston hatchery is in need of a major improvement program which will provide facilities for expanding production, especially that of legal-sized trout. The hatchery is operated in close cooperation with Montana State Fish and Game Commission, and the fish produced are assigned to areas selected in accordance with approved management plans. Existing facilities are not adequate to permit the increased production necessary to meet present commitments, and it is believed that requirements will increase annually.

There are four Federal hatcheries in Montana. The units at Ennis and Bozeman have received funds in recent years for major improvements. At Miles City, funds are available for construction of a new hatchery. Only the Creston hatchery in Montana requires major improvement.

WHITEFISH ROD AND GUN CLUB,
Whitefish, Mont., April 25, 1958.

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Our district is very much interested in the expansion of our Creston fish-cultural station, as the present fish output is scarcely adequate to meet our fishing pressures which supplies Glacier National Park and a large surrounding area.

As chairman of the fish committee for the Rod and Gun Club and also the chamber of commerce, I have recently visited the regional directors office in Portland, Oreg., and enclosed is a copy of their letter itemizing expenditures necessary to fully develop the Creston station hatchery.

It is our understanding that funds are available for fish hatchery development and we wish to express the urgent need for further expansion of our Creston station.

Your sincere cooperation in this matter will be greatly appreciated, and we await your reply with interest.

Sincerely yours,

JOSEPH Z. GERBER,
Chairman, Fish Committee.
ARTHUR GOLIE,
President, Rod and Gun Club.
D. R. RAMSHAW,
President, Chamber of Commerce.

UNITED STATES DEPARTMENT
OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
BUREAU OF SPORT FISHERIES AND WILDLIFE,
Portland, Oreg., April 16, 1958.

Mr. J. Z. GERBER,
Whitefish, Mont.

DEAR MR. GERBER: During your visit to our office the plans for the expansion of our Creston station were discussed and we agreed to furnish you with a list of the items required for the development of the hatchery.

This year we are building a storage building that is presently out on bid that will house the station's vehicles and distribution units. It will cost in the neighborhood of $15,000.

Last year we constructed six new raceway ponds which increased the capacity of the station. These ponds cost in the neighborhood of $18,000.

To fully develop this station, the following items are needed:

Fish food preparation and cold storage building, estimated cost, $52,000.

Additional raceway ponds, $80,000.

Replacement of hatchery troughs with concrete tanks, $9,000.

Two additional residences for employees, $30,000.

Additional water-supply lines and sewage-disposal units, $34,000.

Miscellaneous items, such as a bridge across the creek, engineering, and contingencies, estimated at $25,000.

If construction funds become available for the items listed, the station would be in a better position to produce sufficient legal-sized trout to adequately take care of the hatchery's zone of responsibility. Naturally, if the above facilities were provided, the operation allotment for the station would have to be increased in order to provide sufficient personnel and expenses for rearing larger numbers of fish.

We trust that the above information fulfills your request for data on our Creston fish-cultural station.

Sincerely yours,

J. T. BARNABY,
Chief, Division of Sport Fisheries.

Mr. HAYDEN. Mr. President, I sincerely hope that the Senator from Montana will not press his amendment, so that the committee may be afforded an opportunity to look into the project during its hearings on the supplemental appropriation bill. The project was not considered by the committee in the hearings on the pending bill. If he will withdraw his amendment I can assure him that at the appropriate time it will be given the careful attention of the committee.

Mr. MANSFIELD. Mr. President, I appreciate the statement of the chairman of the committee. I would have presented the amendment to the committee, but I received the communication regarding it only within the past several days, since the bill has been reported. With the assurance of the chairman of the committee, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the Senator from Montana withdraws his amendment.

Mr. CASE of South Dakota. Mr. President, I offer an amendment to cover an emergency situation with regard to a spillway on an Indian reservation which was washed out.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, line 15, it is proposed to strike out "$40,526,000" and insert in lieu thereof "$40,571,000."

Mr. CASE of South Dakota. I may say to the distinguished chairman of the committee that the change would involve $45,000. It would be used to replace a spillway which was washed out at the Pine Ridge Indian Reservation near Wounded Knee, S. Dak. The dam is a 70,000 cubic-foot dirt-fill dam. Obviously it is of no use at the present time and the Government's investment is standing idle. I would have presented the matter to the committee earlier, but I was unable to get the figure on the cost of the repair work until the first of this week. I had written for it earlier. I may say that the dam is on a live stream, which runs the year around. It is near an Indian school. It also provides some recreation. There is a limited amount of irrigation with respect to some gardens. I would appreciate it if the committee would accept the amendment.

Mr. HAYDEN. The Senator spoke to me about the matter yesterday. I suggested that he speak to the ranking minority member of the subcommittee. If it meets with his approval, I will have no objection to including it in the bill.

Mr. MUNDT. Mr. President, my colleague did speak to me about, and I am familiar with, the situation and the problem presented. It is a very desirable item and should be incorporated in the bill.

Mr. HAYDEN. I have no objection to the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that a more extended statement with regard to the amendment be printed in the RECORD.

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

STATEMENT BY MR. CASE OF SOUTH DAKOTA

The purpose of the amendment is to provide $45,000 for replacement of a spillway at the Wounded Knee Dam on the Pine Ridge Indian Reservation, S. Dak. This dam, involving 70,000 cubic yards of earth fill, is located on a live stream which flows the year round. The original concrete chute spillway, with a small mechanical outlet, proved inadequate and went out some time ago, and the entire value of the dam and reservoir has therefore been lost until this repair can be made.

Under date of March 25, 1958, I asked the Commissioner of Indian Affairs for a report on requirements for restoration of the spillway. The reply of the acting area director, dated April 17, 1958, was forwarded to me by Assistant Commissioner E. J. Utz under date of April 24, and was received the first of the week, which accounts for my inability to present the matter to the Appropriations Subcommittee during the time that it was conducting its hearings.

The area director's report states that although there is a very limited acreage of irrigable land below the dam, it does have considerable recreational value. His statement to the Commissioner as relayed to me says, in part:

"The lake would provide particular recreational advantages to the Wounded Knee Day School and the Wounded Knee community as it is located only a mile below the school and community area. Well-maintained gravel roads parallel the south edge of the lake site making it easily accessible to the population of the surrounding towns of Martin, Pine Ridge, and Kadoka. The Wounded Knee Dam is of considerable size involving approximately 70,000 cubic yards of earth fill. It is located in a scenic area which would be conducive to camping, boating, fishing, and general outdoor recreation. The estimated cost of replacing the spillway on this structure would amount to approximately $45,000. The Wounded Knee Creek on which the dam is located is a live stream which flows year long."

In view of the fact that the Government at one time invested considerable money in this dam with a 70,000-cubic-foot fill and is getting no returns whatever because of the loss of the spillway and because of the great value that it would be to the nearby Indian community and Indian school as well as the many people who live in the towns mentioned by the area director, it seems to me only good business that the Government should repair the spillway and thereby restore the reservoir and lake for the use indicated.

Mr. FULBRIGHT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 19, line 11, it is proposed to strike out "$3,879,350" and insert in lieu thereof "$3,929,350."

Mr. FULBRIGHT. Mr. President, the amendment calls for an increase of $50,000. I discussed the matter with the Senator from South Dakota [Mr. MUNDT], the ranking minority member of the subcommittee, and the chairman of the committee, the Senator from Arizona [Mr. HAYDEN]. It would enable the project to get under way by the acquisition of land. The authorization bill was passed recently, but too late for the Bureau of the Budget to act upon it. It has been approved by the Department of the Interior. Unless the land is acquired, no progress can be made. This will leave the major expenditures, such as the construction of the proposed buildings, and so forth, to be considered later by the committee. However, unless we can get the money for the acquisition of the land, the whole matter will be held up for another year. I hope the committee will accept the amendment.

Mr. MUNDT. I should like to say to the chairman of the committee that the

Senator from Arkansas did discuss this matter with me yesterday. As I understand, this is a going project. An effort is being made to find a better use for rice land when it is not being used for growing rice. The amendment would expedite action in the field of research and experimentation and helpfulness. It does not involve any new buildings at this time. On that basis, I am willing to have the amendment included in the bill.

Mr. HAYDEN. Under the circumstances, I have no objection to the amendment the senior Senator from South Dakota [Mr. MUNDT], who is the ranking minority member of the subcommittee, has approved. It is essential to get the program started, and it does not involve any excessive expenditure this year.

Mr. FULBRIGHT. That is correct. The committee will have full opportunity, as will the Bureau of the Budget, to examine into additional expenditures. The amendment will merely make possible the acquisition of land so as to get the project under way, and will enable the planning of the project. The committee has already allowed $30,000 for planning, but nothing can be planned unless there is something in the nature of a site to enable the project to proceed.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a more complete statement concerning this item, a letter I have received from Assistant Secretary of the Interior Ross Leffler; and an article entitled "Fish in the Ricefields," written by Hart Stilwell, and published in Coronet magazine for May 1958.

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

STATEMENT BY SENATOR FULBRIGHT

The amendment merely increases the appropriation for the Fish and Wildlife Service by the amount of $50,000. The appropriation bill for the Department of the Interior for fiscal year 1959, H. R. 10746, already contains an item of $30,000 to be used for an engineering survey of a proposed fish research facility for the rice areas of Arkansas.

In the last session of the Congress, I sponsored a bill, S. 1552, which authorized and directed the Secretary of the Interior, in cooperation with the Department of Agriculture, to construct and maintain a research and experiment station to carry on studies relating to fish farming. It was unanimously passed by the Senate and the House of Representatives, and was signed by the President on March 15 of this year. It is now Public Law 85-342.

The bill was signed into law by the President after the Department of the Interior had submitted its budget requests to the Congress. For that reason, no appropriation was made for this activity by the House of Representatives. However, I appeared before the Senate Appropriations Subcommittee to request funds for the fish research station, and the committee included the item of $30,000 to initiate planning and surveys.

The amendment would make available an additional $50,000 to be used by the Department to acquire a site on which the experiment station is to be located and would provide funds for some of the expenses incidental to the land acquisition.

This is a very small item, but it is extremely important to the people of my State, and, indeed, to the rice farmers of this Nation. Fish farming has been developed in this country primarily by the farmers on their own initiative. They have not had the benefit of assistance from governmental sources. It is, of course, impossible for each individual farmer to conduct programs of research and experimentation to provide the information needed to make fish farming a profitable operation. They have been plagued with many problems to which no answers are readily available, such as the type of fish best suited for this kind of operation; methods of stocking, feeding, treating, and avoiding diseases; marketing methods; and so forth. The additional item of $50,000 would guarantee that this program will proceed in an orderly manner.

The Department of the Interior has indicated to the Congress that it could effectively use $213,000 for this project. However, the amendment which I have offered merely increases the appropriation by the amount of $50,000. I am hopeful that the $30,000 which is included in the bill at the present time for planning and surveys, together with the additional $50,000 which my amendment proposes, will enable the Department to proceed with this important work, and will place it in a position to complete the planning of the project and acquire a site by the time we consider the next Department of Interior appropriation bill. If this can be done, this project could be completed and in operation in a year, or perhaps 18 months.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
Washington, D. C., April 28, 1958.

Hon. J. W. FULBRIGHT,
United States Senate,
Washington, D. C.

DEAR SENATOR FULBRIGHT: This will acknowledge your letter of March 27 concerning the desirability of securing an appropriation to carry out the purpose of Public Law 85-342 which the President signed on March 15. You will recall, I am sure, that the Department reported favorably on your bill S. 1552, which has now become law.

We feel there are good possibilities through research for the development of scientific fish husbandry of warm-water species which can contribute to the domestic food supply.

Preliminary study for the work is being done, and the station and laboratory will be planned for completion within a 2-year period. Site selection and acquisition, development of a dependable water supply, and the necessary facilities will consume much of the first year. Concurrently, we would start to assemble the staff of specialists for the work and to arrange for their familiarization with the area, the agricultural situation, and for discussions with local institutions for development of definitive, coordinated programs. Actual construction will require several months after contracting is completed, and we might expect to be in full operation toward the end of the second year.

Budgets for initiating the work authorized by Public Law 85-342 will be given consideration along with other Department needs and within the fiscal policy.

Sincerely yours,

ROSS LEFFLER,
Assistant Secretary.

[From Coronet of May 1958]

FISH IN THE RICEFIELDS

(By Hart Stilwell)

There's a brandnew industry in the land—raising fish in the rice fields.

Some refer to it as fish husbandry. But by any name you choose to call it, to most Americans it tops them all in weird crop rotation—rice 2 years, then carp and catfish 2 years, then rice again, and so on. Actually, it is almost as old as agriculture itself, since it was practiced in China more than 4,000 years ago. And if the supply of ricefield fish were suddenly cut off, millions of people in the Orient would starve.

Right now, this venture is proving a bonanza to rice farmers in Arkansas, and 250 of them have banded together in the Arkansas Fish Farmers Cooperative to promote the industry. Members have more than 60,000 acres planted to fish, and they have been trying, through the help of the University of Arkansas, Senator J. WILLIAM FULBRIGHT, of Arkansas, Senator RALPH YARBOROUGH, of Texas, and others, to gain approval for a $500,000 Federal fish-farming experiment station in Arkansas.

So fish farming is with us, and destined to spread to millions of acres of ricelands, then to cotton lands and soybean lands and other flatlands that are irrigated.

There are two sound reasons for this. First, the fish crop brings a good profit from land that otherwise would lie idle. Second, land on which fish have been raised invariably produces about twice as much rice, and without fertilization. At current prices, this means an additional $125 gross income per acre.

Thomas Wayne Wright, United States Soil Conservation expert at Lonoke, Ark., who is working with the fish farmers, cites the typical experience of George Ryland of the Pinchback Planting Co., of Grady, who harvested 100 bushels of rice an acre on a 65-acre farm after 2 years of fish farming, without doing any fertilizing. Prior to fish growing, the yield had been 55 bushels an acre, with fertilizing. He also harvested 500 pounds of fish per acre, mostly buffalo (a large fish of the sucker family) for which he received 15 cents a pound.

J. L. Huffer, of England, Ark., has not only increased the yield on his 640-acre farm from 50 to 100 bushels an acre by fish farming, but he has found that the fish, particularly buffalo and carp, actually do his plowing as well as his fertilizing.

They root around in the bottom so much that all Huffer does now in planting is sow rice from an airplane. He doesn't go to the expense and trouble of disking the land.

Huffer says that if fish are left on the land longer than 3 years, the soil becomes so rich it must be planted to something other than rice the first year. Rice will grow too rank and yield little.

Fish enrich the soil in at least two ways that biologists and soil analysts know of: they increase the supply of nitrogen by as much as .2 percent; and by eating vegetable growth, insects and other creatures in and on the water, they increase the amount of organic matter in the soil.

Also, the fish and the standing water combine in killing off weeds, the curse of the rice grower and the main reason he must let his land remain idle for a year or two after several crops.

This new industry started by accident in the flatlands around Stuttgart, Ark. Several farmers pumped water from fishponds onto their rice fields and were astonished at the big increase in yield, which in some places jumped from 55 to 134 bushels an acre.

Then others farmers, using the standard Arkansas lowland method of killing timber by flooding the land for 3 years or so, were equally amazed at the mighty fish population on their flooded lands. Many made a neat profit charging sports fishermen to fish; others gathered up the fish and sold them when they drained the land.

The obvious next step was actual fish farming.

In the Orient, where fish farming is older than the written word, fantastic harvests are reported, at times up to 8,000 pounds an acre. But that is achieved by flooding

the land with sewage, a method not acceptable in this country.

Dr. John W. White, of the University of Arkansas Agricultural Experiment Station, who is working on fish farming, believes a yield of about 500 pounds to an acre should be achieved by the American fish farmer as soon as he gets onto the knack of this new kind of farming—that is, 500 pounds in 2 years. It takes most species now being used—carp, buffalo, catfish, bass—about 2 years to reach commercial size. A carp, for instance, may grow to weigh eight or ten pounds in that time; a bass may reach two pounds.

Arkansas farmers are not certain yet which kind of fish is going to turn out best. It may be some "foreigner", such as the tilapia, a favorite in fish farming in Japan and now being studied in this country.

Malcolm Johnson, who left his job with the Soil Conservation Service to open a fish hatchery at Tillar, Ark., to supply seed stock to farmers, thinks the ideal combination is big-mouth buffalo—a tough native fish sometimes called gourdhead—and large-mouth black bass. (Arkansas, to encourage fish farming, changed her law and is the first State to permit the sale of "home-grown" bass.)

Johnson says a good average yield on a buffalo-bass combination should be 500 pounds of buffalo and 50 pounds of bass. The buffalo usually sells for 18 cents a pound; bass for 35 or 40.

A few rice farmers have experimented with something closely resembling the "feeding-out" process in handling livestock. These farmers stock fish, usually catfish, on their land when they flood it for the rice crop, then harvest the fish along with the rice, turning a quick but small profit on this feeding-out process. But the general practice is to flood the land for 2 years and let the fish really grow.

There are problems, literally dozens of them, linked with this new venture. And there are byproducts, some of which are of far more interest to millions of Americans than the fish farming itself.

Fish farmers have had difficulty getting seed stock and plenty of trouble harvesting their crop. Then there are diseases among fish, and the danger of cold. But all these problems are being studied.

As for byproducts—thousands of sports fishermen are going to start roaming the rice paddies, looking for bass and other game fish—for a fee. Duck hunters will thank the fish farmers for vastly increased feeding and resting areas for waterfowl. And, as Dr. White explains, fish farming is of tremendous value in conserving and using both our water and soil to the fullest.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT].

The amendment was agreed to.

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

Mr. HAYDEN. I yield.

Mr. STENNIS. I congratulate the chairman of the committee and the members of the Subcommittee on Interior Appropriations on their constructive work on this important bill. I refer in particular to their recommendations concerning the Forest Service, and especially the section of the bill pertaining to forestry research.

Mr. President, I should like to have the attention of all Senators at this moment, because I wish to refer them to a picture mounted in the rear of the Chamber. The picture is of a bristle cone pine tree in California. It was sent to me by Mr. Millard Barnum of the United States Forest Service. This fine tree has been established as being the oldest living thing in the world. It has been scientifically established that not only this particular tree, but also a few other trees in the same locality, are about 4,600 years old. Thus they are the oldest living things in the world.

I believe, however, that the results of the work of the chairman of the subcommittee, the Senator from Arizona [Mr. HAYDEN], in promoting forestry research and other forestry programs will live longer than that pine tree has already lived. He is looking at least that far into the future in genetics research and other phases of forestry research, which are so sorely needed. So I commend him, as I think the Nation does also, for the splendid work he has done, not only in this field, but in many others.

I wish to speak briefly about one or two other outstanding pieces of work done by the United States Forest Service in the field of genetics research as it concerns trees. The Service has three principal stations: Rhinelander, Wis.; Placerville, Calif.; and Gulfport, Miss. I visited the California and Mississippi stations and have an on-the-ground, working knowledge of their important work.

The Wisconsin Research Center has developed new and better varieties of timber species which grow in the northern area of the Nation. The California and Mississippi centers are devoted largely to research in developing better varieties of pine trees. Even though the process is a long one, they are, as rapidly as possible, developing a super pine tree which will have many superior qualities. The super tree, a hybrid, will have bred into it qualities which will make it more disease resistant and more insect resistant, as well as making it more adaptable to some soils, and assuring a faster rate of growth and a higher production of pulp wood or timber per acre.

In the decades to come, the results of this important research will have a powerful impact on the economy of the Nation. In addition, the work will make possible tremendous strides in meeting the rapidly increasing timber demands.

The bill also provides funds for extended tree-planting and better management of forest lands for the production of timber, the conservation of water, and forage management practices for various areas.

One of the most critical needs is that for better physical facilities for the vital research programs, more laboratory space, additional greenhouses, and related research installations. These installations are not expensive at all, but they are absolutely essential. Time is running out on us for work of this kind.

In its newly published volume entitled "Timber Resources for America's Future," the Forest Service points out that by 1975, which is just around the corner, we shall be cutting down each year about 14 percent more timber than is being produced, and shall be losing about 9.6 billion board-feet a year.

Further estimates are that by the year 2000 we shall be losing up to 80.2 billion board-feet annually. Each year we shall be cutting 76 percent more of our timber than is being produced.

Again, I express great gratitude to the chairman and the members of the subcommittee and commend them for their special attention to a very inexpensive but far-reaching, nationwide program along this line.

Mr. FULBRIGHT. Mr. President, I associate myself with what the Senator from Mississippi has said. I, too, thank the chairman and other members of the committee for what they have done by providing $60,000 additional at Crossett and Harrison stations in Arkansas to provide for research in forestry.

I assure them that I am positive this is a good investment, one which will be returned many times over in the value of the increased production of the national forests alone. Moreover, the research will aid the private forests in that area many times over the amount which has been included in the bill.

I congratulate the committee. I think the country owes them a great debt for their foresight in enabling the natural resources to be preserved as will be done by this bill.

Mr. THYE. Mr. President, I associate myself with the remarks of the Senator from Mississippi and the Senator from Arkansas.

Minnesota, too, has a great land area which is suited to the growing of trees. We have a high rate of tree growth for pulpwood, forest products, and timber production. So I am always vitally interested in forest research activities. In fact, research is the new frontier of this era or this century.

More and more tree harvesting is being done because of the increased demand for timber products. So the future holds a vast opportunity for wise development, through research, of hybrid trees, if we will but set our minds to the responsibilities and the tasks.

The Bureau of Mines, also, conducts similar research projects. I refer specifically to the research facilities in the mining areas of northern Minnesota, where there are extensive mineral deposits. Taconite low-grade ore is locked up in the rocks. Thirty years ago it was thought to be an overburden, involving the expense of removal in order to reach the higher grade ore deposits. But now in northern Minnesota there are in the taconite field great iron ore developments, involving the crushing and pulverizing of the rock and the extraction of the mineral from the rock deposit. An industry is being developed which promises to continue into future generations.

All this has been accomplished by research. Therefore, every opportunity to develop the additional resources of our Nation through research should be encouraged.

That is why I am glad to join with the Senator from Mississippi and the Senator from Arkansas in paying tribute to the chairman of the Committee on Appropriations, the Senator from Arizona [Mr. HAYDEN], for the work he has done with respect to forestry development. The Senator from Arizona can be found in the Committee on Appropriations

room in the forenoon and afternoon, day after day, throughout the entire legislative session. He is one of the most energetic, hard-working Senators I know. I pay tribute to him. There is nothing which concerns him more than does research, because he knows that the opportunities in that field are unlimited.

Mr. HAYDEN. I thank the Senator from Minnesota, the Senator from Mississippi, and the Senator from Arkansas.

The budget estimate for research is $12,128,000. The committee recommends an appropriation of $16,728,000. The recommended increase of $4,600,000 will provide:

First, $2,600,000 for the strengthening of research programs throughout the country. I ask unanimous consent to have printed in the RECORD at this point the tabulation on pages 30 and 31 of the Senate report, setting forth the recommended increases for forestry research.

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

Project	*Recommended research program increases*
Forest genetics, seed and planting research:	
Gulfport, Miss. (genetics)	$70,000
Placerville, Calif. (genetics)	70,000
Rhinelander, Wis. (genetics)	70,000
Lake City, Fla	75,000
Marianna, Fla	15,000
Macon, Ga. (seed and nursery)	75,000
Bottineau, N. Dak. (shelterbelt planting)	35,000
Corvallis, Oreg. (seed orchards)	15,000
Subtotal	425,000
Timber management:	
Stoneville, Miss	75,000
Alexandria, La	75,000
Crossett, Ark	60,000
Harrison, Ark	60,000
Columbia, Mo	75,000
Charleston, S. C	60,000
North Carolina (Bent Creek and Statesville	50,000
Virginia (Piedmont)	60,000
Grand Rapids, Minn	60,000
Carbondale, Ill	35,000
Warren, Pa. (Kane Experimental Forest)	50,000
Lebanon, N. J	40,000
Berea Research Center, Ky	30,000
Subtotal	730,000
Range management and wildlife habitat research:	
Fresno, Calif. (San Joaquin Range)	35,000
Boise, Idaho (for cheatgrass range)	30,000
Grand Junction, Colo	15,000
Washington, D. C. (recreation-wildlife habitat)	12,000
Subtotal	92,000
Watershed management research:	
Arizona (mixed conifer area)	60,000
La Crosse, Wis	60,000
Laramie, Wyo	60,000
Glendora, Calif. (San Dimas)	60,000
Franklin, N. C	20,000
Oxford, Miss	20,000
Columbus, Ohio	20,000
Albuquerque, N. Mex	40,000
East Lansing, Mich	50,000
Subtotal	390,000

Project—Continued

	Recommended research program increases
Forest fire research:	
Missoula, Mont	$100,000
Macon, Ga	100,000
Subtotal	200,000
Forest insects research:	
Albuquerque, N. Mex	50,000
East Lansing, Mich	25,000
Dutch elm disease in New England	18,000
Subtotal	93,000
Economic research: Feasibility survey of a newsprint pilot papermill to utilize low-quality hardwoods	20,000
Forest utilization research:	
Forest Products Laboratory, Madison, Wis	100,000
Carbondale, Ill	50,000
Subtotal	150,000
Total, research program and urgent facilities	2,100,000

Mr. HAYDEN. Mr. President, the recommended increase will provide, second, $2,500,000 for the construction of needed research facilities at Gulfport, Miss.; Placerville, Calif.; Rhinelander, Wis.; Grand Rapids, Minn.; Lake City, Fla.; Rapid City, S. Dak.; Missoula, Mont.; and Columbus, Ohio.

With a few minor modifications, the research program recommended by the committee is the one recommended to the committee by the Senator from Mississippi [Mr. STENNIS], who is a member of the National Forest Reservation Commission. He made an extensive tour of the national forests following the last session of Congress, and subsequently presented to the committee a program for the expansion of forest research. The committee found this program to be a very reasonable one; and, as I have stated, the committee adopted it with only minor changes.

At the hearing, when the Assistant Secretary of Agriculture was present, I made the following statement:

> This increasing trend in timber-sales receipts does not surprise me. When Secretary Benson first took office, I wrote him a letter and told him that it was my opinion that if steps were taken to offer additional timber for sale that it would not be long before such receipts reached $100 million.

At that time these receipts were about $65 million a year.

I further stated:

> It is my understanding that in the fiscal year 1956 these receipts were $110 million, so my prediction was correct.

In other words, when we make appropriations of this kind, we are providing for a better development of our natural resources, and you will get your money back. In this case our money comes back in the form of increased timber receipts.

Mr. CASE of South Dakota. Mr. President, will the Senator from Arizona yield to me?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Arizona yield to the Senator from South Dakota?

Mr. HAYDEN. I yield.

Mr. CASE of South Dakota. I should like to add a word of appreciation for the consideration the chairman of the committee and the committee gave to the item of research facilities for our timber resources. I should also like to express my appreciation of the consideration given for the saline water research program.

I note that the committee has allowed the amount of the budget estimate, thus restoring the amount of the reduction made by the House of Representatives. Because I believe that, likewise, great returns will be received by the country from it, I believe it important that this item be included.

Mr. HAYDEN. I thank the Senator from South Dakota.

Mr. WILLIAMS. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. WILLIAMS. In connection with the item on page 3, dealing with the "Acquisition of Strategic Minerals," I wonder whether that was recommended or requested by the Department.

Mr. HAYDEN. It was not recommended by the Department, but there is authority of law for it.

The amendment provides for an appropriation for necessary expenses in carrying out the provisions of the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956. It is estimated that approximately $2,318,000 will be required for the fluorspar program, and the remainder will be required for the asbestos program.

I understand that on Monday of this week the Secretary of the Interior appeared before the Senate Committee on Interior and Insular Affairs and recommended a new program for our domestic mineral producers.

These funds would implement the asbestos and fluorspar provisions of the existing law which terminates on December 31, 1958.

Mr. WILLIAMS. Although I know the Secretary of the Interior did make such a recommendation, it is my understanding that it has not been evaluated by the committee. Some of us may feel that the recommendation goes too far, although the Congress as a whole may decide to follow it.

Nevertheless, it is my understanding that the adoption of this amendment would have the net effect of partially extending the procurement of these strategic minerals, even without the adoption of any legislation.

Mr. HAYDEN. There is authority of law for it; and if this amendment were to go out on a point of order, I would immediately offer an amendment calling for the appropriation of the money, since it is authorized by law.

Mr. WILLIAMS. But the use of the unobligated balance would not then be provided for.

Mr. HAYDEN. That is correct. A point of order would lie against the use of the unobligated balance, but not

against appropriations of money authorized by existing law.

Mr. WILLIAMS. But we could stop the use of the unobligated balance, and can let that money revert to the Treasury; and we could stop the expenditure of it beyond the period which this bill authorizes.

Mr. HAYDEN. I may say, in respect to fluorspar, that it is found in many places in the United States, but principally in southern Illinois. At the hearings before our committee, the Senator from Illinois [Mr. DIRKSEN] stated that information had been given to him that flourine is one of the elements which is highly essential in the missile program; that there will be a tremendous demand for it. So his argument was that we should develop our own domestic fluorine resources rather than depend upon foreign sources.

Mr. WILLIAMS. That may well be; but I think that should be established at the hearings on the bill which is being recommended by the Secretary, and that we should at least have the recommendations of the departments.

Therefore, pending the receipt of that information, I shall be constrained to make a point of order against this portion of the bill; and I would oppose the committee amendment.

Mr. HAYDEN. The Senator from Delaware may have forgotten it; but he made a similar point of order once before on the availability of those funds. If the Senator from Delaware does make the point of order, I shall offer an amendment, namely, that the amount of money required for this program, which is authorized by law, be appropriated.

Mr. WILLIAMS. Mr. President, I make the point of order that the committee amendment on page 3, beginning with line 10, and continuing through line 21, inclusive, is not in order, by virtue of the fact that it constitutes legislation on an appropriation bill.

Mr. HAYDEN. Mr. President, I concede the point of order.

I send to the desk an amendment and request its immediate consideration.

Mr. WILLIAMS. Mr. President, I request a ruling on the point of order.

Mr. HAYDEN. I concede the point of order.

The PRESIDING OFFICER. (Mr. McNAMARA in the chair). The Chair sustains the point of order of the Senator from Delaware that the amendment constitutes general legislation on an appropriation bill.

The amendment submitted by the Senator from Arizona will be stated.

The LEGISLATIVE CLERK. On page 3, after line 9, it is proposed to insert the following:

ACQUISITION OF STRATEGIC MINERALS

For necessary expenses in carrying out the provisions of the "Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956" (70 Stat. 579), exclusive of section 2a, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $3,200,000, to remain available until December 31, 1958.

Mr. WILLIAMS. Mr. President, in opposition to the committee amendment, I merely point out that it provides for the appropriation of $3,200,000 for the purchase of so-called strategic minerals, not any of which has been recommended by the departments. In fact, on various occasions the representatives of the departments have testified before the committees, and have said they do not need these minerals and, that they already have adequate reserves in the stockpiles.

Until such time as a need for these minerals has been established and until representatives of the departments charged with carrying on the programs have appeared before the Congressional committees and have recommended the acquisition of these minerals, I believe it would be unwise for this money to be spent for a program which, as I have said before, obviously is not needed for the purpose for which it is proposed that the funds be appropriated.

Mr. HAYDEN. Mr. President, I cannot agree with the Senator from Delaware, because both items are needed.

The asbestos program involves the development of deposits of high-grade asbestos which are free from iron and other minerals. We need a domestic source of this mineral. At the present time 90 percent of our consumption is from foreign sources.

From the testimony given by the Senator from Illinois [Mr. DIRKSEN], I am convinced that the fluorspar is particularly important to our national defense.

Mr. DWORSHAK. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. DWORSHAK. I think the Senator from Delaware is primarily concerned with whether any additional funds are provided for the acquisition of tungsten by the Government. Can the Senator from Arizona give the Senator from Delaware some assurances on that point?

Mr. HAYDEN. Not a cent of this money is for the acquisition of tungsten.

If the pending amendment is agreed to, the bill as thus amended will read in part as follows:

For necessary expenses in carrying out the provisions of the "Domestic Tungsten, Asbestos, Fluorspar and Columbium-Tantalum Production and Purchase Act of 1956" (70 Stat. 579), exclusive of section 2 (a).

Section 2 (a) is the tungsten section of Public Law 733.

Mr. WILLIAMS. I recognize that point. However, several years ago I incorporated in the CONGRESSIONAL RECORD a statement from the General Services Administration and statements from Mr. Flemming and from the Secretary of Defense and from representatives of various other departments, all of whom said none of these minerals were needed; and their statements at that time included fluorspar as not being needed.

Mr. HAYDEN. But the situation has changed somewhat since then.

Mr. WILLIAMS. It may have. If so, why have not representatives of the departments appeared before our committees and so stated?

As of this moment, it is my understanding—and if I am in error, I wish the Senator from Arizona would correct me—that at the present time no responsible agency of the United States Government which has charge of the defense or stockpiling programs has been before the committee and has said this is needed for the national defense, or has said that our stockpiles were inadequate. I do not think favorable testimony on this matter has been submitted either to the Appropriations Committee or to any other Congressional committee.

It is true that testimony was given earlier this week in favor of a broad support program for certain minerals. But it was described as a support program to boost the economy, and not to bolster the national defense. I shall have more to say on that proposal later. I repeat that, to my knowledge—and if I am in error, I wish the Senator would correct me and tell me how I am in error—there has been no testimony from any responsible agent of the Government having charge of our stockpiling program or of our defense that there is a need for it in our national stockpiling program.

Mr. HAYDEN. I may point out that it is designed to preserve two industries badly needed in the United States. One has to do with the development of asbestos, particularly on the Pacific coast, where high-grade asbestos is found. The other has to do with the development of fluorspar, which is a source of fluorine, which, according to testimony presented to our committee by the Senator from Illinois, is highly essential for our national defense, and will be in great demand. I think Senators should take cognizance of the fact that there is a need for domestic sources of these two minerals, aside from the stockpiling program.

Mr. WILLIAMS. I respect the testimony before the committee by the various Senators. I do not question their sincerity. But I repeat my question: Has there been any testimony before the Senator's committee or any other committee of Congress by any agency or any official in charge of our defense or our stockpiling program who has stated this program is needed?

Mr. HAYDEN. Let me say what I said before: This is not presented as a stockpiling program.

Mr. WILLIAMS. I appreciate that. I go back to my original contention that, on the contrary, there has been a lot of testimony before the committees that it is not needed. Mr. Fleming went so far as to say it would be a waste of the taxpayers' money. I agree with him.

Mr. HAYDEN. The Secretary of the Interior has testified time and time again that it is in the national interest to develop our domestic sources of these minerals.

Mr. WILLIAMS. Any Senator voting against the appropriation certainly is not voting for abandonment of the industries. We have many industries in this country which are in dire need of help and could stand an appropriation of a few million dollars. The mere fact that we are not appropriating to help an industry which needs money does not mean we are trying to abandon it or eliminate it.

I repeat, I understand there has been no testimony for this program on the

part of any responsible agency of government. On the contrary, there has been repeated testimony by officials saying it is not needed. I close my argument by agreeing with their statement that such an appropriation would be a complete waste of the taxpayers' money by paying for a program for which there is no need.

Mr. HAYDEN. I am sorry, but I do not agree.

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

Mr. HAYDEN. I yield to the Senator from Minnesota.

Mr. THYE. I was present in the committee hearings when this question arose. The committee discussed it. I feel perfectly justified in supporting the committee's action. I supported it at the time the committee gave consideration to it. There is no question in my mind that the development of fluorspar is desirable, and, indeed, is necessary. We are certainly in need of it. It is a proven fact that we must import fluorspar. If fluorspar is deposited anywhere in this country, as we know it is in southern Illinois, it should be developed.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona [Mr. HAYDEN].

The amendment was agreed to.

Mr. DWORSHAK. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. DWORSHAK. As a member of the subcommittee handling the Interior appropriation bill, I am fully aware of the profound understanding of the chairman of the subcommittee, who also is chairman of the full Appropriations Committee, and of his interest in the conservation and development of natural resources, primarily in the public land States of the West. I think the increased funds for the management of, and the various programs within, the Forest Service will prove most beneficial in many ways, particularly in increasing revenues through the building of access roads and making available recreation facilities through the Operation Outdoors program.

I am in hearty accord with that program and the impetus which will be given the Forest Service in the development of those programs.

The chairman of the subcommittee has also offered an amendment, which has received approval, providing expanded funds for the construction of Indian schools on reservations—boarding schools and day schools. I have some doubt in my mind as to whether the initiation of this expanded construction program will mean a reversal in the general educational program which has been sponsored during the past decade by the Bureau of Indian Affairs. I am sure the Senator approves efforts have been made to integrate the education of Indian children in the public schools of our Nation, in order to provide contacts and to better qualify Indians to assume their full responsibilities. I know the Senator is aware of that policy. I should like to have some assurances from him, at a time when we hear so much about integration, and as we recognize the equity and fairness involved in providing adequate educational facilities for our Indian children, that there is no Congressional intent to reverse this policy by keeping the Indian children in schools on reservations and out of the public schools of our country.

Mr. HAYDEN. Only yesterday I talked with the Commissioner of Indian Affairs. That is the last thing in the world he would want done. I think he is prouder of the efforts he has made and the support he has had from Congress in building dormitories in towns, such, for example, as Gallup, Holbrook, Winslow, and other places, where Indian children who are old enough to be separated from their families can be placed in dormitories and then go to public schools. There they learn as much on the playgrounds as they do in the schools. That is where they get a working knowledge of the English language. The Commissioner of Indian Affairs expressed great pride in the accomplishment of his administration.

The largest increase recommended by the Committee is for the construction program for the Bureau of Indian Affairs. The budget recommended $13 million, and the House allowed $13,800,000, and the committee recommends $40,526,000—an increase of $27,526,000 over the budget estimate. Of the total recommended, $36,758,000 is for the buildings and utilities program and the balance of $3,768,000 is for the construction of irrigation systems.

Last year the Department of the Interior presented to the Congress a 10-year program for the construction of education facilities that was designed to provide for adequate schools and related facilities for all Indian children of school age. For the current fiscal year this plan called for a buildings and utilities program totaling $17 million, and only $11 million was appropriated. For fiscal 1959 the program calls for $38 million, and the budget recommends only $10 million.

Mr. President, I ask unanimous consent to have printed in the RECORD the tabulation on page 297 of the Senate hearings, setting out the requirements for this program.

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

The long-range construction program for buildings and utilities contemplated appropriations in a 10-year period as follows:

1958	$17,100,000
1959	38,000,000
1960	51,000,000
1961	43,500,000
1962	46,000,000
1963	46,000,000
1964	64,500,000
1965	64,500,000
1966	71,700,000
1967	66,200,000
1968	34,000,000

Mr. HAYDEN. Mr. President, it is the view of the committee that this program should be continued substantially in accordance with the original schedule presented. Therefore, an additional $27.7 million is recommended.

Much has been said about the termination of Federal supervision over Indians, and I think it is desirable when the individual tribes are ready for such action. However, if we are to have Federal termination we will have to provide education for Indian children.

At the present time 8,000 Indian children of school age are not attending school because of the lack of adequate facilities. The budget estimate would provide accommodations for only 506 additional. The increase recommended by the committee will provide for 3,500 additional seats.

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

Mr. HAYDEN. I yield.

Mr. DWORSHAK. Then the distinguished Senator from Arizona approves of the policy which has been effective for several years, does he?

Mr. HAYDEN. Absolutely.

Mr. DWORSHAK. Wherever possible, Indian children should be enrolled in the public schools to help them to be indoctrinated with Americanism, and to make it possible for them to know the customs of the American people.

Mr. HAYDEN. An Indian child who goes to a public school and who associates with English-speaking children acquires knowledge of the language he could not get in any other way, and acquires it faster.

Mr. DWORSHAK. Those contacts and associations instill confidence in the Indian children, and encourage them to leave the reservations and seek employment, thereby becoming full fledged American citizens.

Mr. HAYDEN. The Indian children find they can successfully compete in the classroom with the white children, and that gives them confidence to go out to successfully compete with white men anywhere.

Mr. DWORSHAK. Mr. President, will the Senator yield further?

Mr. HAYDEN. I yield.

Mr. DWORSHAK. So far as the State of Idaho is concerned, all of the Indian schools on reservations have been closed down for several years. I am sure splendid progress has been made by the enrolling of our Indian children in the public schools, giving those Indian children the same educational opportunities which are available to young white Americans.

Mr. HAYDEN. In my judgment the best money we have spent, so far as Indian education is concerned, is the contribution we have made to the States to provide for the education of Indian children in the public schools.

Mr. MUNDT. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. MUNDT. I am glad the Senator from Idaho raised the question, because it is in line with the tenor of the discussion which we had in the executive session of the committee at the time we approved some of the substantial items relating to the education of Indian children. The discussions in the executive sessions of the committee were not a matter of public record and are not in print. I think it is desirable, therefore,

that to review the legislative history, which the Senator from Idaho in his colloquy with the distinguished chairman of the committee has so firmly established.

It is the desire of our subcommittee, and I am sure of the Senate and of the Congress, in making the additional money available for the education of Indian children, to have it used with complete consistency with the splendid program being promoted so aggressively and effectively by Commissioner Glenn Emmons, which contemplated that wherever possible there be a commingling of the Indian children with the white children of the area, and that wherever possible contracts be entered into with States or local school districts for that purpose. In some instances perhaps, the Federal Government will provide the building, and the State or local school district will provide the educators, or sometimes the facilities. It is felt that the schools should be open to the Indian children and open to the white people in the area. The legislation is intended to be written with sufficient flexibility so that the Indian Bureau can utilize its ingenuity and administrative capacity to make the schools in the Indian areas function in such a way as to help the Indian children primarily and essentially by making schools available so that white and Indian children can study together.

As the chairman of the committee pointed out, in some instances the program takes the form of providing dormitories for Indian children in white communities, where the Indian children will have a place to stay and eat, but will be able to go to school with the white children. In some places, it is necessary to erect a school building in cases where there can be a joint arrangement to provide the necessary finances.

Throughout every single appropriation for the education of Indian children and for the construction program, the whole emphasis is upon assuring a continuation of the policy of the Indian Bureau, under Glenn Emmons, to provide for the commingling of the races, the Indians and the whites, because we have found inevitably, when that is done, the Indian children advance much more rapidly.

I am sure the chairman of the committee will agree that the legislative history we are making is a correct summation of our thinking out loud in the executive session of the committee when we considered these matters.

Mr. HAYDEN. The Senator has stated the facts as I understand them to be.

Mr. MUNDT. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. CASE of South Dakota. I express again my appreciation of the enlightened position taken by the subcommittee of the Appropriations Committee with regard to the education of Indian children. I think we are making progress in that regard.

The principle of encouraging the Indian children to commingle with the white children, or to take their schooling in the regular day schools, is a good one. As evidence of the principle which is involved, I might recite the testimony in regard to my own State which was given a few years ago, by an experienced educator in the Indian school field.

For a number of years in the Indian schools there was a separate and special course of education. It was developed by some person who worked in the Bureau of Indian Affairs, supposedly with the idea of serving the Indians. It was a course of education which was designed to keep the Indian children Indians, so to speak. I personally did not believe in it.

Indian parents who had many children, some of them going to white schools and some to Indian schools, reported to me that their children who mingled with the white children, getting the regular course of study, seemed to do better.

The matter came to a head in connection with an Indian boy I appointed to the Naval Academy at Annapolis. It was found that although he was able to enter the Academy there were certain deficiencies in his fundamental A B C's as a result of having attended Indian schools. This was a great handicap. Although he was a very capable and a very popular boy he was not able to keep up with his work at Annapolis. Eventually he left the Academy. He went into the Marine Corps and got his wings. He became a first lieutenant in the Marine Corps.

I talked with the mother of the boy afterward, and she wanted to know why the boy could not keep up with the scholastic requirements at the Naval Academy, even though he was able to establish his personal ability when he went into the Marine Corps. I explored that matter. I talked with an Indian mother who had 10 children, 4 of whom had gone to the white schools and 6 of whom had gone to other schools. The mother told me there was no difference in the opportunities the children had at home, but that the children who had gone to the white schools did better.

As a result, I introduced a bill to make it possible for the South Dakota course of study to be taught in the Indian schools where a majority of the parents or the patrons of the school desired to have that done. The bill was resisted at the time by the Bureau of Indian Affairs. I had introduced the bill on a general basis. Finally it was agreed that the bill might be approved if its application were restricted to South Dakota. I accepted that as a compromise.

As a result of the legislation, referenda were instituted in many schools. I was interested in hearing the statement of Mr. Newport, who was for a number of years the superintendent of the Indian School System at the Rosebud and Pine Ridge Indian Agency. Mr. Newport told me that in every single case where a referendum was instituted the parents of the children voted to have the South Dakota course of study used in preference to the one which had been carried on for some time by the Indian Bureau. The parents wanted the children to be able to mix in the community and not feel they were handicapped, a feeling they had when they received a different and a sort of specialized type of education. The result was that the South Dakota course of study has been largely used in the Indian schools.

I cite that as an illustration of the soundness of the principle to which the committee has indicated its preference by providing for dormitories or other facilities, so that the Indian children, as soon as they reach a proper age or have the facilities, can follow a regular course of study. I think that is the proper approach.

Mr. HAYDEN. I thank the Senator for his comments.

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

Mr. HAYDEN. I yield.

Mr. PROXMIRE. Mr. President, I desire to commend warmly the Committee on Appropriations, and especially the distinguished chairman of the committee, for forward-looking vision in the work on the appropriation bill for the Department of the Interior and related agencies. The bill represents a responsible and constructive regard for wise development and utilization of our natural resources.

I am particularly interested, from the standpoint of my State, in the wise consideration that is shown to forestry research. Wisconsin's forests were her first great natural resource; they have been depleted to a large extent by the present time, but with good management and careful development, forest industries can be greatly magnified in importance to our overall economy, to the great benefit of the entire Nation.

The appropriation bill provides for the first step toward realization of my proposal for a pilot-plant newsprint mill to utilize low-quality hardwoods for producing newsprint paper.

I have introduced a bill to authorize establishment of a demonstration pilot-plant papermill project, to be carried out by a commercial paper manufacturing firm in cooperation with Forest Service scientists. This pilot-plant project would work out the final details, in actual commercial-scale operation, of the new process for manufacturing newsprint from low-quality hardwoods. It would open the door for widespread use of this abundant Wisconsin resource, for which there is now little or no market.

The Appropriations Committee's recommendation of funds to finance a preliminary feasibility survey of such a project will greatly shorten the time that would be needed to get such a project under way and into actual operation once it has won final Congressional approval.

This bill also permits vast improvement in the operations of three important forestry research projects in Wisconsin—the Northern Forestry Genetics Institute at Rhinelander; the watershed management research project in southwestern Wisconsin, headquartered at La Crosse; and the Forests Products Laboratory in Madison.

The Northern Forest Genetics Institute at Rhinelander is given a far greater opportunity to operate than the administration permitted. The bill provides $200,000 for construction of research facilities at the Rhinelander Institute; no funds for this purpose were proposed by the administration. And the bill provides $105,000 for actual research work at the Rhinelander Institute—an increase of 200 percent above the administration's recommendation of only $35,000.

The science of forest genetics might completely transform our northern forests. Scientists believe that spectacular improvements in rate-of-growth, quality, and disease and insect resistance of forest trees can be achieved by genetics research. One has only to consider the tremendous improvements made in corn during the last few decades as a result of scientific genetics work, for example, to appreciate the possibilities.

The bill provides $400,000 for construction of an urgently needed new heating plant at the Forest Products Laboratory in Madison, and $100,000 more than the administration requested for salaries for scientific and technical personnel at the Forest Products Laboratory.

The bill greatly expands the opportunity for forestry research in connection with watersheds in the hilly, unglaciated area of southwestern Wisconsin. Forestry management in the region is directly tied in with its unusually severe flood-control problems. The increase for this project from $15,000 to $75,000 will permit a real start to be made on this important project.

I very much thank the distinguished chairman of the committee.

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

Mr. HAYDEN. I yield.

Mr. HUMPHREY. I wish to join my colleagues in thanking the distinguished chairman of the Appropriations Committee and members of the committee for their foresight, and for what I believe is their prudent allocation of much needed funds.

I was particularly pleased to note that in connection with the National Park Service the committee recommended a substantial increase in terms of construction funds for the National Park Service program. I have always taken an interest in our national parks. I intend to visit one or more of them this year again, as a citizen, as a head of a family, as a dad with his sons and daughters.

Mr. HAYDEN. Mr. President, the committee recommendation of $24 million for the construction program of the National Park Service is an increase of $11,600,000 over the budget estimate of $12,400,000. It is the view of the committee that the sum recommended is required in order to continue the 10-year development program—known as Mission 66, for our national parks.

Of the total recommended, $22,406,000 is for the construction of buildings and utilities and the balance of $1,593,200 is for the acquisition of lands and water rights.

Mr. President, I ask unanimous consent to have printed in the RECORD the tabulation on page 70 of the Senate hearings setting forth the 1959 requirements to continue the Mission 66 program.

This tabulation indicates that a building and utilities program of $22.3 million is required, and the committee has recommended a program totaling $22.4 million.

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

NATIONAL PARK SERVICE

Tabulation showing amounts needed in 1959 fiscal year to keep Mission 66 on schedule

	Budget allowance, 1959	Original estimate, 1959	Difference
Management and protection	$14, 632, 000	$17, 200, 000	$2, 568, 000
Maintenance and rehabilitation of physical facilities	12, 000, 000	12, 750, 000	750, 000
General administrative expenses	1, 330, 000	1, 525, 000	195, 000
Construction:			
Buildings, utilities, and other facilities	10, 806, 800	22, 318, 800	11, 512, 000
Acquisition of lands and water rights	1, 593, 200	2, 181, 200	588, 000
Subtotal	40, 362, 000	55, 975, 000	15, 613, 000
Construction (liquidation of contract authorization):			
Parkways	9, 782, 000	16, 000, 000	6, 218, 000
Roads and trails	12, 218, 000	16, 000, 000	3, 782, 000
Subtotal (liquidation of contract authorization)	22, 000, 000	32, 000, 000	10, 000, 000
Total, National Park Service	62, 362, 000	87, 975, 000	25, 613, 000

Mr. HUMPHREY. Let me say to the chairman of the committee that this is a great public service, and one which people everywhere will deeply appreciate.

I also thank the Senator for the appropriation for the Bureau of Mines laboratory construction, which means so much to the State of Minnesota, to the Middle West, and to the Nation, as a whole. This particular laboratory has been an item of interest to me as long as I have been a Member of the Senate.

I have also noticed that the funds for Federal grants-in-aid to State nurseries were increased to the amount which was available last year and for the current fiscal year. This is very desirable. We are finding that one of the great shortages in the conservation-reserve program sponsored by the Department of Agriculture is in respect to trees and saplings. The State nursery program is a vital part of our total reforestation effort.

I note from the report that there was an increase of $200,000 in the item for the Lake States Forestry Laboratory at Grand Rapids, Minn. This is of great importance to our forest program and our timber program.

I also note that funds for the Quetico-Superior National Forest land purchases in the wilderness area provide another $300,000. The gratitude of every conservation group in America goes out to the committee for its foresight, because the Quetico-Superior area is one of the few virgin timber areas on the continent, and we hope to be able to develop the Quetico-Superior program to its full completion.

I thank the Senator and the other members of the committee for their helpfulness.

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

Mr. HAYDEN. I yield.

Mr. NEUBERGER. I wish to join the Senator from Minnesota and the Senator from Wisconsin in their observations with respect to the sums provided for in the Interior Department appropriation bill regarding related agencies, such as the Forest Service.

I also desire to add what seems to me a very pertinent and important fact. I believe that our debt to the chairman of the Appropriations Committee and his associates is heightened by the circumstance that in recent years the Soviet Union has been undertaking what may possibly be the most comprehensive program of resource development ever planned in any country in history.

As a member of the Committee on Interior and Insular Affairs I was startled—and I know my colleagues shared the amazement—by what we were told by Gen. E. C. Itschner, the Senator from Louisiana [Mr. ELLENDER], and others who have returned from European Russia and Siberia, about what the Soviet Union is undertaking with respect to its waters, forest resources, minerals, and all the other vast resources of a nation the area of which is 2½ times greater than that of the United States plus Alaska.

So when we preserve the resources of the United States, we are conducting programs not only for our own benefit, but for the benefit of the entire Free World.

I was particularly pleased that $1.5 million was added for reforestation and stand improvement in the Forest Service. This is of special importance to the State of Oregon, which has the most valuable national forests in the country, and in which more lumbering is done commercially than anywhere else in the Nation.

In addition, I was delighted—and I am sure other Senators from Western States share my gratification—that the Appropriations Committee added $3 million to Operation Outdoors. Earlier the distinguished chairman of the committee referred to Mission 66 in the National Park Service. If I am not mistaken, Operation Outdoors is to the national forests what Mission 66 is to the national parks. Operation Outdoors seeks to improve campgrounds, trails, shelters, picnic grounds, and other areas in the national forests where people can find recreation.

Mr. HAYDEN. In that connection, the recommendations of the committee include $11,020,000 for the development and maintenance of recreational and public use areas in the national forests, which is an increase of $3 million over the budget estimate.

In reporting the Department of the Interior and related agencies appropriation bill for fiscal year 1957, the committee made the following statement in

its report—Senate Report No. 1772, 84th Congress:

The committee has recommended funds to initiate a long-range program for the improvement of the national parks. It is the view of the committee that the Forest Service should present a program of this nature, and that funds to implement such a program should be submitted to the Bureau of the Budget for consideration in the budget for fiscal year 1958.

Such a program—known as Operation Outdoors was submitted to the Congress.

During the course of the hearings I discussed this program with officials of the Forest Service and they pointed out that the planned program included $11,500,000 for the current fiscal year and only $8,020,000 was appropriated; that for fiscal 1959 the program called for $15,500,000 and the budget included only $8,020,000.

If we are to continue this program it is imperative that additional funds be provided. During last year there were 61 million visitors to these recreational areas in the national forests, and the number continues to increase annually.

Adequate facilities, such as water and sanitation, must be provided. Also it is essential from the standpoint of management and protection of the forests that we have these developed areas.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the tabulation on page 526 of the hearings.

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

Operation Outdoors—Recreation-public use comparison of planned program with available funds

	Planned program	Amount available	Difference
Fiscal year 1958	$11, 500, 000	$8, 020, 000	−$3, 480, 000
Fiscal year 1959	15, 500, 000	8, 020, 000	−7, 480, 000
Total	27, 000, 000	16, 040, 000	−10, 960, 000

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

Mr. HAYDEN. I yield.

Mr. NEUBERGER. I believe that even more people visit the national forests today than visit the national parks.

Mr. HAYDEN. My information is that the number is about the same.

Mr. NEUBERGER. I should like to ask one further question with respect to the amount added to the appropriation for Operation Outdoors. Was it the thought of the chairman of the committee that in programing the locations where funds are to be spent, some consideration should be given to the local unemployment factor, in distinguishing between two areas of equal recreational importance?

Mr. HAYDEN. I believe it would be proper for the Forest Service to do that. There are not only some differences in situations, but I believe the Forest Service is fully aware of where the money can be best used at this time.

Mr. MUNDT. Mr. President, I should not want the record to go unchallenged too far in that regard, because that was not primarily what the committee had in mind in connection with Operation 66 and Operation Outdoors. We were essentially interested in deriving the greatest conservation value for the dollar. Everything else being equal, I would say the situation described by the Senator from Oregon might come into the picture. However, this is not a boondoggle operation. This is not an antidepression measure. This matter can stand on its own bottom in all time to come from the standpoint of advancing the conservation resources of the country and the improvement of the great outdoors recreation areas, whether in periods of depression or prosperity. The project is not to be considered as a depression relief measure, or anything like that.

Mr. HAYDEN. The Senator has exactly expressed the attitude of the committee in that regard.

Mr. NEUBERGER. That is my attitude also. I became interested in Project 66 and Project Outdoors even before I became a Member of the Senate, and before the names describing the projects came into existence.

Mr. MUNDT. I began advocating such projects even before I heard of Operation 66 and Operation Outdoors.

Mr. NEUBERGER. My question to the chairman specifically referred to two areas of equal recreational importance.

I recognize that the primary purpose of the fund is to improve national parks and national forests, for the benefit of people who wish to camp and hunt and fish and hike, and do all the other things which can be done in the great outdoors and in the wilderness. My question specifically referred to two projects of equal recreational importance.

Mr. MUNDT. I do not wish to have any misunderstandings; with reference specifically to recreation, the committee stood mute. We were interested primarily in conservation.

Mr. HAYDEN. Undoubtedly the Forest Service could take that factor into consideration.

Mr. NEUBERGER. That is what I thought the answer of the chairman of the committee would be, and it is the only answer that could properly be given to my question. There are undoubtedly areas of equal recreational importance, one being an area where there might be a vast labor surplus force, in which a great many people could be put to work in improving trails and campsites, and so forth.

The greatest program ever undertaken in the national forests, according to the chief of the Forest Service, particularly with respect to recreation, was the Civilian Conservation Corps in the 1930's. It was begun primarily to get jobless boys off the streets of our great cities. However, it resulted in the greatest expansion that has ever occurred in outdoor activities, particularly in the Western States. Therefore, that factor has not been disregarded. That is a part of the history of our country during the past quarter century. I believe the RECORD should show that.

Mr. MUNDT. The RECORD should also show that there is not the remotest relationship between the CCC program and the determination of our committee to advance, as far as and as fast as we can, in the direction of sound national conservation at this time.

We did not construe the proposal, and I will not construe it, whether we may have more prosperity or less prosperity, as primarily an economic measure. This is something the country needs, and needs badly, at any time. I would not wish the record even remotely to indicate that our judgment in this connection was influenced because we expected to do more conservation work in depressed areas, and less in areas which were not depressed. I say that because I doubt whether even a Solomon, if he could be reincarnated, and were made the Chief of the Park Service or Forest Service, could find two situations where things were completely equal. If it were possible to reincarnate Solomon, and he could find such equal situations, then I would agree it would be wise for him to spend the money first in the area which was depressed. However, I do not believe that we can produce a Solomon, in or out of Government.

Mr. NEUBERGER. I am pleased, at least, that the Senator from South Dakota should offer such a suggestion, provided we could reincarnate Solomon. I would remind the Senator that he has been placing in the CONGRESSIONAL RECORD, of late, editorials and speeches on the subject of how prosperous South Dakota is. I, along with my distinguished senior colleague, represent the State of Oregon which unfortunately, for the past 4½ years has had, winter after winter, virtually the highest unemployment rate in the Nation.

Therefore, we may have a slightly different perspective on what it means when there are thousands of people in a State out of work, who have exhausted their unemployment benefits, and do not know where they can get any more work, or where they can get any shelter for their families. Therefore, we might have a different idea of what joblessness means.

Mr. MUNDT. I am happy that South Dakota should enjoy a period of prosperity.

Mr. NEUBERGER. I am happy also for South Dakota.

Mr. MUNDT. I regret that the State of Oregon is not so fortunate at the present time. However, I wish the RECORD clearly to show that, despite the prosperity in the State of South Dakota and the temporary unhappy situation in the State of Oregon, the program we are discussing is nationwide. It is a conservation program. It is no part of a leaf-raking or CCC program, and has nothing to do with an antidepression program. I hope that next year both Oregon and South Dakota will be equally prosperous.

Mr. NEUBERGER. We share that hope.

Mr. MUNDT. And we hope that Congress will continue to expand the conservation program.

Mr. NEUBERGER. I have several other questions which I should like to ask of the distinguished chairman of the committee. I note that the bill contains an item of $3,750,000, which has been

added for structural improvements, including housing, to make a total of $12,360,000. Is it the opinion of the chairman that some of this additional money can be used for new housing, as well as for lookout towers, warehouses, and other such facilities?

Mr. HAYDEN. The testimony before our committee demonstrated that it was highly essential in many places that the dilapidated living quarters be replaced by adequate housing. We cannot expect a young man who has completed his course in a forestry school and has qualified for a position of this kind, particularly a young married man, to go into the forest and live like a trapper. On the other hand, the quarters provided for are not expensive. They can be built reasonably, and it was the intention of the committee to include them, of course. As you know, the employees pay rent for the use of these houses.

Mr. NEUBERGER. I thank the Senator. The regional officials of the Forest Service in the Pacific Northwest have told me that outstanding graduates of schools of forestry have been discouraged from joining the Forest Service because such shabby housing facilities have been provided for them in the past.

Last Monday, April 28, I introduced, in cooperation with other Senators, a bill to expand forest research in cooperation with forestry colleges. Is it the opinion of the chairman that the Secretary of Agriculture could utilize some of the forest research money to enter into cooperative agreements with colleges of forestry in certain instances?

Mr. HAYDEN. There has been no testimony before our committee to that effect. I should not like to pass judgment on it without knowing more about it.

Mr. NEUBERGER. That subject has not been testified to before the committee?

Mr. HAYDEN. No.

Mr. NEUBERGER. I should like to ask the chairman several questions about the appropriations for forest access roads and trails, which are so important to the harvesting of the full allowable cut of national forest timber in the States where the forests are located. As a member of the Senate Public Works Committee, I was closely associated with the action which provided an increased authorization for 1959–60. Am I correct in understanding that the $27 million in cash recommended by the Committee on Appropriations will allow $34,664,000 worth of projects to be undertaken in fiscal year 1959 on forest roads?

Mr. HAYDEN. The Senator's figures are correct.

Mr. NEUBERGER. Am I also correct in assuming that the committee is not limiting the Forest Service in any way, and should it appear to be good business, the Forest Service can utilize during fiscal year 1959 part of the access-road money authorized for 1960, as provided by law?

Mr. HAYDEN. The law provides for it.

Mr. NEUBERGER. I am sure the chairman appreciates the fact that in order to provide the fully allowable timber cut, we must set up a road-construction program. Would it be the chairman's view, if the economic situation indicated it to be feasible, that we could move into the 1960 program during the next fiscal year?

Mr. HAYDEN. I do not know enough about the facts to answer that question definitely. However, the Forest Service does exercise good judgment as to what should be done in that respect. What has happened in the past is that the Department of Agriculture has never taken advantage of the contract authority it has under the Federal-Aid Highway Acts. When the Secretary of Agriculture was before our committee, he assured us that the Department would take advantage of the law and would do it immediately with respect to money made immediately available in the Highway Act that was just passed by the Congress. The Department of Agriculture is going to use its contract authority immediately. I think it will be a fine thing for the Department of Agriculture to, as the other departments do, utilize its contract authority, and not wait until they have the cash in hand before going to work.

Mr. NEUBERGER. I thank the Senator for his very helpful answers. I doubt if any program is more important to the Pacific Northwest than the program for access roads, which enable the harvesting of our national forest timber on a competitive basis which is fair to all operators, sawmills, and lumber companies.

I reiterate what I said earlier. I doubt that any other bill has been brought before the Senate in modern times which provides for such generous and wise conservation and development of our natural resources, as does the bill now before the Senate.

Mr. HAYDEN. I thank the Senator from Oregon.

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

Mr. HAYDEN. I yield.

Mr. MORSE. I wish to ask the distinguished chairman of the Committee on Appropriations a few questions concerning the bill for the purpose of making a legislative history. When I have finished asking the questions, I shall offer an amendment which does not call for any additional funds, and which I hope, after I have explained it, the chairman will see fit to take to conference, to see if in conference it will prove to be as meritorious as I think it is.

Before I ask the questions and explain the purpose of the amendment, I commend the Committee on Appropriations and its very able chairman for the real and significant increases which have been made over and above the Eisenhower budget. I say, with no flattery on my lips, that the leadership and statesmanship of the Senator from Arizona [Mr. HAYDEN] in the field of Senate appropriations both humble and inspire me. I am certain that no one in the history of the Senate has made a more brilliant record in being exceedingly fair, impartial, and judicious in handling the appropriation problems of Members of the Senate and the States which they represent than has the Senator from Arizona. We have but another example of that statesmanship in the form of the bill being considered this afternoon.

Congress has shown its awareness not only of the problem posed by the recession, but also of the need to preserve our natural resources and to develop them for the future.

I am particularly pleased because many of the increases which have been allowed in the bill are in line with the suggestions and recommendations of the two Senators from Oregon and with the recommendations shared by our colleagues in Congress.

I shall first discuss the Bureau of Land Management budget. A $2 million increase has been allowed by the committee. Funds which were transferred from certain activities for Alaska firefighting have been restored, and operations have been stepped up. Increases have been made in the construction program in the Bureau of Land Management budget which are vitally needed.

The Park Service budget and Mission 66 have received most careful consideration. Funds for improvement and protection have been restored by the Senate committee. Funds for the maintenance and rehabilitation of physical facilities have been increased above the budget estimate. These are vitally needed funds which will take care of expanded park use. The administration made a $5 million cut in the Mission 66 construction program. The Senate committee has not only restored the program to its previous level, but has increased it, from the administration's request of $12.4 million, to $24 million. The committee has provided the Senate with a detailed list of the projects typical of those which can be speeded up. It fully justified putting Mission 66 on an expanded basis rather than cutting it back. The committee has also authorized that the road and trail and parkway program go forward at fully authorized amounts.

The committee's action on the Forest Service has been most fair and understanding. Each and every program with which many of us have long been associated, has received fair consideration. The vital reforestation program has been increased by $1.5 million. Operation Out-Doors, which the administration cut back, has been placed back on schedule. Funds have been added for structural improvements, such as housing, lookouts, and warehouses. Insect and disease control and soil and water management have been accelerated. The committee has allowed $4,600,000 increase for forest research; $2,100,000 will go to strengthen research programs, and the balance will be spent for the construction of urgently needed facilities. While not one of these new facilities will be in Oregon, the results of the research that will be performed will benefit Oregon and every other State in the Union.

The committee has restored the cut which the administration proposed in the Clarke-McNary Act. We have 52 million acres in need of reforestation, and the administration proposed an 80-percent reduction in this program. The committee acted not only with wisdom, but with restraint.

I am particularly pleased by the committee action on forest roads and trails.

I had asked that this program be brought up to the full authorization, and the committee has done this. The result of getting this program up to par will be to the benefit of not only the national forests but also every person in the Nation who is in the market for a house. This one increase alone will do a tremendous amount to help put the national forests on a full production basis.

I cannot emphasize too strongly that this appropriation bill represents the attitude of our distinguished majority leader, who has determined that he will not sit by and wring his hands or make cheerful statements about the condition of our economy. This is a budget which is responsive to needs that exist. It is a budget which will put people to work now. It is a budget which will develop the Nation for the long-term growth of our economy.

At this point, I wish to ask the chairman of the committee for some information. Some of the people in my State have suggested to me that it would be vital to increase the funds available for timber sales administration and management with the expectation that there would be an increase in the salability of national forest timber. The committee is aware, of course, that these requests did not come until a few days ago. Therefore, I shall ask the chairman if he would entertain a supplemental appropriation later in the fiscal year if it should be determined that the Forest Service could sell substantially more timber than can be processed with the funds allocated under the budget now before the Senate.

Mr. HAYDEN. I think that would be fair and proper, if the facts are as the Senator has stated them, and they are corroborated by the Forest Service.

Mr. MORSE. I should want to have the facts established before the Senator's committee.

Would that also be the Senator's position with respect to the Bureau of Land Management budget?

Mr. HAYDEN. Yes. If a supplemental appropriation bill were to be considered by the Senate, and the facts justified such action as the Senator from Oregon is proposing, we would, of course, do what he requests. It would depend on what the facts were at that time.

Mr. MORSE. The burden of proof would be upon the two agencies concerned to present facts justifying the appropriation.

Mr. HAYDEN. Yes.

Mr. MORSE. I feel impelled to reiterate, in part, the colloquy I had last year with the Senator from Arizona, so that the new Director of the Bureau of the Budget and the Secretary of Agriculture can study the legislative history and be guided by it.

Last year, after Congress passed the appropriation bill, the Department of Agriculture impounded $1 million of the timber-access road money. Then the Department dribbled out the money with political announcements as though the administration had manufactured the money; as though Oregon's delegation in Congress were nonexistent, the notification being made first in the State to candidates for office, and subsequently to the Oregon delegation. But we are used to that, and I am good humored about it.

While, on the one hand, the myth of more money was being perpetrated, the President's budget requested only $23,099,000 for roads for 1959, while the previous year's budget had been $24,336,000.

I point out also that while the construction of timber access roads with appropriated funds was being cut back, the construction of such roads by timber purchasers had increased. That means the Federal timber was sold to the purchaser, but at a price which permitted him to build his own roads.

The timber purchaser construction method puts a drain on Treasury receipts. In 1956, $23.4 million of receipts were drained off by this method while in 1958 the drain has increased to $32.7 million. I say this with some feeling because of the $9.3 million increased drain, $7.4 million occurred in Oregon and Washington. Our counties are losing $1.8 million more than heretofore due to the heavy reliance of this administration on timber purchaser road construction.

Oregon and Washington have suffered substantial unemployment; yet the administration budget proposed less money for access roads; and, under its program, it was also proposed to cut more heavily into funds properly due the counties which are struggling with this recession at the grassroots. These policies have also further strangled the small and medium size timber operators.

I should like, at this point, to ask the distinguished chairman of the Appropriations Committee some questions about the road and trail program:

Is it the position of the chairman of the committee that the full amount of the authorization for forest roads should be used?

Mr. HAYDEN. It is highly advantageous to the Forest Service and also to the Treasury of the United States to handle the matter in that way.

Mr. MORSE. Is it also the view of the chairman of the committee that these funds should not be impounded while the Department permits timber purchasers to proceed to build roads, thereby draining off receipts?

Mr. HAYDEN. I oppose very much the impounding of the funds appropriated by Congress, without letting Congress know about it. However, there is not a provision of law requiring the Bureau of the Budget to notify the Congress when funds are placed in reserve or impounded. I think there should be such a law.

Mr. MORSE. I do not intend to digress into a discussion of that matter, which may come up in connection with legislation to be proposed later. But does the chairman of the committee disagree with me when I point out that, in effect, this impounding practice has become a form of an individual item veto in the case of an appropriation bill, at least to the extent that it succeeds in delaying—probably until another fiscal year—the expenditure of an appropriation which the Congress in its wisdom has said should be spent?

Mr. HAYDEN. Of course, it is true that the President and all other executive officers take an oath to see that the laws are duly executed. But they exercise their judgment with respect to them. I found out long ago, when I first came to the Congress, that it is impossible to make any department spend any money that has been appropriated, unless the department wishes to do so. It is lawful, but I question the policy.

Mr. MORSE. I do not question the lawfulness; but I, too, question it as a public policy.

Mr. MUNDT. Mr. President, will the Senator from Arizona yield to me?

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Does the Senator from Arizona yield to the Senator from South Dakota?

Mr. HAYDEN. I yield.

Mr. MUNDT. So that the record will not indicate that the impounding of public moneys, in connection with appropriations, is a Republican invention, I should like to call attention to the fact that it was practiced by President Truman and by preceding Presidents, and is something with which the Congress has wrestled for a long time.

Mr. MORSE. And I am sure the Senator will recall that at the time when I sat on his side of the aisle, I, too, criticized President Truman for that practice. I do not think it is a proper practice, regardless of what President may exercise it.

Although the President has a right so to act, it seems to me that when the Congress has appropriated funds to be used for construction of public-access roads, there should be a very good reason why the execution of the judgment of the Congress should be postponed. But we do not get notice of the reason; we only receive notice that the funds have been impounded.

That is why I am trying now to write this legislative history today, through the distinguished Senator from Arizona, because I think it will have great weight with any administration—Republican or Democratic—after we show what the Senator from Arizona thinks about a matter such as this.

Let me say to my friend, the Senator from South Dakota—as he has already noted—that I am not opposed to the road contract approach entirely. I think there are particular instances in which it is wise economy to proceed in that way. But we have been faced with a cutback in the Federal construction of access roads into the Federal timber—and such roads would benefit the small mill operators in my State—and an increase in the timber purchaser road-construction program, which many of us feel gives undue benefit to the large timber operator who has sufficient money to be able to purchase a large trace of land and to get the stumpage cost knocked down to such an extent that he can build the road himself. But the little fellow does not have that kind of money, and has to rely upon the federally constructed road.

That is why I am pleased that all the members of the committee this year did

so magnificent a job in recognition of the need for some federally built access roads, to the tune of the increase for which the committee voted.

Would it be the view of the Senator from Arizona that if there were to be a cutback in the road program, it should be done by reducing timber purchaser road construction, rather than Federal access-road construction?

Mr. HAYDEN. Obviously, it would be best for the Treasury of the United States to proceed in that way.

Mr. MORSE. Does the Senator from Arizona agree with me that an accelerated road program using appropriated funds and contract authority can be a very useful economic weapon in the fight against recession?

Mr. HAYDEN. There can be no question about that.

Mr. MORSE. Is it the opinion of the chairman of the committee that if the recession problems continue, or if there is an increase in the demand for timber, it is desirable to speed up the construction by utilizing the advance contract authority contained in the Highway Act?

Mr. HAYDEN. I think it should be used almost exclusively by the Department of Agriculture just as it is by the Department of the Interior in connection with building Indian reservation roads and National Park Service roads. It is entirely proper to take advantage of the contract authority and to let the contracts and to get the work done.

Mr. MORSE. As the Senator from Arizona has pointed out in correspondence with me, that is exactly what he suggested to the Secretary of Agriculture when the Secretary was before his committee.

Mr. HAYDEN. That is correct.

Mr. MORSE. If the Department elected to use advance contract authority, would the Senator from Arizona be agreeable to considering a supplemental appropriation, if requested by the Department?

Mr. HAYDEN. I think that, by and large, we can handle this matter in the proper way. We probably shall have enough money at the moment. If facts develop to show that more money is needed, I would be in favor of providing it. In other words, we have to judge each instance by the conditions which exist at the time.

Mr. MORSE. Now I shall move to a brief discussion of the purpose of the amendment I like to offer. Before doing so, or before I explain it, in order that the RECORD may be clear, let me ask this question: It is true, is it not, that under the arrangement the Federal Government has with the Oregon O. and C. counties, in the O. and C. timber areas, the counties may spend for the construction of roads up to 25 percent of the receipts they get in lieu of taxes, for Federal timber?

Mr. HAYDEN. Yes.

Mr. MORSE. That is true, is it not?

Mr. HAYDEN. Yes. It is my understanding that the counties have been well satisfied with that procedure.

Mr. MORSE. The counties are well satisfied with it; in fact, I hold in my hand a news statement from the Salem Statesman, of Salem, Oreg., of April 15, 1958, in which Mr. Frank Sever, the attorney for the O. and C. counties, is quoted as saying that "the counties generally have indicated that they want to spend no more than the present 25 percent of timber receipts for access roads and other improvements."

But the county officials have made clear to me and to my office that they want to be free to spend up to 25 percent, if the funds are made available.

That brings me to a question which I wish to present to the Senator from Arizona. I had hoped to have a chance to talk to him before I brought up the matter on the floor of the Senate. But I have been so involved today that this is the first opportunity I have had to present it to him.

My purpose is to assure that the full 25 percent of the receipts which the counties have earmarked for roads and reforestation will be available if the counties so desire and if a later estimate of the receipts indicates that that can be done.

The present indications are that revenue sufficient to handle a $6 million program of reforestation and road construction will be forthcoming in the fiscal year 1959. That is the present estimate, I understand—namely, $6 million.

However, the program level will be approximately $500,000 below that amount. In other words, although the estimate will be approximately $6 million, the program level is now fixed at about $500,000 below that amount.

This provision is not mandatory, and would become operative only after the Secretary consulted with local O. and C. officials. The amendment which I shall offer will help avert a substantial drop in the O. and C. program, and is very important, since the Bureau of Land Management has just announced that, in order to complete its 12,000 miles of network, another 6,300 miles of access roads will be needed.

My amendment will not add one more penny of appropriation to this bill. It is consistent with the O. and C. counties' position that up to 25 percent of their share of receipts should be used for roads and reforestation; but they usually know 60 to 90 days before the end of the year about what the total receipts will be, and it will put them in such a position, in the last quarter of the fiscal year, that if they see that the receipts are going to be greater than they originally estimated, they can proceed to contract for the building of additional roads and contract for reforestation, up to the 25 percent; no more.

Let me restate my question: What my proposal, in effect, makes it clear to the O. and C. counties that if the actual income or receipts will be greater than is contemplated under the present road-building and reforestation schedule, they can proceed to contract up to the 25 percent of what they believe the total receipts will be.

I would word an amendment as follows:

On page 5, line 6, after "provided further," insert the following: "That if the Secretary of the Interior finds that the amount to be accredited to the general fund of the Treasury for the fiscal year beginning July 1, 1958, under the provisions of the second paragraph of subsection (b) of title II of the act of August 28, 1937 (50 Stat. 876) will be greater than the amount appropriated herein, such amount appropriated shall be increased to equal such amount accredited, if the county officials of the counties entitled to benefits under such second paragraph agree to such increase."

We leave it entirely to the counties. As I have indicated, the counties are bound by the 25-percent figure, but this proposal at least would give them an opportunity, when they see they are to get more money than they thought they would, to speed up their program in the last quarter, because they need the additional 6,300 miles of road beyond the mileage contemplated by the program.

Mr. HAYDEN. I am afraid the Senator has two strikes against the amendment.

Mr. MORSE. The advice of the Senator from Arizona will have great effect on me. I have not offered an amendment yet. I should like to have the Senator's views on it.

Mr. HAYDEN. My understanding is that the rules of the Senate forbid an appropriation based upon a contingency. This proposal is an "if". That is the first reason for not adopting the amendment. Secondly, it is always very much better to have a budget estimate or a recommendation from a department in advance of making an appropriation.

If the situation arises which the Senator says may arise, and if there is a need to do what he wants done, and that matter is brought to the attention of the Bureau of Land Management the matter can be presented in the consideration of the supplemental appropriation bill by the committee. We can take testimony to determine if an additional appropriation is justified.

Mr. MORSE. I am completely satisfied by the Senator's explanation. I accept his judgment in regard to the matter. I shall not offer the proposal as an amendment. That is why I followed this procedure. If I had had an opportunity to talk to the Senator beforehand, I would not have taken as much time as I have. I did not have a chance to speak to the Senator. However, we have made a record which will be available to all concerned.

Mr. HAYDEN. I assure the Senator that if there is any change that justifies doing what he has suggested, and the facts develop that to be the case, there will be other opportunities to carry out the proposal.

Mr. MORSE. I close by saying again I thank the Senator from Arizona for what I consider to be a most statesmanlike job he and his committee have done in presenting the report. On behalf of the people of my State, I repeat, and I know I speak the views of my colleague [Mr. NEUBERGER], as he indicated, I thank the chairman and the committee for the fairness with which they have treated the forest problems of my State.

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

Mr. HAYDEN. I yield.

Mr. COOPER. I know how fair the Senator has been in response to questions asked by Senators. I shall be brief. There are three matters which affect my State about which I should like to ask the Senator. In Lyon and Trigg

Counties, in southwestern Kentucky, much of which will be inundated by the lake behind Barkley Dam on the lower Cumberland, a great many citizens are disturbed about plans of the Department of the Interior to acquire additional large tracts of land for a game and wildlife refuge.

Last year I asked the Senator this same question. Are there any funds in the bill which will enable the Department to acquire such land?

Mr. HAYDEN. No, there are no such funds provided. Congress is about to provide by law for an increase in the price of duck stamps. The resulting additional money is to be devoted exclusively to the acquisition of lands for wildlife refuges. That is a source of funds into which the Senator from Kentucky can look, and probably he will find some of those funds can be utilized for the purpose he has in mind.

Mr. COOPER. I may say to the Senator I myself am opposed to the acquisition of additional large tracts of land for the refuge. Much of the lands in that area will be taken in any event by Barkley Lake.

Can I be assured that there is no money provided in the bill to pay for the acquisition of such lands?

Mr. HAYDEN. No, there is no appropriation for that purpose, and the only money made available for that purpose will come from increased funds as a result of the sale of duck stamps.

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

Mr. HAYDEN. I yield.

Mr. MUNDT. The proposed duck-stamp legislation has not yet completed its passage through Congress. I think it should be enacted into law. I think the wildlife refuges are very important. If the Senator from Kentucky has a particular area in his State in which he thinks it will be against the public interest to locate such a refuge, he can still be in favor of the duck-stamp bill. He should lodge his protest with the Fish and Wildlife Service and point out to it that the area to which he has reference is not the place to locate a refuge. If he succeeds, I will say to him that we in South Dakota will be glad to have one.

Mr. COOPER. I thank the Senator. The question is whether the Kentucky Woodlands National Wildlife Refuge should be or should not be increased in size. I believe most of the people do not believe its size should be increased.

Mr. MUNDT. Nothing our committee has done will disturb the status quo in any way.

Mr. COOPER. I should now like to ask about the appropriation relating to the development of the Cumberland Gap National Historical Park, which lies in Kentucky, Tennessee, and Virginia, and which is an area through which 300,000 of the earliest settlers of the West passed from the eastern seaboard.

Mr. HAYDEN. Mr. President, the tabulation which appears in the committee report shows a recommended increase in the amount of $268,000 for that item.

Mr. COOPER. That is under Mission 66.

Mr. HAYDEN. Yes.

Mr. COOPER. I understand in that part of the appropriation which obligates funds for roads and trails, there is included $425,000 for the grade separation at U. S. 25E, and for access roads.

Mr. HAYDEN. That is a part of the program submitted by the Bureau of the Budget. It is in the approved budget program.

Mr. COOPER. I have been informed that is correct. That has been approved.

One other question, and then I shall desist.

In 1954, a forest research center was established at Berea College, Kentucky. I think it has been quite successful in its land management and timber management aspects, and also in timber utilization. I asked the committee to appropriate additional funds for the project. I understand the budget request was approved at $50,275, and that an additional $30,000 was added to those funds for the Berea College center.

Mr. HAYDEN. The Senator has been correctly informed.

Mr. COOPER. I want to thank the distinguished Senator and join with others in expressing my own appreciation of the Senator's fairness and thoughtfulness in all these matters.

Mr. WATKINS. Mr. President, I rise to commend the Appropriations Committee for its action on the Interior appropriations bill and to announce that I plan to support the recommended increases reported by the committee.

The appropriation of $489 million, recommended in this measure, represents an increase of only $29 million over the appropriations for the past fiscal year. And in view of the fact that this bill carries funds for administration, development, and protection of the public lands and resources of the United States and its possessions, this represents a very modest increase for a program which affects virtually every man, woman, and child in this country, and embraces a land acreage totaling 455 million acres in the 48 States and another 300 million acres in the Territories.

The Appropriations Committee report explained and justified the $76 million increase which the Senate committee made above the levels recommended in the House bill. I shall not cover the same ground, but I wish to comment briefly on some increases that affect my State directly.

The item for management of lands and resources carries an increase of $2 million above the House figure. Actually, this is only an increase of $1 million, inasmuch as $1 million will go to make up funds diverted from the entire management program for fire fighting, essentially in Alaska, during the current fiscal year.

The combined restoration and increases, however, represent a total increase for essential management areas of $230,000 for lease and disposal of land and mineral resources; $100,000 for management of grazing lands; $350,000 for forestry management of BLM lands; $120,000 for cadastral surveys, a very important item for my State; $550,000 for the important area of soil and moisture conservation; and $650,000 for weed control.

Anyone familiar with the problem of managing the 468 million acres of BLM lands in 26 States and Alaska needs no explanation of the importance of these programs, which traditionally have been conducted on an austerity basis.

An editorial in the Salt Lake Tribune of August 21, 1957, dealt with the problem of reseeding burned-over rangelands on the public domain, and in view of its applicability to the present consideration of the bill, I hereby request unanimous consent to have this editorial printed in the RECORD at this point in my remarks, along with a letter of October 18, 1957, from BLM Director Woozley, giving his views on the recommendations in the editorial.

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

SEED THE BURNED LANDS

Many thousands of acres of rangeland have been burned over this hot and dry summer throughout the intermountain West.

Blackened areas which had been covered with dry, low-type grass and brush extend as far as the eye can see in a shocking number of sections, particularly in south-central Idaho, where towns, farms and other valuable property have been damaged or endangered by racing flames.

Much of the land is publicly owned, a great deal of it administered by the Federal Bureau of Land Management. Many years of unregulated or inadequately controlled grazing, plus some deliberate and unwise burning, have removed the desirable forage and only form of plant life, largely cheatgrass, remains. This is highly flammable when mature and a poor range cover.

After the land has been burned over conditions are good for reseeding the land into desirable grasses which are not only more palatable for livestock but put down deeper roots and serve as a better protective cover for the soil. These grasses, particularly the wheat grasses, remain green longer even in drought conditions and therefore do not burn at every drop of a match or cigarette.

The Bureau of Land Management has reseeding programs under way but the job of rehabilitating some 150 million acres of Federal range is incredibly large. Funds should be available to reseed the burned over rangelands so that beneficial grasses will sprout as soon as moisture falls. Cooperative programs should be ready to go, particularly in acute problem areas.

A Bureau of Land Management report says about 50 percent of Federal rangelands are in a state of severe to critical erosion and 32 percent are eroding moderately. This is gross waste—destruction of topsoil. Cheatgrass should be replaced with desirable plants.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BUREAU OF LAND MANAGEMENT,
Washington, D. C., October 18, 1957.

Hon. ARTHUR V. WATKINS,
United States Senate,
Washington, D. C.

DEAR SENATOR WATKINS: The editorial from the August 21 issue of the Salt Lake City Tribune on burned-over lands in Utah and Idaho that you recently sent to me with your letter of October 9, has been reviewed with a great deal of interest. Thank you for calling our attention to the publicity given to the problem of range fires in those two States, and requesting my comments on the availability of funds for use in reseeding burned-over rangelands and about program planning to remedy the adverse conditions created by range fires.

The Bureau of Land Management has not requested appropriations specifically for the purpose of revegetating public lands denuded

by fire. However, funds are available in the soil and moisture and weed-control programs which may be utilized for this purpose whenever the burned-over lands are of such character and so located as to make such operations feasible. Very often areas covered by fire are too rough to permit the use of ground-seeding equipment and sometimes are located in belts of low precipitation where successful reseeding is questionable.

Usually our soil and moisture conservation fund has been used to complete emergency seeding operations on burned-over areas. However, where halogeton is prevalent the halogeton control fund is likewise available to the extent that it can be diverted from previously planned work. Whenever either of these funds is used in this way, projects that were planned in justifying the appropriation have to be postponed and replanned.

The availability of funds specifically for the purpose of the emergency revegetation would prove very helpful to the Bureau's operations. Planned programs would not then be interfered with and there would exist a better possibility that needed vegetative rehabilitation practices would be completed on burned-over areas. The likelihood exists that every burn should be seeded with the best adapted forage species available. If such seeding could not be done with ground-planting equipment, which would be most desirable, then it may be done by aerial broadcasting. This seeding should follow the burn as promptly as proper seasonal conditions will permit.

Each year the Bureau prepares program plans providing for the amount of rangeland reseeding, along with other conservation and improvement works, which anticipated appropriations will permit. These reseeding projects are always planned with specific tracts of land in mind and therefore do not provide for subsequently burned areas.

The current year is the third of a 20-year departmental conservation program that was devised and approved on an accelerating basis whereby all depleted public lands under Interior Department jurisdiction were to receive appropriate treatment by the end of that period. It is hoped that this program may ultimately be completed as originally planned, but it has become necessary to curtail the work to some degree during the current fiscal year to absorb unprecedented fire suppression costs. This cutback will not only delay planned conservation accomplishment but will also present less latitude in diverting funds to handle needed reseeding of burned areas.

I hope that the above comments have given you a sufficient idea of the Bureau's methods of handling and financing emergency reseeding operations on burned-over rangelands. If you have any further questions concerning the program of the Bureau in this or any other matter I would be glad to answer them for you.

Sincerely yours,

EDWARD WOOZLEY, *Director*.

Mr. WATKINS. Mr. President, 2 of the largest increases in this bill were made to expedite 2 major recreational resource improvement programs that have attracted nationwide interest and support. These programs are the Mission 66 program of the National Park Service, and the Operation Outdoors program of the Forest Service. These programs are of special interest to the West, because of our relatively large forest and park acreage. However, these two programs will improve public recreation areas and reserved acreage throughout the 48 States and our Territories.

Improvements made under this program also will contribute to the antirecession program, because they involve essentially small construction jobs which can be undertaken this year. However, this factor is incidental to the long-range, overall importance of these two programs to outdoor public recreation and resource management.

The $11.6 million increase for the construction program of the Park Service makes possible an improvement program totaling $1,887,700 for Utah National Parks and Monuments and nearby Grand Canyon National Park. I have summarized the Senate-recommended increases in funds for visitor facilities at these internationally known national park units as follows:

Name of park or monument	Senate-recommended increase	Total available under Senate bill
Arches National Monument	$218,400	$218,400
Cedar Breaks National Monument	99,600	111,600
Dinosaur National Monument	75,800	132,500
Grand Canyon National Park (Arizona)	167,500	888,500
Zion National Park		536,700
Total	561,300	1,887,700

Comparable figures were not provided in the report for the details of the $3 million increase recommended in the Operation Outdoors program of the Forest Service. However, I recently received a report from the regional forester on the program pursued in Utah during the current fiscal year, and I hereby request unanimous consent to have this report printed in the RECORD at this point in these remarks.

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

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Ogden, Utah, April 4, 1958.

Hon. ARTHUR V. WATKINS,
United States Senate.

DEAR ARTHUR: In answer to your inquiry of Secretary Benson's Office, we have been requested to send you a followup report on Operation Outdoors for the national forests in Utah.

With our letter of September 23, 1957, we sent you a tabulation of the rehabilitation and construction work we hoped to accomplish during the current fiscal year. On the attached sheet we have shown the planned work as well as the accomplishments we expect to attain by June 30. The final column sets forth the allotments to Utah forest supervisors for this work.

Our primary effort during the first year of Operation Outdoors has been directed toward placing wornout camp and picnic grounds in satisfactory condition. We have also intensified cleanup services at the 260 camp and picnic grounds within Utah national forests. Special attention has been given to the maintenance of sanitary facilities in those recreation areas situated in watersheds which provide culinary water for nearby communities.

Some of the larger areas where construction and rehabilitation work is being accomplished are as follows:

Ashley National Forest: Moon Lake campground, north of Altonah; Browne Lake campground, south of Manila.

Cache National Forest: Picnic areas in Logan Canyon.

Dixie National Forest: Navajo Lake campground, Duck Creek campground.

Fishlake National Forest: Ponderosa campground, east of Beaver.

Manti-LaSal National Forest: Oowah campground, southeast of Moab; Dolten Springs campground, east of Monticello.

Uinta National Forest: Little Mill campground, American Fork Canyon; Bear Canyon campground, southeast of Santaquin.

Wasatch National Forest: China Meadows picnic ground, near China Lake; Storm Mountain picnic ground, Big Cottonwood Canyon.

The increase in public use of Utah national forests has exceeded our expectations. In 1957 there were 4.6 million visits—an increase of 12 percent over the previous year.

We will be glad to send you our plans for continuing the Operation Outdoors program the coming fiscal year soon after we are advised as to the amount of funds which will be available.

Please let us know if you have any questions or desire additional information.

Sincerely yours,

FLOYD IVERSON,
Regional Forester.

Program for operation outdoors—Utah, fiscal year 1958

Forest	Work planned			Expected accomplishment by June 30, 1958			
	New construction units [1]	Rehabilitation		New construction units [1]	Rehabilitation		Funds allocated [2]
		Units [1]	Water systems		Units [1]	Water systems	
Ashley	34			24			$28,498
Cache	29	107	3	15		2	81,862
Dixie	16	137		36	59		24,735
Fishlake	6	40			69		34,219
Manti-LaSal	28			49	3		30,991
Uinta	20	36	2	8	110	2	80,826
Wasatch	194	59	1	73	518		134,092
Total	327	379	6	205	759	4	415,223

[1] A unit consists of a table, stove, and necessary facilities to accommodate a family group of 5.
[2] These figures represent allocations for on-the-ground project work. They do not include the cost of providing engineering or recreation landscape architect services provided the forests by the regional office or a proportionate share of supervision and planning costs at the national forest, regional and Washington office levels.

Mr. WATKINS. Mr. President, the description of the activities undertaken during the first year of this program in one State should indicate the widespread public benefits which are starting to accrue from this program to restore the hitherto neglected public recreation facilities on our national forest lands.

Other Senate-recommended increases in Forest Service funds, totaling $10 million, also appear to be eminently jus-

tified. The entire Forest Service program, I might add, is one of the few Government activities which has annual receipts approximating its expenditures. Many of the other appropriations in this budget also are offset to some degree by fees and other revenues. This, overall, is a revenue-producing budget and the participating agencies have been traditionally well managed and conservative. In the affirmation of this, I hereby request unanimous consent to have printed in the RECORD, an editorial from the Ogden Standard-Examiner of April 20, 1958, commenting favorably on the Mission 66 program of the National Parks Service. Similar comments could be made—and have been made by this and other area editorial writers—on the Forest Service program.

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

NATIONAL PARKS PLEA

Senator JAMES E. MURRAY, Democrat of, Montana, told the Senate last week that the Interior Department has failed to ask for sufficient funds to develop facilities in the national parks in accordance with the Mission 66 program. This is the time to improve our parks, the Montanan said, not only to provide better accommodations for the millions of visitors, but to add permanent improvements to the parks and provide needed jobs. In support of larger appropriations, Senator MURRAY quoted Senator HARRY F. BYRD, Democrat of Virginia, a watchdog of the Treasury, as declaring he had never discovered in a National Park Service budget a request for nonessential item and the Service gets $1.20 of value out of each dollar voted.

Praise from Senator BYRD is praise indeed and the quotations should help Senator MURRAY obtain increased funds for the parks.

Millions of Americans know from visits to the parks that more facilities are required to accommodate the increasing numbers eager to enjoy the parks. Every Senator and Representative surely knows that development is lagging. They should know this from studying the Mission 66 program for a 10-year project to bring the parks up to standards, so that by 1966 they will be able to serve the 80 million visitors it is estimated will be crowding the parks in that year.

Every informed American doubtless agrees with Senator MURRAY that this assuredly is no year to economize on our national parks and monuments.

Mr. WATKINS. Mr. President, in closing, I also wish to commend the committee for providing an increase of $2,421,350 for construction of fish and wildlife facilities. This action permits an appropriation of $225,000 to complete construction of long-needed new facilities at the Springville, Utah, fish hatchery, which supplies game fish for planting in streams in Utah and adjoining areas. This is a most commendable project, and I feel sure that the other facilities covered in this appropriation increase warrant expedited construction.

Mr. YARBOROUGH. Mr. President, I offer an amendment to H. R. 10746.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 18, line 24, it is proposed to strike out "$11,616,000" and insert in lieu thereof "$11,916,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas.

Mr. YARBOROUGH. Mr. President, the amendment would, under the item of "Management and investigations of resources," under the Bureau of Sport Fisheries and Wildlife, increase the appropriation from $11,616,000 to $11,916,000. The increase is $300,000, which is sought for the purpose of research into the effects of poisonous pesticides on wildlife, as well as on domestic animals, and on human life.

Each year insect pests, plant diseases, and weeds take a toll estimated at $11 billion from our economy. To combat this tremendous loss, some $2 billion is spent each year on control measures, mostly for pesticidal chemicals and their application. More than 750 million pounds of pesticides, having a value of $250 million, are now produced in the United States each year. About two-thirds of this production is for domestic utilization on about 100 million acres of the Nation's lands and waters.

Although there has been an enormous increase in the use of pesticides during the last 15 years, the industry estimates that it is supplying only one-sixth of the present need, so the outlook is for a vast and continued expansion of production of these poisons and their use on the lands, waters, plants, and food of America.

Effective control of pests is recognized as an essential part of our modern agriculture and public health programs. Oftentimes, however, the materials as applied cause direct or indirect damage to wildlife, fish, and domestic animals. Experience has shown that much of this loss is unnecessary and could be prevented or minimized by careful regulation of the rates, seasons, and methods of applying the control agents. Effective progress has been made in this direction as a result of intensive studies of several of the chemicals, such as DDT, which are in common use.

New formulations are appearing daily and there are now some 220 control agents available in the market. Two hundred and twenty different poisons are being sold in the American market. The present level of research is inadequate to screen these materials and learn their immediate and long-term effects on fish and wildlife. An expanded twofold program is needed to cope with the problem: Determinations of acute and chronic toxicity levels and effects on reproductive capacity of the various pesticides through studies of penned animals and on controlled sample plots; field appraisal of wide-scale operations such as those for fire ant, gypsy moth, spruce budworms, grasshopper, and Mormon cricket control, to determine their effects on fish and wildlife and to develop measures for reducing damage through changes in materials, rates, methods, and times of treatment.

For the purposes described, it is recommended that the sum of $240,000 be added to subactivity (b) of item 6 for wildlife research and the sum of $60,000 be added to item 3 for fishery research—fishery management research—under Management and Investigations of Resources, Bureau of Sport Fisheries and Wildlife.

Incidentally, this amendment has the support of the National Wildlife Federation and the Wildlife Management Institute, both of which are pleading for this small $300,000 appropriation so that research can begin in this field to determine what the poisons are doing, not merely to the reproductive processes of fish and wildlife, but also of all animal life, as well as human life.

Mr. C. R. Gutermuth, vice president of the Wildlife Management Institute, with headquarters in Washington, D. C., testified before the committee as follows, as shown on page 591 of the hearings:

We think that it is being very, very conservative to ask for a meager $300,000 to start some real, honest-to-goodness studies on the effects of these powerful chemical controls. If the Congress sees fit, based on the meager amount of research that has been done on some of these chemicals which we point out here are 20 times more toxic than DDT, then certainly we ought to get some research going on this important thing.

Public concern is mounting over the effect of these economic poisons on fish and game and other beneficial insect and animal life, as well as on humans and livestock. The time to prevent losses is before new superpoisons go into commercial use. Each must be tested thoroughly in the laboratory and in the field. Formulations, time of application, methods, and doses must be worked out in advance in order to avoid unnecessary damage. We sincerely urge the committee to increase the appropriation for wildlife research by $300,000.

I concur with the National Wildlife Federation and the Wildlife Management Institute in urging that the Congress appropriate this meager $300,000 to begin essential research. I request the chairman of the committee not to resist this request for $300,000.

Mr. HAYDEN. Mr. President, I regret that I cannot agree to accept the amendment at this time, for this reason: The first we heard about the necessity for doing anything of this kind was at a hearing when the subject was brought to our attention by Mr. C. R. Gutermuth, vice president of the Wildlife Management Institute. There was no testimony whatever from the Department. There was no budget estimate. There was none of the background which usually accompanies a request of this kind.

I agree that perhaps something should be done, but I believe that the request requires a better justification than was made before our committee as to the need. The committee considered this request, and it was turned down.

Under these circumstances, I must oppose the amendment.

I regret very much that I cannot offer the Senator from Texas any encouragement at this time. On the other hand, the Senator should tell his friends in the Wildlife Management Institute and the other organizations that if they will pursue this request another year, taking it up with the Department, and persuading the Department to ask for the appropriation in the regular way, I believe that something can be done about it.

This subject has been brought up only recently. The large-scale use of such poisons is a recent development. It is a subject which should be carefully studied before we undertake to spend money.

Mr. YARBOROUGH. Mr. President, I commend the distinguished chairman of the committee and the other members of the committee who sat with him in the hearings, for the appropriations which have been recommended. In a number of instances the committee has recommended increases over the budget estimate and over the House figures. I believe that the subject of the preservation of our natural resources is close to the heart of every American. The committee has done a fine job.

I am offering an amendment providing for an additional appropriation of $300,000 to study the toxicity of the various pesticides, some of which have been described. Some of them about to go on the market are 20 times more toxic than DDT.

This is an emergency situation. An appropriation was not requested by a department of the Government, as the able chairman has pointed out. It seems to me that it would not be amiss for Congress itself to initiate such an investigation, without waiting for the executive department to request it. We believe that the need is urgent. If the Department did not believe that such an appropriation was wise, or if it could handle the situation without the appropriation, in such a manner as not to waste a dollar, advance planning could be done for a larger appropriation. The subject is of such importance that it might well justify the Senate in taking the initiative, even though the Department did not suggest the appropriation.

We believe that the committee has done a magnificent job on the bill. Among appropriations for which I particularly wish to commend the committee is that for investigation and research into the subject of saline water, with the object of removing salt from the water and converting salt water to fresh water. Many of the projects for which the committee has recommended appropriations are basic to the expansion of the American economy.

Mr. President, in offering my amendment I do not make the slightest criticism of the patient consideration which the committee has given to the bill. More than 700 pages of testimony were taken. This indicates long and patient consideration. However, I believe that the item for which I am requesting an appropriation is important.

Mr. HAYDEN. I suggest to the Senator that he tell his friends connected with the various interested organizations that they should make a representation immediately to the proper department in Washington to the effect that something should be done about the situation. If there is an emergency, and if it can be proved to the satisfaction of the department which would spend the money, it will ask for it. There will be supplemental appropriation bills coming along in which such an item could be included.

Unless those who would be expected to do the work indicated that they wanted to do the work, we would have great difficulty in forcing money upon them. For that reason I think it would be the part of wisdom to handle the matter as I have suggested.

Mr. YARBOROUGH. Mr. President, will the chairman yield to me for a question?

Mr. HAYDEN. I yield.

Mr. YARBOROUGH. I should like to ask the distinguished chairman whether or not there will be an opportunity, in connection with a supplemental appropriation bill, to present the request to the committee later during this session of Congress.

Mr. HAYDEN. Yes. We can then hold hearings on the subject.

I wish to impress upon the Wildlife Management Institute and other organizations which are interested that they should take the matter up with the proper officials of the Fish and Wildlife Service and have them study the problem, so that when we call them as witnesses they will have some information to give the committee.

It is important from the standpoint of what they will do with the money that will be made available to them.

Mr. YARBOROUGH. Mr. President, in the light of the clear statement of the distinguished chairman, the senior Senator from Arizona, that there will be an opportunity given to present the matter in connection with the supplemental appropriation bill later in this session of Congress, when wildlife organizations and conservation groups will have an opportunity more fully to present the case than it was presented before the committee's regular hearing, I shall withdraw the amendment at this time.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The amendment of the Senator from Texas is withdrawn.

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

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

The bill (H. R. 10746) was read the third time and passed.

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

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. CHAVEZ, Mr. MAGNUSON, Mr. HOLLAND, Mr. MUNDT, Mr. YOUNG, and Mr. KNOWLAND conferees on the part of the Senate.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the RECORD that the leadership expects to program the following measures:

Calendar No. 1459, H. R. 4640, the amendment of the Civil Service Retirement Act.

Calendar No. 1489, the stockyards bill, which had been referred to the Committee on Agriculture and Forestry. It is the bill which was introduced by the Senator from Wyoming [Mr. O'MAHONEY].

Calendar No. 1490, S. 3632, the Atomic Energy Commission Acceleration Act.

Calendar No. 1497, S. 287, to investigate textile problems. I wish to talk to the chairman of the committee and some of the members of the Committee on Rules and Administration before I agree to program it, but I have reviewed it with the policy committee.

Calendar No. 1519, S. 3683, the depressed areas bill.

Calendar No. 1533, S. 299, the accelerated reclamation program bill.

None of these bills will be taken up this week.

I hope to have the printed hearings and the committee reports available on all of them. When we come back next week I hope the Senate will be able to proceed with the consideration of the accelerated reclamation program bill, to be followed by either the depressed areas bill or the stockyards bill. I understand there is some controversy with respect to the last two bills.

I make this announcement so all Members will be on notice.

Mr. MUNDT. Mr. President, I should like to ask the Senator from Texas a question. My attention was diverted while he was making his statement. I do not know whether he listed the Wool Act extension bill for consideration.

Mr. JOHNSON of Texas. No; I did not.

Mr. MUNDT. I wonder whether we could have that bill added. Time is somewhat of the essence.

Mr. JOHNSON of Texas. I appreciate the Senator's situation. I shall give it proper consideration.

CENTENNIAL YEAR OF THE STATE OF MINNESOTA

Mr. THYE. Mr. President, the State of Minnesota has made phenomenal progress in the past 100 years. Nineteen hundred and fifty-eight will mark its centennial year. Last night, at a dinner given for members of Minnesota Chamber of Commerce organizations, a very interesting and thorough progress report was given on the State of Minnesota. It is one of the most complete and up-to-date word pictures I have seen in a long time. I should like permission to insert excerpts from this report in the RECORD at this time.

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

WHAT'S UP

One hundred years are up in 1958 as Minnesota celebrates its centennial. Accent will be on what's happened in the past—but let's see what's up now and in the future.

We're up in population—100 years ago it was 152,000—2 million in 1908, and now 3,313,000.

Manufacturing is our leading employer, providing 220,000 jobs that pay over a billion dollars in wages.

Second is wholesale-retail, providing over $750 million in wages.

Then farming, which provides income of over $600 million.

Service enterprise provides over a half-billion dollars in wages.

Our food industry is our leading manufacturer. We rank second in the Nation in this field.

Second is machinery manufacturing, then paper and pulp; fourth is printing and publishing; fifth, chemical products; sixth is ordnance; seventh, metal fabrication; eighth, transportation; and ninth, lumber and wood products.

Our kids are growing up, and going up all over Minnesota are school buildings. Up are property taxes as communities on a local level meet the need.

* * * * *

Minnesota is up in some pretty fast company in education. In total expenditures for higher education, we ranked seventh in the Nation.

We were up in sixth place in per pupil expenditures for public school education.

What's up with medical facilities? One of the principal factors in world-famous Rochester's growth through the years has been the Mayo Clinic. A continuing program is carried on by that institution. Right now, for instance, at the Mayo Institute, located just outside of Rochester, there is a half million dollar construction project for medical research facilities in progress. This brings the clinic's postwar building expenditure to something like $25 million.

In Minneapolis new hospitals and remodeling of old facilities is under way, costing near $35 million. This is Minneapolis' new health center. In St. Paul over $27 million has or is being spent. Duluth has spent $8 million on their hospitals.

On the drawing boards is a $3 million new Winona hospital.

The State hospital at Brainerd typifies improvements at all State institutions. This administration building just opened, is but part of the $12½ million program at Brainerd—other units are scheduled to start in May. * * *

Up in welfare costs—there are only seven States who pay more per recipient in old-age pension. Minnesota is paying $79 per recipient, 30 percent above the National average of $60.68.

Up in child care too—only six States beat us. We're 52 percent above the national average.

Speeding up—is work on Minnesota's proposed 885 miles of Interstate Highway as pavements, grade separations and interchanges are laid down. Twin Cities expressway plans are nearing completion—Duluth's high bridge starts this fall. First Interstate funds were used on this stretch between Owatonna and Medford. Construction is under way on portions of the Interstate throughout Minnesota. Estimated cost of the Interstate in Minnesota is $730 million. These new routes will mean much to market development and aid in attracting tourists to our State.

What's up—in Minnesota's important tourist business? Here are some of the important developments. This Stillwater marina on the St. Croix is but one of four—a new marina is being built to accommodate 500 more boats—to meet the rapidly growing boating public's needs.

Going up—at Virginia is this $200,000 ski area on Lookout Mountain. This was sparked by the Virginia Chamber and points up the increased interest in Minnesota's recreational winter advantages.

* * * * *

Looking down on South St. Paul—this great competitive livestock market, second largest in the world—more than a million dollars is paid each day to Northwest livestock producers. Since livestock provides the greatest share of Northwest farm income, the top-dollar prices this market provides are of importance to the economy of the entire Northwest. More than 6,000 persons are employed in this huge livestock and meat center, and the market has often been termed the economic barometer of Northwest agriculture. Constant improvements in stockyard and plant facilities keep the industry abreast of changing times. A new bridge over the Mississippi, part of the Interstate System—will be open by fall 1959—and will give better access to the livestock market.

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Up in the air—yet down to earth—is the Twin Cities Wold Chamberlain Airport and terminal expansion. There is an $18 million Northwest Airline base located there.

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Speaking of military—up at Duluth here's the new SAGE building. Duplicate brain systems are now being installed, and will be completed in a year. Part of our new defense system, the brains will automatically give direction to these Duluth-based supersonic F-102's. But the future comes fast; thus the SAGE will guide missiles. Two missile bases are planned in the Duluth area—the Air Force's "goose" missile, designed to direct long-ranged missiles away from their target, will be based at the Duluth airport. Within 20 miles will be another base for this BOMARC missile—an unmanned interceptor.

At Rochester they are building a brandnew $4½ million airport at a relocated 1,900-acre site.

* * * * *

Here is shown the home office and main plant cluster of the huge Minnesota Mining & Manufacturing Co.—today a world-famed industrial giant which grew in St. Paul from its infancy.

A recent survey of industrial firms indicates that industry may spend upward of $40 million in expansion in the St. Paul area during 1958 and 1959.

This is the 3-M research center—the central building shown in the foreground is where Minnesota Mining conducts its basic and long-range projects—electrical products laboratory at center—the large building still under construction in the background will house the graphic products laboratory, doing research and developmental work on such items as "Scotchlite" brand reflective sheeting and "Thermofax" brand copying equipment.

Here is a preview of tomorrow—the St. Paul West Side planned industrial district—a project well started on its way on a more than 600-acre tract of land. It includes flood control on the abutting bank of the Mississippi River and improvement of adjacent Holman Airfield.

* * * * *

And going up and looking up all over the State are new church facilities of every denomination. In Minneapolis alone—church constructions amount to $10 million. The total of church construction throughout Minnesota amounts to many times this, reflecting the support for every needed spiritual values of our people.

What's up? Minnesota is up—up in population—up in industry—up in per capita income—up in spirit—up in opportunity—up and going further up toward unprecedented economic growth and prestige.

What can keep Minnesota going up? We all can—businessmen and political leaders, laborers and farmers, chambers of commerce and trade associations, all working together to strengthen our business climate, to meet and beat the competition of the other 47 States—because that business climate is what the decision-making investors will appraise when they decide where to expand.

It is up to us—all of us—to be sure that the Minnesota business climate helps these decision makers decide in our favor.

THE FARM PROGRAM

Mr. THYE. Mr. President, very few topics arouse as much discussion as the farm progam. Likewise, there are very few subjects about which so many people do not have correct information. Mr. Alfred Stedman has written an excellent article in the St. Paul Sunday Pioneer Press for April 20 discussing a study made by the St. Paul Farm Campus under the direction of George A. Pond and Truman R. Nodland, wherein 165 farmers kept records on their income and expenditures for the period from 1946 to 1952.

The study points out that Government payments for this period were only $62 per farm, whereas the highest average payment per farm in the 1935–39 period was $230 per farm. Government payments comprised from 1½ to 3.1 percent of farm cash income over a 25-year period. This article should help displace comments which are often heard suggesting that farmers receive half of their income from the Government.

The May 1958 issue of the National Grange Monthly examines food prices in 1947 and 1957. It is very significant that in 1947 the farmer received $467 out of the $911 food budget for the average family. In 1957, the farmers' share declined to $400, with the total cost of food rising to $1,007. It also points out the fact that per capita farm income last year was at a record high of $993 compared with a per capita income of nonfarmers of $2,045. In the compilation of this $993 per capita farm income, Secretary Benson estimated the total farm income at $22 billion, $6.3 billion of which came from off-the-farm employment, $1.6 billion for home-grown foods consumed on the farm, $1.8 billion for rent farmers did not pay because they owned their own homes and $1.2 billion in cost-sharing payments for soil conservation and other similar practices. A question arose last year about the amount of the Department of Agriculture budget which goes to farmers in the form of subsidy payments. At that time, I explained the Agriculture budget to the Senate. Those comments point out the very small percentage of the total Department budget which is used for subsidy payments.

Price supports on commodities are intended to be a floor below which the price should not drop in times of surplus production. They have acted in times as a psychological stimulant to the market and they help keep farm prices at levels which help to prevent depression in our agricultural economy.

I ask unanimous consent that the two articles and my remarks which appear in the April 18, 1957, CONGRESSIONAL RECORD be inserted in the body of the RECORD.

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

[From the St. Paul Pioneer Press of April 20, 1958]

FARM SUBSIDIES

(By Alfred D. Stedman)

Has the actual dirt farmer down in southern Minnesota been getting rich off subsidies from the Government? Well, what with the Soil Bank and big Government

spending on purchases of farm surpluses, the story on that has admittedly been changing some of late.

All the same, a factual study just published on the St. Paul Farm Campus covering the quarter century ending in 1952 may astonish city people and farmers.

For the story that farmers get a lot of their income as subsidies in general and Federal payments in particular is certainly widely believed.

In late years, in some parts of the country, there has been circumstantial evidence to sustain it. Uncle Sam spent a cool billion last year making payments to farmers. The Government lost more than $3 billion buying surpluses to support farm prices. The United States Department of Agriculture budget wasn't much under half the farmers' net income from farming, though it did contain a lot of money for general public services. The debates in Congress center on more farm spending.

So the impression spreads that farmers are getting much of their income in Federal payments and maybe half or so of it from the Government. Many people feel sure of it. Even the President once revealed he had been more or less taken in by this circumstantial story.

As we said, the St. Paul farm campus study only takes us through 1952. That was in the presoil bank era. But it also covered nearly two decades of payments to farmers—benefit payments, production payments, conservation payments, and so on.

The study by George A. Pond and Truman R. Nodland summarizes actual business records kept by about 165 farms in Dodge, Freeborn, Goodhue, Rice, Steele, Waseca, Dakota, Le Sueur, Nicollet, Mower, Olmsted, Scott, Wabasha, and Winona Counties.

In the most recent period, 1946–52, total farm receipts on these farms averaged $18,741 a year—$13,852 of which went to cover farming expenses. The Government payments averaged $62 per farm. The highest average the payments ever reached, in 1935–39, was $230 per farm.

Year after year, the lion's share of the income of these southeastern Minnesota farms came from their sales of products—not from payments. The eminent authors of this study say: "The average proportion of the farmers' cash income from payments was only 1.5 percent for the 25 years, and in no period was over 3.1 percent.

"This," they say, "may be a surprise to those who think Government payments have been an important source of direct revenue for farmers in recent years." And how.

Is that picture changed radically now by Soil Bank payments? No. Last year only 15 out of the 165 farmers got any such payments at all. The $34 million total this year of such payments to all Minnesota farms will be less than 3 percent of farm income from sales.

Are Government subsidies in the form of price supports bigger? Yes, but while they hold prices of the supported products up to support levels, the resulting surpluses hold prices down to those levels. And more than half the income of these southeastern Minnesota farmers came from livestock and poultry products having no price supports at all. Our farmers can and do produce primarily for market. Consumers want our good dairy, poultry, and meat products, and our fine bread wheats. The bulk of our farm income comes from sale of them to consumers, not from Government subsidies.

Farmers are commonly pictured by people who overlook all the many nonfarm subsidies as a heavily subsidized class. The southeastern Minnesota farm study shows that, at least as to payments, this is empty talk.

[From the National Grange Monthly of May 1958]

FARM FACTS: ARE FOOD PRICES TOO HIGH?

(By Fred Bailey)

Remember when Al Smith used to say: "Let's look at the record"?

There is being directed against farmers and farm programs a campaign of misrepresentation, half-truths, and abuse that can no longer be tolerated in silence.

The result, if not the objective, of that campaign has been the creation of misunderstandings and ill will between producers and consumers of farm products. Those who do this use the excuse that present farm programs are not to their liking.

That present farm programs have serious flaws is recognized by almost everyone. But, to magnify those flaws all out of proportion to their importance gives the public an entirely false impression.

You have heard and read contentions, some from official sources, that (1) food prices are exorbitant; (2) farm programs are to blame; (3) farm subsidies add to tax costs; and (4) farmers are making more money than ever before.

Let's look at the record:

Are food prices exorbitant? Measured in dollars and cents food prices are high, but they have increased less than other living costs and food takes a smaller percentage of the wage earner's income than ever before.

The average factory worker could buy a third more—and better—food in 1957 than in 1947 with wages from 1 hour of work. The reason is that factory wages (Labor Department figures) increased by 67 percent between 1947 and 1957, while retail food prices were up about 10 percent (Department of Agriculture Market Basket figures).

United States Department of Agriculture's report on retail costs, the farm value, and farm-retail spread shows:

In 1947 the Family Market Basket (weighted average of 60 foods bought by an urban wage earner) cost $911, of which $467 was paid to farmers and $444 was the marketing cost.

In 1952 the Market Basket cost had increased to $1,034, of which farmers received $482 and marketing costs were $552.

In 1957 the Market Basket cost was $1,007, while farmers' share declined to $400 and marketing costs increased to $607.

Are farm programs to blame for high food costs? Since price supports apply only to farm production, and farm prices have declined 20 percent since 1952, farm programs cannot be blamed for any rise in food costs.

Had farm prices remained steady instead of declining between 1952 and 1957, consumers would be paying 15 percent more for their food. Had farm prices gone up by the same percentage at nonfarm prices the increase would have been at least 25 percent.

Farm programs have resulted in lower farm prices. Farm products which have been price supported averaged 25 percent lower in 1957 than in 1952. The decline in nonsupported products, such as livestock, has been considerably smaller.

Do farm subsidies add to tax costs? The Government must collect from taxpayers, sooner or later, every dollar that it spends. The Government has lost considerable amounts on price supports. The cost to the Nation of a collapse of farm prices, without supports, would have been far greater. The question isn't whether farm aid added to taxes, but whether it has been justified in the national interest.

Are farmers making more money than ever before? Secretary Benson reported recently that per capita farm income last year was at a record high of $993. That compared with $2,045 per capita income of nonfarm workers.

But, some may say, it is cheaper to live on a farm. Is it? Let's see what Mr. Benson included in that $993. He figured that farmers had a total income last year of about $22 billion.

That included $7.1 billion from the sale of farm products, $6.3 billion working at jobs off the farm by the farmer or members of his family, $1.8 billion received by hired workers on farms, $1.6 billion for homegrown foods consumed on the farm, $1.8 billion for rent farmers didn't pay or because they owned their own homes, and $1.2 billion in Government cost-sharing payments for soil conservation, etc.

Farm income from marketings were down $350 million from 1956 to 1957, but the cost of farming was up by $600 million. Farmers' purchasing power derived from the sale of farm products, despite record production, is the lowest in 15 years. The number of people on farms decreased by almost 2 million last year.

How have farmers been doing compared with city workers? From 1947 to 1957 average wage of factory workers increased from $1.23 an hour to $2.07. Farmers' income, after payment of production costs, declined from 98 cents an hour in 1947 to 69 cents in 1957. Both figures are before taxes. The purchasing power of a factory employee per hour worked last year was three times that of farm operators.

Farmers increased their production by 50 percent from 1940 to 1957, but the larger volume, when sold, would buy less manufactured goods than the much smaller volume sold in 1940.

[From the CONGRESSIONAL RECORD of April 18, 1957]

THE FARM PROGRAM

Mr. THYE. Mr. President, for the past several months we have heard many references to what the overall cost of the farm program has been to the United States Government. For that reason, I shall cite the facts, as best I can, from information obtained from the Department of Agriculture and the statistical records of the Department.

The total agricultural budget for 1958 amounts to approximately $4.9 billion.

It should be pointed out that, of the total agricultural budget, approximately $2.7 billion, or more than half, is attributable to programs which are not designed, primarily and only, as aids to farmers.

Some of these programs are: Meat inspection program, school lunch program, the foreign aid program, forestry payments to schools, and disaster donations. The costs of these and a few others total approximately $1.7 billion.

Also included here are loan authorizations for REA and FHA, which will be repaid over a period of years. These authorizations in the 1958 budget amount to $474.5 million, while collections in 1958 are estimated at $331.9 million.

It should also be pointed out that certain other receipt items should be deducted from the budget, such as proceeds from sales of timber, grazing leases, and sugar-tax receipts, which amount to $245.9 million.

After having made these necessary adjustments, we get a more true picture of how much of the total budget for the Department of Agriculture is chargeable to agriculture. This amounts to $2,162,000,000.

When we go into the Department of Agriculture budget for fiscal 1958 item by item, we find that it becomes a very interesting study. The original budget was $5,127,300,000. The budget was later reduced by $254 million.

The obligational authority for 1958 is $4,873,300,000.

I now show the breakdown for the specific functions within the Department of Agriculture.

"Agricultural Research Service, $95,100,000."

Experiment stations are included in the research item.

"Plant and animal pest control, $27 million."

"Meat inspection, $18.7 million."

Mr. President, meat inspection is conducted for the safety of the consumers. It is a consumer service.

"Meat inspection, $18.7 million.

"Extension, $64.1 million."

Mr. President, that service has been in existence for years. It is the educational part of the agricultural function.

	Million
"Farmer Cooperative Service	$0.6
Forest Service (receipts for sales of timber, grazing, etc. 161.4)	126.9
Soil Conservation Service:	
Conservation operation	73.5
Watershed protection and flood prevention	39.1
Great Plains conservation	20.0
Agricultural Conservation Service	237.0
Agricultural Marketing Service: Marketing research service	31.9

"School lunch program, $100 million."

Mr. President, that is charged to agriculture, and yet it is a direct school lunch program.

"Foreign Agricultural Service, $4,400,000.

"Commodity Exchange Authority, $800,000.

"Soil Bank, $1 billion.

"Commodity Stabilization Service—

"Acreage allotment and marketing quotas, $43 million.

"Sugar Act program, $72,200,000."

Income from sugar taxes, Mr. President, is $84½ million. So any administrative cost in the Sugar Act is actually reimbursed by the tax which is imposed upon sugar. Yet the cost of the Sugar Act program is charged to agriculture.

"REA (salaries and expenses), $9,600,000.

"Loan authority, $239 million."

The 1958 estimate of collections is $137½ million.

"Farmers Home Administration (salaries and expenses), $30 million.

"Loan authority, $235,500,000."

Collections in 1958 are estimated at $194.4 million.

"Staff officers, $8,200,000.

"Restoration of Commodity Credit Corporation capital impairment (to repay CCC losses in the year 1956), $1,239,800,000.

"Reimbursement of CCC for financial program, $843,100,000.

"Title I, Public Law 480, $637 million.

"Title II, Donations, $94,500,000.

"International Wheat Agreement, $93 million."

Now we come to the permanent appropriations. Section 32 provides a donation of $233½ million, which is taken out of section 32 funds. Section 32 funds, Mr. President, are made up of the tariff duties which are collected on imports which come in direct competition with agricultural commodities produced in the United States and the funds are accumulated for the purpose of paying for perishable commodities on a support basis.

The permanent appropriation for this particular fund is $306.5 million.

The payment to counties for schools from forest receipts is $47.3 million.

All these items, Mr. President, total $4,873.3 million, which we have so often heard referred to as the appropriation for agriculture, oftentimes thought of by the taxpayers, because of the way it is phrased, as a subsidy, or a direct Treasury check.

Mr. President, I have a tabulation of programs shown in the agricultural budget of 1958 which benefit others than farmers:

"Meat inspection, $18.7 million.

"Watershed projects, $39.1 million.

"School-lunch program, $100 million.

"Section 416 donations, $361.3 million.

"Public Law 480, title I, $637 million.

"Title II donations for relief, etc., $94.5 million."

The International Wheat Agreement is a part of the State Department's function. That is $93 million.

I have described section 32, for which the figure was $223.5 million.

Mr. President, the remainder of this table I shall not read, because it refers to the figures I read on the other page. I ask unanimous consent that the remainder of this one page be printed in the RECORD as a part of my remarks. It continues with the school milk program, the REA, the FHA, and it shows the total receipts from timber sales and collections under REA and FHA.

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

[In millions]

"Forest payments to counties for schools	$47.3
School-milk program	45.0
Subtotal	1,659.4
REA loan authority	239.0
FHA loan authority	235.5
Subtotal of loans (loan authority to be repaid)	474.5
Total	2,133.9
Receipts received by agriculture:	
Timber sales, grazing leases, etc	161.4
REA collections (estimated 1958)	137.5
FHA collections (estimated 1958)	194.4
Sugar taxes	84.5
Total receipts	577.8
Total to be deducted from budget	2,711.7
Total agricultural budget	4,873.3
	—2,711.7
Total chargeable directly to agriculture	2,161.6"

Mr. THYE. The most significant part of this, Mr. President, is the table following, relating to "Realized Net Income, Direct Government Payments, and Direct Payments as a Percent of Net Income."

I have gone back into the years 1936 and 1937, because they were prewar years. Then I have taken the years in the postwar era, 1946 and 1947. Then I have taken the last calendar year available, which is 1956.

In 1936 the realized net income—this is agricultural net income—was $5.1 billion.

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

Mr. THYE. I yield.

Mr. CAPEHART. Is that the income of the farmers?

Mr. THYE. It is the realized net income of the farmers.

Mr. CAPEHART. That is the amount the farmers received?

Mr. THYE. Yes. It is the realized net income for 1936, and it amounted to $5.1 billion.

Direct Government payments to farmers—I repeat that, direct Government payments to farmers—$300 million.

The next is the direct payments as a percentage of realized net income. That is 5.9 percent.

Then we go to the calendar year 1937. The realized net income was $5.2 billion. The direct Government payments to farmers were $300 million, or 5.8 percent of realized net income.

Next we go to the calendar year 1946. This is the immediate postwar year, after World War II. The realized net income was $15 billion. The direct Government payments to farmers were $800 million, or 5.3 percent of realized net income.

In 1947 the realized net income was $17.2 billion. The direct Government payments to farmers were $300 million. The direct payments as a percentage of realized net income were 1.7 percent.

The last year, the most recent year, was 1956. The realized net income was $11.8 billion. The direct Government payments to farmers were $600 million. Six hundred million dollars is the only figure given for the direct payments to the farmers in 1956, Mr. President. In other words, the direct payments as a percentage of the realized net income amounted to 5.1 percent.

Now I should like to refer to another table, which covers the estimated direct payments to farmers in millions of dollars.

The ACP program in 1957 amounted to $245.3 million.

For 1958, this item is $253 million.

Under the Wool Act, the estimated direct payment to farmers in millions of dollars is $60 million for 1957. The anticipated payments for 1958 are $55 million.

In connection with the Soil Bank, direct payments to farmers for 1957 are $387 million; and the estimated direct payment to farmers in millions of dollars for the calendar year 1958 will be $896 million.

Under the Sugar Act, the cost to this Government in 1957 was $65.5 million. The anticipated cost for 1958 will be $70.1 million.

The next item is the Great Plains. The estimated direct payment to farmers for 1958 will be $17.7 million.

Stating it in another way, in the calendar year 1957 the estimated direct payment to farmers, in millions of dollars, is $757.8 million. The total anticipated for the calendar year 1958 is $1,291,800,000. It will not be $4 billion, $5 billion, or $5½ billion, the figures we have so often heard stated in recent months. I had to go into these figures and place them in the RECORD in order that we and the taxpayers might understand what is involved in the farm program, and in the total administrative responsibilities and functions of the Department of Agriculture.

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

Mr. THYE. I yield.

Mr. CARLSON. I commend the distinguished senior Senator from Minnesota for calling the attention of the Senate to some factual figures which show the actual payments to the farmers of the Nation. The senior Senator from Minnesota has always been an effective spokesman for our great agricultural economy. He has a keen knowledge of agriculture gleaned from many years of actual experience as a successful farm operator. He is considered a leading authority in this important area of our Nation's economy. There is no man more dedicated to the betterment of agriculture in the United States, than the senior Senator from Minnesota.

I think it is most unfortunate that during the past few months we have been reading figures which have been generally distributed over the Nation, to the effect that the farm programs cost $5.5 billion or more, and that the farm income is only about $11 billion; in other words, that the cost of the farm program is 50 percent of the farm income.

I think the Senator from Minnesota has rendered agriculture a real service. It is time these figures were made known to the people of the Nation. Otherwise they, too, would be concerned, as we are, over these payments which, in reality, are not so large considering the great program as a whole. The American farmer sustained our needs during World War II and the Korean conflict. Today the farmer is producing to

sustain our growing needs and demands for agricultural products, both at home and abroad. The farmers of our Nation must not be made the victims of statistical errors concerning subsidy payments.

Mr. THYE. I thank my distinguished friend from Kansas. He has always been a loyal supporter of sound legislation for our Nation's farmers and has recognized their contribution to our ever-expanding agricultural economy.

Mr. President, I have just been given by my administrative assistant a release which has come over the United Press wire service. This is the statement:

"Acting Assistant Press Secretary Wayne Hawks just clarified the President's statement on farm subsidies. He said: 'The $5 billion figure represents about one-half of the net income of all farmers in the United States. The figure is not all subsidy as the President's remarks implied.'"

I am grateful that this clarification has been made. I know that it would have been a disservice to cause me and others to labor under the impression that agriculture would be charged with such a burden as was suggested when it was stated that $5 billion was the cost of the farm programs to the Treasury. That was what led me to go into the statistical records to obtain the facts and introduce them on the floor of the Senate this afternoon.

Agriculture is doing too good a job to be placed under a cloud of taxpayers' criticism. The American farmer not only met the needs of the Nation during the war years, not only supplied the food and fiber which our allies needed, but supplied the materials for many a gallon of alcohol which was processed into synthetic rubber and ammunition in the war years.

American agriculture deserves better than to be constantly charged with being such a burden to the United States Treasury. We have won friends all over the world with the surplus products from the good earth of the United States. The United States and Canada are the great bread-producing areas of the world, as well as being producers of foods and fibers, timber, cotton, animal fats, and fatty products from vegetable crops. American agriculture has done such an outstanding job that it should be commended rather than being placed under a cloud of charges to the effect that a burden of possibly $5 billion has been imposed on the Treasury of the United States to support the farm economy of the Nation.

RETIREMENT OF ALFRED MYNDERS, EDITOR OF THE CHATTANOOGA TIMES

Mr. KEFAUVER. Mr. President, this past weekend Alfred Mynders' retirement as editor of the Chattanooga Times was announced.

I want to express on the floor of the Senate my great respect for him, his integrity and his journalistic ability. Without doubt his career has been one of the most distinguished in the South, and I am glad to say that in retirement his voice will not be stilled, for he will continue to write a column for the Times editorial page.

As many Senators know, the Chattanooga Times is the mother newspaper of the New York Times. These two papers share a distinction for accurate and responsible journalism. Mr. Mynders served that distinction well during all his years as a journalist, which have been many and fruitful.

A native of Hartsville, Tenn., he began his newspaper work with the Knoxville Sentinel—now the Knoxville News-Sentinel—while still in college. He moved to Chattanooga in 1909 as news editor and editorial writer of the Chattanooga News. During World War I he served overseas and after the war joined the staff of the Memphis Commercial Appeal and later served as managing editor of the Memphis Evening Appeal. For one summer during that period he worked on the staff of the Paris edition of the Chicago Tribune.

In 1928 Mynders returned to Chattanooga and the Chattanooga News, later served on the Chattanooga Tribune and in 1940 rejoined the Chattanooga Times organization. He became editor of the Chattanooga Times in 1942. As the Chattanooga Times itself says:

Throughout his years of direction of the editorial policy of the Times he has become known for his deep concern for the welfare of his fellow men, expressed in warm terms and polished phrases.

Mr. Mynders will be replaced as editor by Martin S. Ochs, who at a young age showed himself to be in the true tradition of his family by adopting a journalistic career. On the Chattanooga Times and the New York Times he has served in capacities of reporter, foreign correspondent, and columnist. He has been associate editor of the Chattanooga Times for the past 3 years. I wish him the greatest success in his new responsibilities, and share the confidence of the paper's publisher in his ability to carry on in the tradition of this newspaper.

Mr. President, I ask unanimous consent to place in the RECORD at this point a statement of Ben Hale Golden, publisher of the Chattanooga Times, announcing this change, which was published in that paper on Sunday, April 27, 1958.

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

A STATEMENT

Effective today, Alfred D. Mynders retires as editor of the Chattanooga Times and Martin S. Ochs is appointed to succeed Mr. Mynders.

During the 16 years of Mr. Mynders' editorship, the Times achieved new distinction in the field of journalism. Mr. Mynders is regarded by many newspapermen in the South as a brilliant editorial writer and one of the finest columnists in the country. Mr. Mynders' retirement comes as he nears his 70th birthday and all of his associates on the Times extend their heartiest congratulations on a job well done.

Mr. Mynders will continue his association with the Times by producing the column Looking Backward that appears on our editorial page.

Mr. Ochs, I am sure, will carry on the tradition of liberal and fearless interpretation of the news and will accurately reflect and appraise events as they affect this changing world. He comes of a newspaper family steeped in the traditions of a free and responsible press. His great-uncle, Adolph Simon Ochs, is regarded as the man who laid down the conception of journalistic responsibility to readers of newspapers. Adolph Simon Ochs started his brilliant career as a newspaperman in this city and on this paper, which he published from 1878 until his death in 1935.

The Times has one of the finest newspaper traditions. It has been a great newspaper in the past and must continue to be so.

I have every confidence in Martin S. Ochs' ability to supervise an editorial page in the high standards and ideals of the Chattanooga Times.

BEN HALE GOLDEN,
Publisher.

FINAL REPORT OF THE ALEXANDER HAMILTON BICENTENNIAL COMMISSION (S. DOC. NO. 95)

Mr. MUNDT. Mr. President, today marks the concluding day of the life of the Alexander Hamilton Bicentennial Commission, created by an act of Congress which was initiated in the Senate.

I have in my hand a letter of transmittal addressed to the Honorable RICHARD NIXON, President of the Senate, which reads as follows:

DEAR MR. PRESIDENT: The Alexander Hamilton Bicentennial Commission, named to signalize the 200th aniversary of the birth of Alexander Hamilton, has the honor to submit the following final report, in connection with section 6, Public Law 601, chapter 770, 83d Congress, 2d session, approved August 20, 1954, as amended.

Respectfully,

KARL E. MUNDT,
Chairman.

In submitting the report, I should like to express my appreciation to all of the members of the Alexander Hamilton Bicentennial Commission, both the public members, who have come to us from Government and as Members of Congress, and the private members. I ask unanimous consent that there appear at this point in the RECORD the names of the Commission members as they appear on the letterhead of the Commission stationery.

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

Ex officio: The President of the United States; the Vice President of the United States; the Speaker of the House of Representatives.

Chairman: KARL E. MUNDT, United States Senate, South Dakota.

Vice Chairman: FREDERIC R. COUDERT, JR., House of Representatives, New York.

United States Senate: HARRY FLOOD BYRD, Virginia; THOMAS C. HENNINGS, JR., Missouri; IRVING M. IVES, New York.

House of Representatives: CARROLL REECE, Tennessee; PETER W. RODINO, JR., New Jersey; JOHN J. ROONEY, New York.

Presidential Commissioners: Lt. Gen. Milton G. Baker, Pennsylvania; Edward R. Burke, Maryland; Mrs. Marie Brown Coffin, District of Columbia; Laurens M. Hamilton, Virginia; George M. Humphrey, Secretary of the Treasury; Clark Haynes Minor, New York; Dr. John A. Krout, New York; Mrs. Robert P. Patterson, New York.

Secretary: W. Randolph Burgess, Under Secretary of the Treasury.

Assistant Secretary: Robert A. Dillon, Treasury Department.

Mr. MUNDT. Mr. President, I also express my appreciation to the very fine, loyal, and hard-working staff which served during the lifetime of the Commission. It was headed by Mr. J. Harvie Williams, Director, who did a very fine and constructive job. He used creative imagination and vision to bring into focus the great many methods by which we could bring the distinguished career and the productivity of Alexander Hamilton to the attention not only

of the students of America, but of the general public as well. He was ably assisted by his public relations counsel, Mr. John Underhill.

In addition to Mr. Williams, Dr. Frank Monaghan, the historian of the Commission, contributed greatly to the scholarly background and work of the Commission and to our program to bring forth new facts, new studies, and new compendiums of the writing and thinking of Alexander Hamilton.

I pay tribute also to Mr. Frederick D. Hunt, Deputy Director; Robert I. Berger, radio and television director; Richard C. D. Hunt, who did historical research; and to the other staff members: John A. DeChant, Virginia E. Kress, Madelyn V. Rush, Hertha J. Bohrer, Gladys Houchin, Lola E. Hutchings, Worth Bailey, Pearl Mae Nichols, Chester Spurgeon, Angele de Translites Gingras, and Mrs. Vera Ash, all of whom worked diligently and hard to make the work of our Commission a success.

We are proud of the work of the Commission and of the fact that the work was carried on economically, without the expenditure of a vast amount of money, and that it will have good and lasting effects.

Mr. President, I ask unanimous consent to file the final report of the Alexander Hamilton Bicentennial Commission, and that it be printed, with whatever illustrations and graphs are incorporated, as a Senate document.

The PRESIDING OFFICER. The report of the Commission will be received and appropriately printed.

PEACE WITH JUSTICE

Mr. CASE of South Dakota. Mr. President, recently there came to my attention a very outstanding address, delivered by Mr. Lester H. Woolsey, president of the American Society of International Law. The address was delivered at the 51st annual meeting of the American Society of International Law, which met in Washington last year.

I think the address merits careful reading and consideration by all Members of the Senate and by people generally who have a responsibility or feel a special interest in the subject of peace with justice, which is the title of the address.

Mr. Woolsey, because of his long experience in the field of international law, has given to this particular paper the maturity of opinion, the maturity of observation, and the scholarly approach, which make it very unusual, in my judgment.

He discusses the difference between political questions and legal questions, and points out the difficulty which any international organization finds when a body such as the United Nations, having constituent members, attempts to address itself to questions which have political implications. But Mr. Woolsey also makes constructive suggestions.

Therefore, because I believe it is more than an ordinary paper, I ask unanimous consent that it be printed at this point in the RECORD. I earnestly commend it to the Members of the Senate, and particularly to the members of the Committee on Foreign Relations, especially the Subcommittee on Disarmament.

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

[From the proceedings of the 51st annual meeting of the American Society of International Law, Thursday, April 25, 1957]

This session convened at 8:15 p. m., in the Congressional Room, Hotel Statler, Washington, D. C., President Lester H. Woolsey presiding.

President Woolsey opened the session and read the following telegraph message from President Eisenhower:

AUGUSTA, GA., *April 25, 1957.*

LESTER H. WOOLSEY, Esq.,
President of the American Society of International Law:

To those participating in the 51st annual meeting of the American Society of International Law, I send greetings.

Your organization holds a place of honor among our learned societies. Your studies, critical analyses and creative thinking in the field of international law have created better understanding of the complex problems of law and justice around the world. As you join in seeking to establish a firm and enduring peace, based upon the rule of law among nations, you have the deep appreciation and firm support of all men of good will.

DWIGHT D. EISENHOWER.

PEACE WITH JUSTICE—A COMMENTARY

(By Lester H. Woolsey, president of the society)

Peace with justice—do these words sound familiar to you? They must. You hear them so often. Almost every state paper contains those words, often repeated. They were the burden of President Wilson's state papers, the basis of President Eisenhower's prayer at his second inauguration, the goal in the recent Declaration of Panama. These words have come to be a symbol of our thinking in these tormented times in world affairs. So it bids us to try to understand what these words mean.

What is the peace we are thinking of? Prevention of war alone is not peace. Armistices and cease-fires are not peace. Is the condition in Korea, Vietnam, Formosa, or Israel one of peace? Obviously something more must be added. Let us take an example.

UNITED STATES AND CANADA

The condition of relations between the United States and Canada comes, I believe, as near to international peace as anyone could well imagine. A boundary line of some 3,000 miles for the past 160 years without a fort or a gun and only 3 or 4 gunboats for customs guard, is at least remarkable today. What has brought about this state of affairs. Canadians have no fear of the United States and vice versa. Both sides are satisfied with the existing situation. There are minor disputes, of course, such as the question of damage on the American side from fumes of Canadian smelters, or from works on one side which unduly raise the water level on the other shore, recent disputes over the use of the waters of international rivers such as the Columbia River. But does either side fly to arms on that account? They do not even raise the tempo of international feeling. They are referred to arbitration or to a technical commission for a disinterested report to be used as a basis of settlement.

To attain such a condition of peace, it is necessary that there should be trust and confidence on both sides of the border and machinery for the settlement of disputes which are sure to arise. Of course, in this example, peaceful relations are aided by identity of language and to a large extent of institutions and aspirations born of freedom.

The four freedoms are taken for granted. Freedom in America means freedom of choice, freedom to choose our government, freedom to speak our minds, freedom to worship as we please, and some disciplinary measures for maintaining these freedoms under law. It means also equality before the law, and opportunity to satisfy human wants.

Foreign Minister Pinay of France said in the United Nations in September 1955:

"What is needed is the establishment of peace among the nations in an atmosphere of mutual confidence. This is a long-range undertaking, because confidence cannot be commanded, it has to be earned. It is earned by honesty of thought and tested by consistency of action."

Similar conditions of real peace prevail between several countries, especially between some of the South American countries and the Scandinavian countries, for like reasons.

GERMANY AND FRANCE

Now, take a contrasting example, namely, Germany and France. These countries have been at war to the death 3 times in 70 years, and also earlier. An inborn animosity and rivalry existed between them sharpened by suspicion and mistrust as to the other's aims and ambitions. The frontier was fortified by the Maginot and Hindenburg Lines which glared at each other across the border.

Also, huge armaments were built up on both sides and maintained to the utmost of military perfection. Pieces of border territory have changed hands more than once and raised irritating Irredentist problems as in Alsace-Lorraine. Such peace as existed between conflicts was merely an armed truce or powder-keg peace.

This obviously was not a peaceful relationship, although treaties of perpetual peace existed and were in one instance, as after World War I, guaranteed by other nations in the Locarno Treaties and aided by machinery for settling disputes.

What has made this pseudo peace an utter failure? It may be easily answered that there was a lack of sincere trust and confidence in the peaceful aims of the other party. This was true, but this does not reach the bottom of the question. Indeed, after World War I, both countries were reasonably free politically, spiritually, and materially. On this unstable situation, Hitler cast the blight of nazism and the die was cast for war.

The Franco-German animosity and rivalry had become an internal political football and disputes could not be settled calmly and on their merits in such an inflammatory situation. How can this state of international feeling be brought to the level of the United States-Canadian trust and confidence?

These attributes are attained only through years of freedom, of honorable and fair dealing without acrimonious and spiteful propaganda and attempts to overreach each other. This is not an overnight solution, a solution of immediacy. Nor, of course, can it be obtained by force or be purchased by grants of financial or material aid.

RUSSIA AND ITS NEIGHBORS

Take another case—the Communist threat which involves the great countries of Russia and China, the smaller nations of eastern Europe and Southeast Asia. It is not necessary to discuss here the tenets of communism as dictated by Stalin, now recently given a new look by Khrushchev and again revised by him.

The recent events in Hungary are of a piece with what occurred in Estonia, Latvia, Lithuania, Korea, China, and Vietnam, and point up the characteristics which make communism abhorrent to the free nations of the West. It is a crusade led and nurtured

by a tommygun empire with no moral restraints.

It is trite to say that a cold war is not peace. The trust and confidence and freedom that peace requires for its germination and nourishment are wholly lacking. Can they be attained in the present atmosphere? The Bandung Conference laid down five sensible principles for reducing tensions; namely, noninterference in internal affairs, respect for the sovereignty and integrity of nations, refraining from acts of aggression and so on, but communism does not live up to them.

For example, Russia says her action in Hungary is a purely internal matter of no international concern. It is clear that the imposition of totalitarian regimes on free peoples by aggression, infiltration or subversion undermines the foundations of the United Nations and international peace. Preventing war alone is not enough in such a case. Mr. Vishinsky, the late chief Russian delegate to the United Nations, has emphasized this. He said: "We shall conquer the world, not with atomic bombs, but with our ideas, our brains, and our doctrines."

Therefore, international communism is openly opposed to international peace, except under its own dominion—a Communistic peace, in a limited sense similar to the enforced peace of the Roman Empire.

PEACE BY FORCE—OR ELSE

In this context, we may note that in the present atomic age and particularly the present deterrent phase (with total destruction overhanging the countries of the world like the sword of Damocles) there exists at the moment a sort of peace by force or else. Witness the Soviet threat to Britain and France at the time of their invasion of Egypt. Surely this is not the kind of peace we desire or have in mind.

The President did radiate confidence at the summit conference at Geneva. Even the Russians were convinced of his sincerity of purpose and of his determination not to begin an atomic war. Did the Russians do the same? By repudiating their promises they did exactly the opposite. How can we ever get to equal terms in trust and confidence with the Russians?

Peace in the present civilization must be based on moral principles, on the sanctity of promises we live by, on the principles of right and wrong and fair dealing of everyday life. These principles instill trust and confidence and are the only ones that will. President Wilson believed that the moral law was the strongest force in the world, and President Eisenhower envisages a world where moral law prevails.

Nehru said on his visit to President Eisenhower in Washington in December 1956 that the President represents not only the power and might of the United States "but a certain moral quality that in the uncommitted areas is regarded in the final analysis as something bigger."

So now we come to the concomitant term of peace, namely, justice. Peace and justice are faces of the same coin. They go together. Peace cannot be attained without justice. Injustice breeds discontent and friction. Neither can there be justice without peace. Justice does not thrive in the temper of strife.

PEACE AND JUSTICE

Justice is usually thought of in connection with a dispute or controversy of some kind. For centuries now, in internal affairs, since the time of trial by battle, men have felt that the nearest approach to justice in a dispute is obtained by referring the dispute for decision to a court, that is, to a body of disinterested persons qualified to pass upon the question at issue. In the international field this procedure was first exercised by referring the dispute to a temporary board of arbitrators. Not until the Treaty of Versailles was there created a permanent Court of Nations. This was continued in the United Nations Charter and called the International Court of Justice. This World Court has a general jurisdiction of "all cases which the parties refer to it" and other matters provided for in the charter or other treaties in force. A number of small countries have agreed to be sued by another country in any dispute involving certain "legal" questions, that is, to be haled into court on a simple complaint by another country without the necessity of a preliminary agreement. The great powers reject this simple procedure and lay down limitations on jurisdiction as to time limit, reciprocity, new cases, etc. The United States, for example, denies jurisdiction over any question which it considers to be a domestic question. The result of such restrictions is to leave the Court with comparatively little to do. Aside from special arbitration treaties, this is the judicial regime for the community of nations. I have classed arbitration courts as judicial courts, since J. B. Moore so regards them in his digest.

Courts, however, are not infallible instruments of justice. For example, a court may base its decision on a technical point which obscures the merits and denies justice. The North American Dredging case before United States-Mexican Claims Commission is in point. The claimant had a contract with the Mexican Government to dredge certain harbors. It did the dredging, Mexico issued certificates of work completed and payments due, but no payments were made for lack of funds. The contract contained the Calvo clause denying resort to diplomatic intervention. The Commission upheld the clause and dismissed the case. The company was not paid for the work it admittedly had done and for which payment was admitted to be due. This was corrected by a later domestic commission.

There was a group of claims against Venezuela in which the protocol of reference instructed the arbitrators to decide the cases according to absolute equity and without regard to technical rules. Certain of the claims were dismissed. The decisions were protested by the United States as being contrary to the protocol, and later the same cases were by agreement put before the Hague Court which studiously avoided all technicalities and handed down additional awards (*Orinoco Steamship Co.* v. *Venezuela*, Hague Court Reports, p. 236).

LEGAL QUESTIONS JUSTIFIABLE

Arbitration cases have as a rule dealt with losses of property or lives which were capable of being measured in money damages. It should be emphasized that these damage cases, however, have not generally been such as would have prevented war. They commonly involved legal questions for the most part.

On the whole we must conclude that by and large over the years, court machinery in the international field, whether in ad hoc units or permanent form, has dispensed justice in generally acceptable measure. The judicial process should be so formulated as to get to the merits of a case regardless of technicalities and special rules of law or procedure.

Secretary Dulles has summarized the judicial process under the charter in this language:

"Here we find, despite much lip service to that process, most nations prefer to seek a settlement of their disputes by diplomatic means or perhaps they prefer to keep the dispute open for domestic, political reasons."

There has been roughly an average of approximately one decision on the merits, not counting orders and advisory opinions, per year during the life of the old and the new World Courts. Out of all of the numerous disputes existing in the world in that period, this, he said, is a poor showing. "It demonstrates that nations are reluctant to settle serious disputes on the basis of rules of law."

The foregoing relates to justiciable disputes, that is, disputes resolvable by application of rules of law. However, there are disputes that are not so resolvable and these have been classed as political disputes. Law courts, as a rule, reject such disputes as beyond their competence.

Surprisingly, however, there seems to be some difference of opinion as to whether an international court should handle both legal and political questions. This problem arose early before the United States Supreme Court.

Analogy to an international court is sought in the United States Supreme Court to which the Constitution (by agreement of the States) grants jurisdiction of "controversies between two or more States," without stating any exception.

WHAT OF POLITICAL QUESTIONS?

In the case of *Rhode Island* v. *Massachusetts* (12 Peters 657) the Supreme Court said that disputes between States are political when the sovereign reserves the right to decide them, but that when a dispute is referred to the Court it ceases to be political and is to be decided by rules of law appropriate to the case. Nevertheless, in the later case of *Pacific T. & T. Co.* v. *Oregon* (223 U. S. 118), the Court held that whether Oregon had a republican form of government as guaranteed by the Constitution was a political question for decision by the Executive or Congress. Professor Burdick cites a few other cases in which the Supreme Court refused to consider political controversies (Law of the American Constitution, p. 130 ff.).[1] In this connection we might consider what has been said about arbitration of all kinds of questions.

President Taft in connection with the General Arbitration Treaty of 1912 saw no reason why States should not agree to arbitrate all questions no matter what they involve—honor, territory, or money. He said:

"I have noticed exceptions in our arbitration treaties, as to reference of questions of honor, of national honor, to courts of arbitration. Personally, I do not see any more reason why matters of national honor should not be referred to a court of arbitration any more than matters of property or matters of national proprietorship. * * *

"But I do not see why questions of honor may not be submitted to a tribunal supposed to be composed of men of honor who understand questions of national honor, to abide by their decision, as well as any other question of difference arising between nations. * * *

"If now we can negotiate and put through a positive agreement with some great nation to abide by the adjudication of an international arbitral court in every issue which cannot be settled by negotiation, no matter what it involves, whether honor, territory, or money, we shall have made a long step forward by demonstrating that it is possible for two nations at least to establish as between them the same system of due process of law that exists between individuals under a government" (5 American Journal of International Law, 720 ff. (1911)).

Mr. Root, speaking on that treaty in the Senate, thought there were matters which could not be arbitrated, such as questions involving a nation's independence, a place to live in, and generally questions of national policy.

When the Permanent Court of International Justice was created as the judicial

[1] Dickinson cites a number of such cases in his excellent paper, The Law of Nations as National Law: Political Questions (104 U. of Pa. Law Rev. 451–493 (1956)).

arm of the League of Nations, the statute of the Court defined its jurisdiction to comprise "all cases which the parties refer to it" and all matters specially provided for in the covenant and in treaties and conventions in force. This provision was carried over into the statute of the International Court of Justice under the Charter of the United Nations. And any question of competence was to be decided by the Court.

Did it have jurisdiction of political questions? The distinction was early envisaged. The members of the League were obligated to submit to the Council, a political body, any dispute likely to lead to a rupture which was not submitted to arbitration or judicial settlement. Accordingly, when Great Britain acceded to the optional clause, which was limited to legal cases, she reserved the right to submit a dispute which she believed to be political to the Council for adjustment.

The Permanent Court itself soon had the question before it. In the case of the free zones of upper Savoy, the Court said in effect that political cases, in particular tariff questions, were not for a court of justice which applied rules of law.

Judge Kellogg, concurring in the dissenting opinion on the merits, filed a special opinion to the effect that the Court's jurisdiction did not include political questions and was not broadened in this respect by the ex aequo et bono clause. He said:

"What is a political question? It is a question which is exclusively within the competence of a sovereign state. The making of tariff regulations, the regulation of immigration, the imposition of taxes, and in short the exercise of all governmental power necessarily inherent in a sovereign state, involve questions of this nature. In passing upon a political question there is no rule or principle of law, no norm of equity, justice, or even good conscience which the Court can apply; for unless limited by treaties, the power of a state in this domain is unlimited." (2 Hudson, World Court Reports 507.)

Furthermore, he said the provision in the covenant that the Court's jurisdiction comprises all cases which the parties refer to it "does not authorize this Court to take jurisdiction of purely political questions." He indicated that diplomacy, arbitration, and the League of Nations were available for the adjustment of such questions. He added that the competence of the Court in this case extends only to the determination of the legal rights of the parties and that it could not, even with their consent and at their request, settle such political questions" as may be involved in this case. (Idem, p. 508.)

In the case of the Austro-German customs regime the dissenting opinion held that "the Court is not concerned with political considerations nor with political consequences. These lie outside its competence." Here it may be interpolated that purely legal questions may become political if the interested governments make the issue one of government policy and refuse to submit it to legal determination.

In the interim when the new World Court was being considered, Justice Jackson, of the United States Supreme Court, from this rostrum in 1945 declared "the World Court's jurisdiction should be confined to matters really justiciable," and should not include "cases which are really political in their nature and require to be dealt with by means of a political decision and not by reference to a court of law."

Indeed, the Inter-Allied Drafting Committee, said Justice Jackson, advised that the prestige of the Court required that "its jurisdiction should be confined to matters which are really justiciable and that all possibility should be excluded of its being able to deal with cases which are really political in their nature and require to be dealt with by means of a political decision and not by reference to a court of law" (1945 Proceedings, American Society of International Law 14). Article 36 of the Charter provides that the Security Council should consider that legal disputes should go as a general rule before the World Court.

POLITICAL QUESTIONS LEAD TO WARS

Assuming, then, that the better opinion and practice is that courts of justice should not pass upon political matters, where are such questions to go for determination or adjustment?

These matters involve the highest policies of government and the profoundest disputes between nations, as they may impinge on independence, honor, and vital interests. They often lead to war. What provision has been made to bring about justice in such political controversies?

There were sporadic attempts made in conferences of the great powers and in the concert of Europe, the Hague conferences, the Pan American conferences, the Locarno treaties, to do something in this area, but no organization was created for this purpose until the Covenant of the League came into force in 1920. The covenant established the Council, a political body, composed finally of 15-member nations, to which was to be submitted "any dispute likely to lead to a rupture" if not referred to arbitration or adjudication. The Council handled a few political cases.

The aim of the United Nations, like that of the League, is to prevent war, that is, to settle disputes and to clear up situations that might lead to war or to stop war itself. This, of course, involves settling political questions of the most dangerous sort. So now the United Nations and the regional organizations, like the Organization of American States and others, are the organs or courts for the settlement of political controversies between states.

THE U. N. AS A COURT

Let us consider the United Nations as such a court:

(1) Although law courts usually reject political questions, political bodies often undertake unfortunately to decide legal questions. Therein lies one of the roadblocks to justice. The record of the United Nations in this regard is not envious.

A committee of this society headed by Professors Chamberlain and Sohn, reporting on the practice of the United Nations bodies when their competence is challenged, found that if a nation feels that a decision is unconstitutional, a member may refuse to follow it, as has happened in several instances. A claim of non-competence, instead of being sent to the World Court, often results in a weaker proposal put forward in the hope that the challenging state will accept it without further objection. Also, the doubt may result in so many abstentions as to defeat a two-thirds vote.

This is a corrosive influence on the authority of the United Nations which could be avoided by an authoritative decision of an impartial tribunal on the question of competence.

In the Indonesia, Tunis, Algeria, Morocco, South Africa and Cypress debates the defendant countries claimed a domestic question under article 2 but it appears that the Assembly or its committees declined to submit it to the World Court. In the South African case, President Pearson moved to have a vote of the Assembly on the question of competence. His motion was voted down 41 to 10.

The action of the United Nations in the admission of the package of 16 new members in 1955 was perhaps the most irresponsible decision of record. There had been an advisory opinion by the World Court as to the principles governing the admission of new members under article 4. There were the explicit requirements of article 4 that a new member should be a peace-loving state and that admission shall be effected by a decision of the Assembly upon the recommendation of the Security Council, yet the Security Council by an admittedly political decision in the interest of universality disregarded the advisory opinion and the provisions of article 4 had voted for the admission of the package doubtless as a deal. Members who noted the illegality of this procedure winked at it by deciding to abstain rather than vote against it.

The United Nations Assembly, though a purely political body, is prone to decide or to defer legal questions on a political basis. Thus, it attempts to interpret the meaning of the charter which is purely a legal question and should go to the World Court for decision. But the contrary is the practice, which, I note, has been justified by certain comments made at the San Francisco Conference.

Mr. Dulles, in his address before this society at the last annual meeting, recognized the political character of the Assembly and its decisions. He said:

"It must, however, be recognized that debates in the General Assembly in relation to resolutions calling for change tend to be emotional, and votes are sometimes cast not on the basis of impartial study and judgment of the facts, but rather on the basis of political alinement of the members, and sometimes on the basis of what one might refer to as international log-rolling. * * * It arouses nationalistic sentiments."

The potentialities in article 14 (peaceful adjustment of any situation) "are not yet sufficiently well developed so that peaceful change is a well-ordered function of the Assembly."

We may ask why would states rather have a political decision on a legal question, than a legal decision? I take it the fundamental reason may be that they feel that the chances are better to get at least something out of a political compromise or maneuver, whereas, especially if their case is weak, they might get nothing out of a legal decision on the merits.

CONSIDER ITS MEMBERSHIP

(2) How is the United Nations constituted?

The 81 members are said to represent the opinion, the conscience and the aspirations of the world community. It is a cross-section of the races and peoples of the world with their native prejudices and biases, their civilizations and cultures, their religious and moral levels, their totalitarian and democratic systems, their antagonisms and affinities, their hopes and fears. It also harbors the evils of all political bodies—political maneuvers, log-rolling, pressure groups, special interests, et cetera.

Moreover, the Assembly of the United Nations is a body so constituted that 5 percent of the world's population can outvote the other 95 percent; half of the population of the world is represented by 4 delegates, the other half by 75 delegates.

The Asian-African-Soviet bloc comprises more than a third of the membership of 81 nations and so could, if it stood together, block any major effort of the Assembly where a two-thirds vote is required, as under the Uniting for Peace Resolution of 1950, when the Security Council is stalled by a veto, unless some moderates could be won over by cajoling or pressuring.

Should a nation abdicate its constitutional right to formulate its own foreign policy and follow that to be formulated by a body so constituted? Can it be said that the Asian-African-Soviet members, with a controlling voice in the Assembly, are trustworthy and responsible in world affairs, that is, put the principles of the charter, the community interest, before national and racial interests?

A recent example of ineffective United Nations action due to the makeup of the Assembly was the second resolution on the withdrawal of forces from Egypt.

In order to overcome the imbalance of Asian-African-Soviet votes, the second resolution had to be watered down to very dilute language susceptible to different interpretations to suit everybody. Moreover, the political issues were very complicated and very difficult to state in the form of a resolution which is the way the Assembly renders a decision.

The resolution is drafted by a delegation or group of delegations so as to draw enough votes to carry it. This as we have seen leads to equivocation and vague phraseology. Such a procedure does not tend to promote full and complete justice particularly since each delegation votes according to the selfish interests of its government on pain of repudiation at home.

Robert Murphy, Deputy Under Secretary of State, recognized this situation in his speech of March 9 last:

"Thus when we work in an organization like the United Nations which includes a membership of 80 nations and where conflict of interest is frequently the rule, a solution of a given problem which seems perhaps logical and theoretically right may be practically impossible. The application of the principle of equal justice for all nations, large as well as small, is easy in the saying, but more difficult in the achievement. We do not live in a world of fiat, but one where the resolution of conflicts of interest requires ingenuity and tolerance.

BIAS IN VIEWS INEVITABLE

(3) Other attributes of the United Nations.

A reading of the debates of the Assembly shows how widely biased are the national views on almost every subject. For example, the former colonial countries and some others are strong for self-determination for any discontented people. According to Premier Mollet, the Communists promote national fronts in black Africa and inflame fanatical nationalism among colored peoples not yet able to read or write, let alone run a government. Their impoverished society is rich prey for dictatorship.

Some discontented people, especially the lately colonial peoples, are led to think that denying self-determination is a form of denial of justice. Does this indicate that justice cannot be had in the world, unless any national group is free to exercise self-determination at any time and split away from suam patriam, no matter how long it may have been a part thereof—over 100 years in the case of Algeria, I believe. Witness the recent appeal of Brittany to the United Nations for freedom from French domination.

Has a government no authority to put down a political rebellion within its own territory? If not, our Civil War, which preserved the Union, was wrong then and would be wrong now if it occurred today.

Moreover, the decisions of the General Assembly are not binding on member states in the same sense as the decisions of the Security Council. The General Assembly is not, in the words of Ambassador Lodge, "a super state which passes resolutions having the force of law." They are merely "hortatory and recommendatory." It cannot dictate to the states on matters recognized as essentially sovereign. Then by what authority did the Assembly assume to call back the advancing forces, the sovereign arms, of Britain, France, and Israel? Our eminent international lawyer, Julius Stone, of Harvard, put this question in a letter to the New York Times, February 8, 1957.

The votes of delegations in the Assembly are apt to be warped by alliances, by fear of offending a powerful neighbor (Finland and Iceland, for example) by grants of military or financial aid or by special treaty arrangements. Nehru recently said it was "quite possible" the Security Council action calling for a plebiscite in Kashmir "is due to these military alliances."

Moreover, the United Nations itself is organized on a discriminatory basis in favor of the permanent members of the Council, in that they have the right of veto. They are thus immune from any untoward action of the Council while other nations are not so immune. This is not true in the Assembly, but its decisions are only recommendatory.

INITIATIVE RESTS WITH MEMBERS

(4) It should be understood that the United Nations has no initiative of its own. It is, and does, what the member nations agree upon in specific cases. The initiative is theirs alone. It becomes merged in a collective decision.

Can a nation wisely say that its foreign policy will follow the United Nations whose policy is the result of such agreement among members as debate and compromise may secure?

A nation must take the initiative and while making its own foreign policy tally with the guiding principles of the charter, seek to convince the United Nations to use the procedures that will make it effective. It cannot wisely reverse the process—forego its initiative and follow the policy made by the Assembly. For the Assembly is not constituted to render a political decision based on its merits but rather a decision of expediency that will best serve the special interests of the members or groups of members.

This is illustrated in the Suez case. Israel declined to comply with the United Nations resolution to withdraw her forces from certain parts of Egypt, except upon certain guaranties. President Eisenhower declared the United Nations had no choice but to exert pressure upon Israel to comply with the United Nations resolution, unconditionally. The Arab-Asian bloc, which would like to push Israel into the sea, stood ready to propose sanctions to force her withdrawal, knowing that severe sanctions would cripple her.

The evident unfairness and discrimination of such action against Israel while other offenders against the United Nations demands, such as the Soviet Union and Egypt, went free, aroused so much adverse public opinion in the United States and abroad that renewed efforts to avoid sanctions against Israel were undertaken. These efforts consisted in bringing moral pressure to bear on Israel to comply with the United Nations resolution. This induced Israel to build up certain "assumptions and expectations" as to future action by the United Nations and the United States which were like the biblical house built upon the sand. This shows how a country has to try to initiate and press its own policy in the United Nations and not to take a laisser faire attitude.

JUSTICE MUST BE IMPARTIAL

(5) What does a just settlement of a political problem entail?

A just settlement would have to take into consideration all the states which would be substantially affected by the settlement, not those which will be only remotely affected. Besides, the interest should be a peaceful one, not a predatory one nor one to settle old grudges.

In this regard it is interesting to note what President Eisenhower said in connection with Israel's interest in the Middle East settlement:

"I would hope no one would believe that the United States in all of these conferences that take place in what we call the final settlement of basic troubles in the region, is not trying to protect and assure the rights of all in every respect and is not trying merely to get some formula that will just stop fighting for the moment. The whole gamut of complaints must be looked at, studied and they must be satisfied, if we are going to have permanent peace and the United States is interested in that."

Along the same line, Dag Hammarskjöld, in his report to the General Assembly February 12, 1957, on the Egypt-Israel controversy, said:

"Peaceful conditions in the Middle East must be created in the interest of all countries in the region and of the world community."

Not only should the settlement take care of the interests of affected states but the settlement for obvious reasons should not represent a judgment by the affected states in their own interest, that is, a judgment by the parties most interested. A state should not act as a judge in its own cause, so said the world court in the Mosul case and the Iraq-Turkey frontier case. This well-known rule seems to be accepted in the Security Council but not in the Assembly.

Nothing disintegrates confidence like a decision riddled with selfish interests.

The decision at the Paris peace conference to give the South Tyrol to Italy is a classic example of a wrong political decision by interested states, victors in World War I. A modern example of political decision by interested powers without minding the interests of others, was the establishment of Israel by the United Nations out of territory mostly owned or claimed by Arab peoples. There has been trouble ever since.

Perhaps the basic principle of justice is the same treatment for all. "Justice is impartial," said the court in the Betsey case (4 International Adjudications 187); that is to say, the same standards for large and small states with no discrimination. The equality of nations requires this. Consequently, nations flouting the directions of the United Nations should be treated alike.

In the Suez case Egypt ignored the demand of the Security Council in 1951 in respect of the blockade of Israel, but the United Nations took no steps to enforce its demands. Last summer when Egypt seized the canal, the Canal Co., and the concession, and breached the treaty of 1888, all this elicited no response from the United Nations. "It was the failure to enforce the law against Egypt that set the armies marching."

The whole Suez episode bristles with legal questions, but not one has so far been laid before the World Court. The United Nations seems more interested in restoring a semblance of peace by cease-fire (while leaving the seeds of war) than working out justice impartially. For example, when Israel, after her invasion, refused to withdraw her troops from Gaza and the mouth of Aqaba Gulf except on certain conditions, a large number, perhaps a majority of members, including the Soviet-Asian-African bloc, were inclined to impose sanctions on Israel to force her withdrawal without conditions. Would this attitude produce even-handed justice?

On the other hand, when India rejected four resolutions of the Security Council calling for a plebiscite in Kashmir and boldly annexed Kashmir instead, the United Nations, so far, has taken no steps to enforce the resolutions.

Again, Russia ignored the United Nations resolutions to withdraw from Hungary, calling the incident a domestic one, and no disciplinary steps were taken by the United Nations except to condemn her action. Such action or nonaction, impugning such violations, is contrary to the rudiments of fair dealing by any gage of right. I lay the cause of such one-sided action to the factors inherent in the makeup of the Assembly, as reviewed above, which makes it unfitted to act as a political tribunal to dispense justice.

In other words, the United Nations contains members who do not abide by the rules, at home or abroad, that they would apply to others. And this is due, in the case

of the great powers, not only to the privileged position which they occupy in the organization, but to the vast difference in their interests and moral levels which their privileged position allows them to exploit.

Hence, the United Nations is not an institution, even with the best of intentions of many members, that can be relied on to reach just political decisions. We have here a body subject to the control of other factors than the principles of law and justice.

HOW TO PROVIDE FOR PEACEFUL CHANGE

(6) We come, at length, to inevitable changes in the relationships of nations. The community of nations is a growing changing organism. The status quo has to give way to these changes of growth. Such changes give rise to some of the most difficult imponderables of international life. Our Secretary of State has written forcefully on the subject of "Peaceful Change," and Under Secretary Hoover last November stated the problem before the General Assembly as follows:

"In seeking peace and justice it [the United Nations] must find means of providing for peaceful change.

"The United Nations must assist legitimate changes to take place but it must also strive to prevent these changes from shattering the peace or from harming the legitimate interests of others. * * * It is the task of statesmanship to guide changes into channels which are both peaceful and just. In striving to reconcile conflicting claims and interests we may sometimes make progress slowly. We must not become discouraged when for the time being the best we can achieve is a truce or an armistice. We must look at our problems with a sense of the possible and a determination to find it."

This statement raises many questions involved in the problem of peaceful change. What are legitimate changes? What are legitimate interests of others to be protected? How to reconcile conflicting claims and interests?

How will the United Nations find means of providing for peaceful change? There are a number of such changes pending or in the offing—Cypress, Goa, Algeria, West New Guinea, British Honduras, to mention a few.

Is the United Nations conditioned to do justice in deciding these questions? For the reasons already given, it is believed it is not qualified to render the dispassionate judgment necessary in such complicated cases involving both law and policy.

The United Nations cannot, as we have seen, impose a permanent solution. Nor can force be used according to the charter. Therefore, to be satisfactory, peaceful change must be the result of negotiation. Existing arrangements are often based on treaties and the United Nations has not been given competence to deal directly or indirectly with the revision of treaties. If a treaty is involved, the aggravated party should be able to ask the World Court to render an opinion on whether the treaty has ceased to be binding on the ground of rebus sic stantibus or any other ground. A treaty that is merely onerous would be ripe for negotiation. In this the Secretary General may be helpful as a disinterested mediator. As the defendant country is the party to be dismembered, it will naturally regard such a course as interference in her affairs and take a recalcitrant attitude. A political court (as proposed below) might help in this respect as a disinterested adjunct to finding an unbiased solution.

NEW STATES CHANGE BALANCE

(7) Finally, a disquieting change in the structure of the Assembly is already clouding the horizon. I refer to the new states recently admitted to the United Nations and to those to be admitted in the future. A number of them will come from the vast continents of Asia and Africa as the colonial empires break up into independent nations which join the United Nations, like the new Negro state of Ghana.

It is probable that these splinter states, weak in government experience, economic stability, and military defense, will be prime targets for Communist subversion. Each will have a vote equal to that of the United States and the other powers.

This influx of new states from Asia and Africa must inevitably soften, by a sort of self-mutilation, the hard core of western civilization and culture represented in the Assembly. This has been the source of a most important factor; namely, western ideals of administration, law, and justice—a habit of peaceful ways of settlement according to acceptable moral standards—without this ballast the Assembly would have been unable to ride out the crises of the last decade and may not be able to meet those of the future. This is to me the most frightening prospect, already well advanced, to come about in the composition of the Assembly. It would change the usefulness of the United Nations and the history of the world. Already 19 newly sovereign states have come into existence since the charter came into force. The purpose of the Soviets to gain control of the Assembly is emerging and well advanced. In his address of March 19, 1957, Assistant Secretary Wilcox emphasized this problem, as follows:

"A United Nations that has grown in less than 2 years from 60 to 81 members and in which the Afro-Asian states now constitute more than a third of the total presents new problems and, I think, new opportunities. I do not think that it is necesssarily cause for alarm.

"Those who are concerned point to the fact that the General Assembly rather than the Security Council has become the voice of the United Nations and its most influential body. The relative strength of the Latin American States has been reduced. The conflict over so-called colonial problems has been sharpened. With the recent increase in membership the Afro-Asian nations alone, if they stood together, could no doubt prevent the passage of any important resolution. * * *

"On certain fundamental issues the Afro-Asian nations do stand very solidly together. I refer particularly to colonialism and economic development. On these they are often joined by the so-called Latin American bloc.

"In my opinion, what is required of United Nations members in the enlarged General Assembly—where each state has one vote—is a special sense of responsibility. The smaller and undeveloped countries do have a collective power far out of proportion to their economic, military, and political strength. If they abuse this power, the General Assembly can become a center of contention and deadlock. On the other hand, the great powers, if their cause is just, should not lack the support of the majority of the General Assembly on important issues."

The intransigence of Colonel Nasser in negotiations with the Secretary General and the United States is apparently due to his feeling that the West has no weapons with which to force him to make concessions. He feels protected from Security Council action by the Soviet veto and from Assembly action by the Soviet-Asian-African bloc which holds over one-third of the votes. This fact may also prevent a request for an advisory opinion of the World Court. A few more Communist votes added to the United Nations would throw the control of the United Nations over to our enemies. Suppose Red China were admitted as a veto member.

SUGGESTS A STANDING PANEL

(8) Please do not misunderstand me. I have nothing but the greatest admiration for the achievements attained under the League Covenant and the charter. I hate to think of the world pressures without the safety valve of the United Nations. It seems, however, that the political field where immense unsettled problems lie deadlocked today and where the future problems may stagnate tomorrow—this field needs additional machinery to promote solutions. The rise and spread of police states and underdeveloped states in the United Nations will produce an alarming situation in the functioning of the United Nations.

What is the remedy? Secretary Dulles has suggested the revision of the voting procedure so that single states will have a number of votes in proportion to their power and population. Professor Sohn of Harvard and others have worked out tables of weighted votes (Sohn, World Law, p. 320 ff.). Weighted votes are in use in the International Bank.

For my part, I suggest another possible remedy; namely, the establishment of a special political commission or tribunal of disinterested men to consider political matters only. It could be established by a resolution of the Assembly as was the International Law Commission and be constituted on the general lines of that Commission.

I suggest it be composed of 15 members learned and experienced in international politics and international law and entirely independent of the policies and control of their governments so that they would be in a position to consider impartially any political question submitted to them and to render an unbiased dispassionate report thereon for the use of the Assembly or Security Council. Its duties would be entirely advisory but it could recommend a settlement which it deemed just and proper. Its duties would not bar a binding decision if the interested parties agreed thereto. It would thus be an adjunct to the political organs of the United Nations to assist them in the investigation and settlement of political problems on the basis of a disinterested finding.

Such a body would add to the moral authority of a United Nations decision. It would be in the nature of a standing Commission of Inquiry for political matters attached to and forming a part of the charter machinery. It would function something like the Aaland Islands Commission although this was a commission of jurists. I greatly respect the commission's handling of that case, with which I was in a humble way connected.

There are no principles to guide the decision of political questions that I know of, but we may confidently expect that repeated decisions by a political tribunal might develop such principles or a set of equitable precedents to form a body of common or unwriten law. The Organization of American States has made progress in this field.

The United Nations was based on the assumption that it offered sufficient alternatives to use of force. When this assumption fails what is to be done?

My purpose is to offer a further alternative to the use or threat of force when the charter machinery becomes bogged down. Can it be expected that force will be renounced in that situation and the problem left to fester in the world body politic indefinitely?

I have not gone into the details of organization as I wished to present the general idea of a disinterested commission devoted to political questions alone and without administrative functions. There are many precedents to be drawn upon for details.

CORRECTION OF JUDICIAL ERRORS

Mr. STENNIS. Mr. President, I commend the members of the Senate Judiciary Committee for their action in considering the problems presented by

certain recent Supreme Court decisions, and for the courageous steps which have been taken to overcome the legal effects of what many of us believe to be serious aberrations in the law. I understand that the bill (S. 2646) was ordered reported favorably by the full committee this morning. I think that every person seriously concerned with matters of constitutional government will be most interested in the details of their report.

I understand the report will actually be filed as soon as there has been time for the preparation of the minority views.

It is unfortunate that while so many problems are clamoring for the attention of the legislative branch, so much of our time and energy should be consumed in what many of us believe to be an absolutely necessary correction of judicial errors which will otherwise haunt us for years to come. It has long been my belief that the most effective conservative influence in our Government is the United States Senate, and that often we are called upon to take an unpopular stand in order to preserve constitutional checks and balances when the clamor for change and innovation becomes hysterical.

The action by the committee now puts the problem squarely up to the Senate, where I urge that it receive both early and favorable consideration.

We must give our serious attention to the grave issues now confronting us in these vital fields.

THE OUTDOOR JEFFERSONIAN

EMPLOYER-EMPLOYEE RELATIONS

Mr. MALONE. Mr. President, early in this Congress I introduced Senate bill 2693 to repeal the National Labor Relations Act and return to the States the traditional right of control in this field.

I ask unanimous consent to have printed at this point in the RECORD an article entitled "The Outdoor Jeffersonian," written by special writer Holmes Alexander.

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

THE OUTDOOR JEFFERSONIAN

(By Holmes Alexander)

WASHINGTON, D. C.—Senator GEORGE W. MALONE, a boilermaker's helper and a $4-a-day goldminer in his day, has been nearly 12 years in the Upper Chamber without voting in favor of a labor law.

My own opinion is that this burly hard-handed outdoor man who spent his early years in railroad, mining, and construction camps and whose saddle-strewn office looks like a cowboy's tackroom, has got a soft spot for the working stiffs who belong to unions.

But I have never been able to make MALONE admit this sentimental attachment. Any approach to the subject soon leads into his gravel-voiced denunciation of internationalism, free trade, foreign aid—in fact, almost everything that goes in this town by the name "liberal." Nevada's senior Senator is against all that is New Dealish and Modern Republican—except labor. This you might say is a Right Wing Republican's one wild oat of liberalism. But is it?

Perhaps, a more accurate way to look at it is that MALONE's labor policy is the acme of all that is conservative in American politics. He has a bill (S. 2693) which would repeal the Taft-Hartley Act (against which MALONE voted in 1947 despite Senator Taft's fervid personal pleading) and abolish all its cumbersome machinery. In place of Taft-Hartley, Malone would substitute a system that is positively classical in its simplicity.

There would be a Federal Conciliation Service in charge of a single $15,000 a year director with duties to be bounded by the Jeffersonian principle: "Least governed; best governed" In fact, it's doubtful if any Federal agent since the third presidency ever had such hands-off instructions as this proposed director of FCS. He would be ordered to—

"1. To prevent or minimize interruptions of the free flow of commerce * * * through conciliation and mediation. * * *

"2. To avoid attempting to mediate disputes that would have only a minor effect on interstate commerce. * * *

"3. To make (his) conciliation and mediation services available * * * only as a last resort and in exceptional cases."

This looks to me like a model for labor legislation, and for all other legislation that brings Federal interference into the States and into communities of business, commerce, and industry. It's MALONE's theory that both the Wagner and Taft-Hartley Acts were postulated on the absurdity that a regulatory board, based in the District of Columbia, has some special insight into local conditions outside of Washington. Jefferson himself could find little fault with this Old Guard Republican's assertions that—

1. The people in America are self-ruled. In MALONE's terms, expressed in the Senate, July 26, 1947, and still unrevised: "Public sentiment will finally settle a dispute in a community. But when we are 3,000 miles away from the scene of the work, no public sentiment can take place. We have a fine body of men here, but not one of us, unless he lives in Nevada, has any more idea of what a miner at work does in Ely, Nev., than a hog has about holy water."

2. The police power properly belongs to the locality. As MALONE told the lawmaking 80th Congress more than a decade past: "Mr. President, there is no police power in any city within the Union but the policeman on the corner. There is no power in the county but the sheriff and his deputies. * * * It is just as much against the law to hit a man over the head with a pick handle when he attempts to go through a picket line peaceably as to hit a Senator over the head with a pick handle as he goes out this door. * * * When we enact a law which provides that the National Labor Relations Board in Washington, D. C., shall settle every dispute in the country * * * we are placing upon the NLRB a duty which it is impossible for it to fulfill."

Much water has run under the bridge since the Senator's remarks originated. But they seem to make pertinent comment upon events of this Congressional session: the hearings on the Kohler and Perfect Circle strikes, the continuing liberation struggle by union members against their bosses, the inclination of three to four dozen Senators to duck any disagreement with the same labor bosses and—finally—the looming certainty that this Congress is being forced by popular demand to consider some Taft-Hartley amendments before it goes home for the election campaigns.

Well, for its virtue of simplicity and its back-to-the-people philosophy, the Malone labor bill wouldn't be the worst thing that Congress could pass.

Mr. MALONE. Mr. President, I have witnessed 12 years of conflict between employees and employers on the Senate floor.

There would appear to be a deliberate attempt to keep the feud alive.

The advent of the National Labor Relations Board—an innocent bystander in the major fight—through the Wagner Act as amended by the Taft-Hartley Act, was the real beginning of a feud which can only be resolved by a return to the States of their traditional responsibility in this field.

THE STATUS OF DR. J. ROBERT OPPENHEIMER

Mr. NEUBERGER. Mr. President, in a recent editorial the Bend Bulletin, published by Mr. Robert W. Chandler, in Bend, Oreg., raised the disturbing question of the present status of one of our Nation's most eminent scientists, Dr. J. Robert Oppenheimer. The editorial stated that the talents of an outstanding physicist such as Dr. Oppenheimer are too valuable to be effectively lost to the Nation by denying him security clearance because of past unwise friendships and personal associations. When our Government makes a fetish of keeping scientific secrets from such scientists, have we not reached the point where security becomes ridiculous and self-defeating?

It seems to me to be an easy but highly significant error to assume that a denial of security clearance is a sort of penalty, or, at least, a serious loss, to the scientist concerned. Actually, of course, the loss is ours, not his. Dr. Oppenheimer is the head of the Institute for Advanced Study in Princeton, N. J. What he does there may be more rewarding and more interesting to him than working on Government research projects. Certainly we cannot simply assume the arrogant premise that every good scientist yearns to have access to Government research, and that it is his loss when he is denied the necessary clearance.

The opposite may be true. I know nothing personally of Dr. Oppenheimer's attitude, but the case was clearly presented in testimony before the Disarmament Subcommittee by a young Columbia University nuclear physicist, Dr. Jay Orear.

Dr. Orear testified to facts concerning nuclear weapons which the preceding witness, the eminent Dr. Edward Teller, had declined to reveal on the ground of security classification. When questioned further, Dr. Orear explained that he could give this information because he had no security clearance for access to classified secrets; that, therefore, nothing he knew and said of his own knowledge could be the unauthorized disclosure of such classified secrets. For that reason, he said, he would prefer not to have a security clearance; he wished to be able to continue to discuss publicly the results of his own research and his knowledge of other facts known to science outside of the secret world of Government science.

Mr. President, I think this episode illustrates some of the absurdities inherent in the Nation of secret science, and in denying security clearance to such physicists as Dr. J. Robert Oppenheimer. I ask unanimous consent that the vigorous and forthright editorial on this subject, published in the Bend Bulletin of April 18, 1958, be printed at this point in the RECORD.

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

[From the Bend (Oreg.) Bulletin of April 18, 1958]

HOW ABOUT OPPENHEIMER?

Klaus Fuchs, the British scientist who gave the Russians the secret of the A-bomb and who went to prison for his crime, is about to be released.

The British Government is making a strong effort to keep Fuchs in that country, and is planning to put him back to work on nuclear research, where Fuchs admittedly is an outstanding man.

In view of the attitude of the British toward Fuchs, it's time for the United States to take another look at the Oppenheimer case.

J. Robert Oppenheimer is an outstanding American scientist. He never stole anything. He never gave secrets to anyone. But his security clearance was lifted because he had made some extremely poor choices of friends.

Oppenheimer undoubtedly has learned as much from his problems as Fuchs learned from his prison stay.

This country needs Oppenheimer as much as the British need Fuchs.

ACCEPTANCE OF STATUE OF CHARLES MARION RUSSELL TO BE PLACED IN STATUARY HALL

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1491, Senate Concurrent Resolution 80.

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

The CHIEF CLERK. A concurrent resolution (S. Con. Res 80) accepting the statue of Charles Marion Russell, presented by the State of Montana, to be placed in Statuary Hall.

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

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution.

EFFECTS OF MORTGAGE AND HOUSING ACT OF 1958

Mr. SPARKMAN. Mr. President, today the Federal National Mortgage Association has issued a report, as it has done each week since the President signed the housing bill which was passed in March, giving the progress of the program under that law.

The bill was signed on April 1. At the end of the first 3 weeks of operation under that law, the Federal National Mortgage Association has announced that it has entered into commitment contracts totaling $63,181,000 for the purchase of 5,389 Government-backed mortgages, covering the low- and moderate-priced housing under the special assistance program established by the Mortgage and Housing Act of 1958.

At or about the time the bill was signed by the President, we heard and read many statements which doubted that the program would be worth while.

But I think the fact that more than 5,000 houses have been made possible in the first 3 weeks of April, to the extent of in excess of $63 million worth, bears out the statement which I and many other Senators made at the time, namely, that if the bill were enacted into law, it would start housing very soon and would put people to work.

Mr. President, about the time when the bill became law, the Wall Street Journal published a very extensive article which dealt with the prospects under the bill. The Wall Street Journal made a rather discouraging report.

On Monday of this week, the Wall Street Journal published a front-page article entitled "Housing Upturn?" In the article there appears a discussion of the progress made under this program. In the article the point is made that only 3 weeks before, the Wall Street Journal made a survey from which it appeared that not much would be accomplished by the program.

The article is very interesting, and I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, the article from the Wall Street Journal, the notice from the Federal National Mortgage Association, and a table I have prepared, which shows this matter in summary form.

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

[From the Wall Street Journal of April 28, 1958]

HOUSING UPTURN?—BUILDERS RAISE SIGHTS AS RESULT OF NEW LOAN RULES, EASIER CREDIT—SOME SAY VA REVIVAL SPURS FLURRY OF BUYING—LENDERS SCRAMBLE FOR MORTGAGES—BIG GAINER: LOW-COST HOMES

Many homebuilders are jacking up the number of houses they plan to hammer together this year—a sign, perhaps, that the long-awaited housing upturn may be on the way.

Sparking the upturn in construction plans is a mixture of easier mortgage money, effects of the new Federal anti-recession housing act and sunnier weather. That's the word from a majority of some 100 builders interviewed by Wall Street Journal reporters in a score of cities. A like number of mortgage lenders, although less optimistic than most builders, generally agree that they, too, are feeling a pickup in housing activity.

Although the Government's emergency housing act became law, only 3 weeks ago, many builders say this, plus a subsequent administration move ending downpayments on Veterans Administration-insured mortgages, already is hypoing housing sales and starts. Just a month ago a Wall Street Journal survey found the mercurial homebuilding industry generally pessimistic about probable effects of the bill, although its Congressional backers claimed it would add 200,000 homes to this year's building total.

REVIVING VA LOAN PROGRAM

The housing act aims at encouraging home buying by: Reviving the once-sagging VA home loan program by making so-called GI loans more attractive to lenders; easing terms on Federal Housing Administration-insured mortgages; making available $1,850,000,000 to back home loans, and other measures.

"Passage of the housing bill made me double the estimate of the number of homes we plan to build this year (from 75 to 150)," says an official at Douglas Lowell, Inc., a Portland, Oreg., homebuilder. "Up to now, I've had to tell people they couldn't qualify for a loan before I even showed the house. Since the bill went through I'm getting dozens of calls from these people asking if they can qualify now. With the lower downpayment requirements, I figure that at least 60 percent to 70 percent now can buy."

Across the Nation at Jacksonville, Walter Cowart, president of a building firm bearing his name, says: "I've been shooting for 150 houses this year, but with the housing law I figure I may go to 200. I think dropping the downpayment on VA housing is going to help materially. Veterans will come back into the market. I haven't had any VA sales in a year and a half but recently I've filed several VA applications."

And in recession-ridden Detroit, Sheldon Rose, president of Edward Rose & Sons, Inc., happily reports: "Our sales in the past 2 weeks have been 30 percent higher than they would have been if the bill hadn't been passed." As a result, he says, his company may build more than 500 houses this year, compared with earlier plans to put up only 350.

PUBLICITY HELPING US

To many builders, the publicity attending recent Federal housing actions has been as important as the actions themselves. "The good publicity we're getting now definitely is helping us," says Nicholas Stevens, vice president of Manor Building Co. in Philadelphia. "Our sales—10 houses—picked up about 500 percent last week over the previous 2 weeks," he adds.

Builders and lenders report other significant changes on the housing front. Some highlights:

A step-up in the supply of mortgage money has tended to lower interest rates and extend terms on conventional (non-Government-backed) mortgages. Increased competition for good mortgage investments has spurred many lenders actively to seek loans and to launch promotional drives. The increased VA maximum interest rate, to 4¾ percent from 4½ percent, is bringing many lenders into the GI mortgage market, for the first time in over a year, in many cases. And many builders are switching to erecting low-cost homes instead of more expensive models, because new housing regulations have their biggest effect on the less costly units.

If the upturn in builders' plans is translated into a surge of housing starts this month—and many contractors indicate they're losing no time in boosting starts—the effect could reach beyond the construction industry itself. Increased building could help trim unemployment, for one thing; supporters of the housing act think it might provide jobs for 500,000 workers.

IMPACT ON SLUMP ACTIONS?

Moreover, a sizable upswing in April housing starts might stem further Federal anti-recession actions. Government officials have been keeping a wary eye on housing figures as one gage of the recession's depth and duration. "There's trouble," Government economists said recently, "if the annual housing rate in April doesn't jump above the March seasonally adjusted annual rate of 880,000 units, a 9-year low." Figures on this month's starts won't be available until mid-May.

Private nonfarm housing starts last year dropped below 1 million for the first time since 1949, totaling 991,000. That compared with 1,094,000 in 1956 and with the record 1,352,000 units of 1950. Until this month, poor weather has hampered building activity in much of the Nation. With better weather and the impetus of the new housing regulations, Albert Cole, Federal Housing Administrator, predicts 1,100,000 new homes will be built this year.

Several builders eagerly cited specific sales made on the strength of new Federal housing spurs.

"I just sold a $13,500 new home to a veteran for no money down on a 30-year mortgage," asserts Leo P. Hoffard, a Portland, Oreg., home builder. "I sure felt good when

the mortgage company phoned and told me they had cleared him for the loan. This guy makes over $5,000 a year and could handle payments of over $100 a month, but had no money saved up, so before the housing bill was passed, he just could not move in. I'm expecting a lot of this kind of business this year so I've planned on building about 50 percent more homes than originally scheduled."

BOOST FOR DALLAS BUYERS

Mahaffey-Wagner Construction Co. in Dallas says liberalized housing regulations were mainly responsible for boosting sales to 22 houses during the first 3 weeks this month, only 7 short of the total units sold during February and March. Twenty of the houses bought this month were on GI loans. "Seventy percent of the VA buyers told us they probably wouldn't have bought this soon if down payments hadn't been taken off," says Alden Wagner, partner in the firm. The company now intends to build 150 homes this year, up 25 percent from an earlier estimate.

Many builders report they are chalking up sales gains mainly as a result of the easing in mortgage money.

The mortgage money picture is "tremendously improved," says Anthony Tambone, head of Massachusetts Builders, Inc., in Reading, Mass. He had nine $17,000 houses standing unsold since last September. He sold all nine within a week after his bank called to tell him it would take GI loans at 4¾ percent, 30-year terms and no down payment.

"I just went through my files of old prospects and found any number who couldn't meet bank requirements before but can meet the new terms," Mr. Tambone explains.

"I've only built a handful of GI and FHA houses in the past 2 years, but the loosening in terms has changed my plans," says M. L. Bailey, president of Houston's Northwest Builders, Inc., which expects to sell 100 houses this year, up from 25 in 1957.

LOAN APPLICATIONS SOAR

The effects of easier credit have been spectacular in the Houston area, as in many other cities. The number of F. H. A. loan applications on new homes in a 37-county area of southeast Texas for the quarter ended March 31 soared 76 percent to 1,193, compared with the like period in 1957. And the year-to-year increase has shown no signs of slackening this month.

In the Houston suburb of Sharpstown, builders report record crowds and high interest among the potential homebuyers now traipsing through 32 new $15,000 to $20,000 houses in the homebuilders' annual Parade of Homes. Says Gordon Neilson, executive vice president of the local homebuilders' association: "We're looking for starts of about 10,000 in 1958." That would be about 20 percent above Houston's last year's total.

Nationally, FHA applications in March covered nearly 25,000 new dwelling units, up from 20,600 in February and 16,200 in March 1957.

But even more spectacular gains are being made in the recently moribund VA home-loan program, which until a few weeks ago was scheduled to end this July. A special VA report shows appraisal requests (which precede applications for mortgage guaranties) totaled 11,067 through April 15, or 2,661 more than for all of March. Last December, applications had fallen to 3,500.

Noting the brisk pace in GI loan applications for early April, Sumner G. Whittier, VA administrator, predicts: "If the same rate is maintained during the last half of this month it will account for more than 22,000 proposed GI homes, an increase of 163 percent over March." Dropping of the 2-percent downpayment rule has given the VA program its biggest push, say most builders.

"The same thing is taking place that happened when down payments were removed from GI loans in 1954, declares John F. Austin, Jr., president of T. J. Bettes Co., a big Houston mortgage-servicing firm. "Many builders are switching back to FHA and GI loans to attract buyers. When they did this in 1954, home starts for the next year or so took a big jump.

Robin Hill Homes on Long Island is one such builder now switching back to VA-backed financing for the first time in a year and a half. Since early 1957, banks wouldn't take the GI loans, explains Alexander Paulsen, a partner in the concern. "They forced us to cut out VA financing when they boosted discounts to six points or more," he says. Now he's paying discounts of only about two points, and plans to build 350 homes this year, up from 250 last year.

Discounts are a result of the fixed maximum rates on VA and FHA mortgages. Because they were able to earn more on other investments, lenders for some time were especially unwilling to make VA loans at the old maximum rate of 4½ percent. To place VA loans, builders had to agree to discounts. If, for example, a builder offers a $10,000 mortgage to a lender, the lender may agree to pay only $9,500 for it. That's a discount of 5 percent. Since the lender will collect the full $10,800—plus interest—over the life of the mortgage, his actual return will be considerably higher than 4½ percent.

Now, with more plentiful supplies of mortgage money available, and with the increase in the VA interest ceiling to 4¾ percent, lenders generally have trimmed discounts. San Francisco lenders generally agree that the quarter point VA interest hike is worth two discount points to builders. And, they say, there's no shortage of money.

MILLIONS TO INVEST

"There's an awful lot of money in the mortgage market right now—everybody has millions to invest," remarks D. Clair Sutherland, a vice president at San Francisco's Bank of America. As a result, interest rates on conventional rates have been falling, terms are being lengthened and competition for home loans is waxing hotter than it has for years.

For prime mortgages, says Mr. Sutherland, 5½ percent is the going rate for conventional loans in the Golden Gate area, while 6 months ago it was a firm 6 percent.

In Jacksonville, William J. Rivers, associate general manager of Prudential Insurance Co.'s south-central home office, covering a 10-State area, says: "In the past 6 months we've all had to come down a little in our sights, from one-fourth to one-half a point. Where you were getting 6 percent you're down to 5¾ percent and where you were at 5¾ percent you're at 5½ percent. We hear rumors some of our competitors are quoting at 5¼ percent; we're sticking to 5½ percent for the time being."

The Boston Five Cent Savings Bank early this month chopped interest rates on conventional mortgages from 5 percent to 4¾ percent. "We were getting 5 or 6 mortgage applications a day but since we reduced the rate and started taking GI loans again we have been getting 25 or so applications a day," says a bank official.

Frank Flynn, vice president of National Homes Corp., a large builder of prefabricated homes in Lafayette, Ind., says mortgage money has become so readily available that investors are seeking him out nearly every day. "I just had a call from a Massachusetts savings bank offering money with a discount of only four points. Six months ago we would have had to pay almost triple that amount for this type of mortgage money," he asserts.

Another builder who's being solicited every day by eager lenders is Chicago's L. & H. Builders, Inc. "It's becoming a pain in the neck," sighs Quinn Hogan, the company's president. "I couldn't find any of these guys 4 years ago when I needed them." Observes Mr. Paulsen of Long Island's Robin Hill Homes: "I didn't know a lending institution not hustling for business. Two months ago they were sitting on their hands."

Lending institutions provide plenty of evidence of such hustling. "We're out beating the bushes for good mortgage investments," says Arthur Cannon, vice president and treasurer of Standard Insurance Co. in Portland. "One way we're doing this is the transferring of much of the decisionmaking to our field offices. If our field representative can tell an applicant on the spot whether he can qualify for a loan, it really speeds up service and makes the applicant happy."

"Before," says Joseph J. Braceland, vice president of the Philadelphia Saving Fund Society, "we just sat back and waited for mortgages to come to us. Now we have men on the street telling folks that we have money to lend."

Larry Seeman, president of Mortgage Syndicates, Inc., in St. Louis, says: "You don't pick and choose as much as you did" to find suitable mortgage investments. "There's a lot more competition." To meet competition, some banks and savings and loan associations are switching advertising campaigns from savings to loans.

FREE SHORT-TERM LOANS

National Homes' Mr. Flynn reports that "in Ohio, some savings and loans are giving builders 60-day construction loans free if the builders will do their (mortgage) financing with them."

Many lenders already have lengthened mortgage terms and several are pondering such a move. "We are going to 20 years, compared with a 15-year limit 3 months ago," says the loan officer of a Cleveland savings and loan association. A Dallas mortgage investment company says about 30 percent of its conventional home loans now are for 25 years, as against about 5 percent which extended any longer than 20 years about 6 months ago.

"Conservative lenders who had stuck right on 20 years now offer 25 years without even being asked," comments Charles Ekllit, president of Beneficial Savings & Loan in Oakland, Calif.

Most builders revising construction plans upwards also report they are switching heavily to lower cost models, a market which, they believe, will benefit most from liberalized housing rules and easier credit.

Jacksonville's Cowart Bros. normally has built houses ranging up to $18,000. Now the firm intends to concentrate on those in the $10,000 to $13,500 bracket. One reason is lowering of the minimum downpayment on FHA-insured mortgages to 3 percent on the first $13,500 (from 3 percent on the first $10,000 and 15 percent on the next $6,000). Also, the minimum 2-percent downpayment has been dropped on home mortgages guaranteed under the FHA program; VA loans chiefly cover lower-priced homes.

Mr. Cowart supplies another reason for switching to low-cost housing: "There's a heck of a lot more poor people than rich people."

"Because of the stimulus I figure the housing bill will give to low-cost housing, every house I build this year is going to sell for $9,500 to $13,500," declares John Laporte, a Portland builder. Last year all his houses were above the $13,500 mark.

National Homes reports a substantial part of its sales now are coming from its least expensive prefabricated model, the $10,000 Fairlane, introduced last November.

[Federal National Mortgage Association news release for April 30, 1958]

FNMA REPORTS BRISK THIRD WEEK FOR EMERGENCY HOUSING PROGRAM—AGENCY SIGNS 2,844 COMMITMENTS IN WEEK TO BUY $34 MILLION IN MORTGAGES COVERING LOW AND MODERATE PRICED HOUSING

Announcement was made today by the Federal National Mortgage Association that it had entered into commitment contracts totaling $63,181,000 for the purchase of 5,389 Government-backed mortgages covering low and moderate priced housing under its special assistance program established by the Emergency Housing Act of 1958. This legislation, signed by the President on April 1, authorizes the Association to make commitments to purchase FHA-insured and VA-guaranteed mortgages of $13,500 or less covering housing on which construction has not started at the time the application is made for FNMA's commitment.

According to FNMA President J. Stanley Baughman these figures reflect FNMA's activities under this program through April 24 and cover 2,333 VA mortgages totaling $28,806,000 and 3,056 FHA mortgages amounting to $34,375,000.

Commitments covering 1,657 FHA mortgages for $19,002,000 and 1,227 VA mortgages for $15,292,000 totaling 2,884 mortgages valued at $34,294,000 were made last week.

These figures contrasted with the 410 FHA's for $3,989,000 and 199 VA's for $2,455,000 totaling 609 mortgages valued at $6,444,000 reported for the week ended April 10, the first to reflect the new program's activity, and 989 FHA's for $11,384,000 and 907 VA's for $11,059,000 for a total of 1,896 mortgages valued at $22,443,000 for the week ended April 17.

FNMA activity under the Emergency Housing Act of 1958 (Public Law 85-364, signed Apr. 1, 1958), in number and dollar volume of commitment contracts to purchase FHA-insured and VA-guaranteed mortgages

	FHA		VA		Total	
	Number	Amount	Number	Amount	Number	Amount
Week ended—						
Apr. 10	410	$3,989,000	199	$2,455,000	609	$6,444,000
Apr. 17	989	11,384,000	907	11,059,000	1,896	22,443,000
Apr. 24	1,657	19,002,000	1,227	15,292,000	2,884	34,294,000
3-week total	3,056	34,375,000	2,333	28,806,000	5,389	63,181,000

ORDER FOR CALL OF THE CALENDAR TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on tomorrow, after the routine morning business is concluded, the Senate shall proceed to a call of the calendar of bills and other measures to which there is no objection, beginning with Calendar No. 1431, Senate bill 666, to remove wheat for seeding purposes which has been treated with poisonous substances from the "unfit for human consumption" category for the purposes of section 22 of the Agricultural Adjustment Act of 1933.

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

ADJOURNMENT

Mr. MANSFIELD. Mr. President, I move that the Senate stand in adjournment until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 1 minute p. m.) the Senate adjourned until tomorrow, Thursday, May 1, 1958, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate April 30, 1958:

TAX COURT OF THE UNITED STATES

The following-named persons to be judges of the Tax Court of the United States for terms of 12 years from June 2, 1958 (reappointments):

Bolon B. Turner, of Arkansas.

John Gregory Bruce, of Kentucky.

Russell S. Train, of the District of Columbia.

Bruce M. Forrester, of Missouri.

IN THE NAVY

The following-named midshipmen (Naval Academy) to be ensigns in the Navy, subject to qualifications therefor as provided by law:

John W. Adams
James N. Adkins, Jr.
Max N. Akers
Richard K. Alexander
David L. Allard
George R. Allender
Marcos I. Alvarez
Richard S. Anderson, Jr.
William A. Arata III
James E. Ayars
Charles H. Baker, Jr.
Edwin M. Baldwin
Ronald H. Ballard
Clifton E. Banta III
Stephen P. Barrett
Thomas J. Barry
Harlan B. Bartels
Malcolm G. Bartels
Arthur E. Bass
Frank E. Bassett
George T. Bauer
James L. Bayne
Percy M. Beard, Jr.
Samuel A. Belcher III
Daniel J. Bellay
Gerald E. Bellows
Arthur J. Bennett
Milo R. Beran
Robert P. Berg
John P. Berry
David E. Bertke
John A. Besecker
Murray D. Blank
Russel N. Blatt
Donald A. Boerner
Walter A. Booriakin
Edward L. Borden
William J. Bredbeck
George H. Brenner
August W. Brewer
James G. Brewer
Walter E. Bridgman, Jr.
Arthur V. Broady
Paul E. Brooks
Paul L. Brown
Robert S. Brown
Ralph V. Buck
Stanley M. Budney
Thomas B. Buell
Newton W. Buerger, Jr.
Stanley E. Bump
Keith M. Bunting
Frank W. Butterworth III
William E. Byman
James F. Caldwell
Robert K. Caldwell
Delos S. Calkins, Jr.
Walter H. Cantrell
Richard Carl
Albert A. Carretta, Jr.
Aubrey W. Carson
Wayne L. Chadick
George B. Chafee, Jr.
Michael W. Chapple
Theodore C. Cheney, Jr.
Oddino S. Chiocchio, Jr.
Alan M. Chodorow
John A. Chrisman, Jr.
William C. Christenson
Roy E. Clason
Frank J. Clement
James M. Clement, Jr.
Edward M. Clune
John B. Cobb
Freddy W. Coe
Samuel P. Comly III
Francis A. Conery III
Bruce T. Conzelman
Jan W. Cook
Grant A. Cooper
James L. Corder
Richard N. Cordova
Thomas V. Corey
Peter S. Corr, Jr.
Ward W. Correll
David B. Cox
Francis X. Coyle
George K. Coyne, Jr.
Bruce L. Craig
George C. Creighton III
Liles W. Creighton, Jr.
Paul Z. Cummins II
Shane P. Daniels
Stanley "W" Dargis, Jr.
Henry A. Darius, Jr.
Monte D'Armand
Silas C. Daugherty IV
George J. David
Richard E. Davies
James V. Davis
John R. Davis
William H. Dawson
Chapin W. Day, Jr.
Thomas F. Degnan
Daniel H. Demand
George L. Denny II
John J. Dittrick, Jr.
Leonard P. Donahue, Jr.
Marion T. Doss, Jr.
Robert E. Doty, Jr.
William A. Dougherty, Jr.
Thomas J. Doyle
Theodore F. Driggers
Richard P. Dunbar
William E. Duncan
Clark P. Dyck
William C. Edewaard
Steven H. Edwards
Norman S. Elliott, Jr.
David C. Eppling
Peter E. Ericksen
James A. Estep, Jr.
Rowland G. Evans
Ronald M. Eytchison
Bennett W. Farlee
John S. Feeney, Jr.
Henry K. Felix
Joseph D. Fenick, Jr.
George M. Fennell, Jr.
Robert R. Figura
James R. Fisher
Louis H. Fisler
James L. Fitzgerald, Jr.
Thomas E. Fleming
Thomas P. Flood
Robert W. Flynn
William T. Flynn
Peter J. Foley
Raleigh R. Ford
Charles R. Fordham
Thomas P. Forrestal, Jr.
Charles J. Forsman
John F. Fox
Richard A. Fox
Jeremiah Fraher
Nickolas J. Frank III
Michael P. Frawley
William Freakes
Victor I. Fredda, Jr.
Richard C. Freeman
Ronald S. Friedman
Gran F. Fuller
Robert H. Fuller
John H. Galla
John F. Gamboa
John T. Gardner, Jr.
Keith P. Garland
William A. Garvey
Hugh H. Gates
Peter H. Gatje
Kenneth L. Gebhart
Kerry F. Gentry
Thomas Gibbons
David B. Gibson
Richard C. Gibson, Jr.
William J. Gibson
Jack L. Giddens, Jr.
Leo C. Gies
Carl E. Giese, Jr.
Laurence S. Gifford
John K. Gilligan
Philip R. Given
Thomas Gladding, Jr.
Jack R. Gladin
Frederick K. Glaser
Gordon R. Goldenstein
Michael "E" Goodman
James C. Goodwin, Jr.
John A. Goolsby
Roderick M. Gorton
Irving K. Goto
Albert L. Gottsche, Jr.
Melvin N. Gough, Jr.
William A. Graham, Jr.
Kent L. Granzin
Theodore H. Graver
Robert Gray
William H. Green
Richard P. Greene
Marshall R. Greer, Jr.
Samuel W. Gregg
Hoke D. Griffin
John B. Griffiths
Thomas D. Grimm
Chester J. Grocki
Alvin C. Gross, Jr.
John F. Grucza III
Julian P. Guinn
Stephen F. Guthman
LeRoy R. Haenze
William B. Hale
Marshall B. Hall
David B. Hamilton
James M. Hamrick
Richard E. Hanson
Ray S. Hardy, Jr.
Glynn C. Harper
Charles E. Harrison
David J. Harriss
Robert L. Harshberger
James E. Harvey III
Adolph B. Haugen
William V. Hayes
Charles H. Haughey
Jerry R. Haynes
James F. Healey
Peter M. Hekman, Jr.
Otto J. Helweg
Joseph R. Henderson, Jr.
Noel B. Henderson
Jesse J. Hernandez
Ernest P. Herner, Jr.
Lance Herold
William F. Herrin
James D. Higgins, Jr.
John L. Higgins, Jr.
Martin G. Hill
James E. Hoch
William F. Hodkins
Jack I. Hoel
Peter D. Hofstedt
George R. Holdeman
John D. Holland, Jr.
Bruce A. Holmberg
Robert E. Holroyd
Hollis L. Holthaus
Alan E. Hospes
William C. Hotard
Guy M. Houston, Jr.
William S. Howard III
Francis M. Hughes, Jr.
John B. Hulme
John J. Hummer
Harold C. Hunter
Joseph D. Hutchinson
Donald J. Hynes
James E. Igoe, Jr.
Walter S. Illick, Jr.
Arthur L. Immerman
Carl E. Ingle
Forney H. Ingram, Jr.
Ronald F. Ingram
James Izard
Perry Y. Jackson, Jr.
Thomas L. Jacobs
George J. Jenkins, Jr.
David H. Johnson
Lester O. Johnson, Jr.

Richard V. Johnson
Ronald L. Johnson
Peter Jokanovich
Donald W. Jones
William R. Jones
Julius R. Juliano
Fredric C. Kane, Jr.
Larry E. Kaufman
Clarence H. Keim
Frederick W. Keith, Jr.
Robert T. S. Keith, Jr.
James A. Kenney
Edward L. Kessler, Jr.
Leigh G. Kimmel
George J. King, Jr.
Peter A. Kirby
Ronald B. Kirk
Paul R. Klinedinst, Jr.
Harry W. Konkel
Robert R. Kornegay
Charles J. Korzinek
Tracy M. Kosoff
Jacob C. Kraft
George E. Krauter
Clinton W. Kreitner
William H. Krumrei
Martin F. Kuhneman
Chester A. Kunz, Jr.
Thomas J. Lamb
Robert J. Lamoureux
Raymond G. Landrum
Robert E. Lane
Robert J. Lanoue
Charles R. Larson
Jerold J. Larson
Lawrence P. Larson
Charles W. Larzelere III
Kent B. Lawrence
Robert D. Lawrence
Milton H. Leake
John A. Leary II
Jean R. LeBer
Daniel B. Leonard, Jr.
John A. Lima
Eugene E. Lindsey, Jr.
George F. Lisle
Joseph N. Longton
John M. Lorusso
Philip E. Love
Richard E. Lovejoy
Lewis D. Lovitt, Jr.
Ralph W. Luce III
Ernest C. Luders
Leo A. Lukenas
Alexander M. Lupfer, Jr.
Hylan B. Lyon, Jr.
James R. Lyons
Michael D. Lyons
Samuel J. Lyons, Jr.
John S. McCain III
Bruce McCandless II
Jonathan C. McCarter
Kenneth G. McClure
Harry E. McConnell
Martin L. McCullough
Wayne H. McKee
Gene T. McKenzie
Michael J. McLane
John C. McMichael, Jr.
John G. McMillan
Phillip F. McNall
Robert P. McNergney
James E. McNulla III
George R. McNulty
Joseph G. McPadden
William F. Macauley
Robert M. MacGregor
Franklin F. Mackenzie
John H. MacKinnon
Rupert E. MacLean, Jr.
Donald W. MacNeill
Thomas C. Maloney
Eric G. Mansfield, Jr.
Joseph S. Mansfield, Jr.
Wallace W. Marshall, Jr.
Alex A. Martella, Jr.
James R. Martinez
Robert H. Mason
Lance B. Massey
John W. Matheson
Wesley May
Daniel F. Mayers
Lee M. Meador
George R. Meinig, Jr.
Stuart A. Merriken
Ernest A. Merritt
Theodore R. Merry
Donald J. Meyer
Peter N. Midgarden
Henry W. Miller, Jr.
Paul J. Miller
Robert L. Miller
Leon M. Mink
Kenneth F. Mitchell
Walter F. Mitchell
Herbert Moll
James T. Moore
William N. Moore
Francis J. Moran, Jr.
David E. Morgan
Clyde C. Morris
William P. Mortenson
Russell V. Mowery
Lincoln H. Mueller
George C. Mullin
Tom S. Murphree
Robert W. Musgrove
George D. Myers II
Chester A. Nagle
Ivan V. A. Nance, Jr.
Arthur T. Narro
Robert M. Nazak
David A. Newcomb
Jack R. Nicholas, Jr.
John P. Nickerson
Robert P. Nicolls
John L. Nulty, Jr.
Roger M. Nutting
Peter C. Nystrom
Frank O'Beirne, Jr.
Michael G. O'Connor II
Walter P. O'Connor
Edwin W. Oldham
Charles A. Oleson
William H. Oliver
William F. Omberg
Christian N. Ondishko
Thomas E. O'Neill
Jack D. Osborn
Ramon R. Owens
Howard L. Pabst
Hugh L. Palmer
James A. Palmer, Jr.
Joseph N. Panzarino
Samuel A. Parker
Terrence J. Parks
William H. Parks
Zachariah T. Pate, Jr.
Richard F. Patterson
Joseph F. Paull
Charles R. Peele, Jr.
Eugene J. Peltier, Jr.
William T. Pendley
Robert S. Perkins, Jr.
Donald L. Peters
John D. Peters
William J. Peters III
Carl J. Peterson
Charles B. Peterson
Charles O. Peterson
Frank Petinos
John T. Pettit, Jr.
Robert E. Phillips
Robert H. Pidgeon
John P. Pierce, Jr.
Massey L. Pierce
Richard K. Pierson
John M. Pinto, Jr.
Richard F. Pittenger
William D. Pivarnik
John M. Poindexter
Paul A. Polski
John L. Potter
Stanley Poremba, Jr.
Joseph C. Port
Gene H. Porter
Robert J. Prather, Jr.
John P. Price
Terry R. Priebe
William G. Prince
Wayne E. Pulling
Wayne A. Putnam
Arnold F. Pyatt
Allan Rachap
John M. Radigan
Thomas J. Radziej
George J. Ranes
Keith L. Rasmussen
Victor J. Raudio
Calvin H. Reed
Harold L. Reeger
Lawrence R. Reid, Jr.
Roy L. Reinarz, Jr.
Walter A. Reister
John C. Rennie
Raymond C. Riches
William R. Ring
Alan G. Roach
Berton A. Robbins III
John E. Robbins
Gary K. Roberts
Peter S. Roder
Richard D. Rogers
John D. Rohrbough
William H. Rorer III
Eugene F. Rosadino
David V. Rowe
Robert W. Rowe
Scott M. Ruby
Nils Rueckert
Melvin A. Runzo
Carl F. Russ
Harold B. Russell
John Ruth
George R. Ruwwe
Bernard A. Ryan, Jr.
Walter R. Ryan, Jr.
William R. Sachse
Robert C. Sauer
Gordon M. Schaaf
Lawrence H. Schlang
Ronald A. Schnepper
William G. Schramm
Clyde C. Schroeder
William J. Schulz
Allen B. Schwitzer
Wayne E. Scott, Jr.
John J. Seeberger
George F. Segelbacher
Joseph M. Sendek
Jack L. Shafer
Louis P. Shane
Stanley E. Sharp
Robert L. I. Shearer
James E. Sheehan
Norman W. Shriver
John F. Sickman, Jr.
James S. Silldorff
George C. Skezas
Alvin V. Skiles III
Robert K. Slaven, Jr.
Kelson E. Slayman
Edwin B. Smedberg
Charles J. Smith
Frank W. Smith
Leon T. Smith
William B. Smith
William L. Smith
Richard S. Sorensen
William T. Spane, Jr.
Richard B. Stack
Robert D. Stannus
Joseph L. Steckler
Graves B. Stephenson
Robert W. Stibler
Herbert L. Stiff
Paul F. Stiller
Gregory F. Streeter
Josiah D. Stryker
David W. Stubbs
George R. Stubbs
Frederick B. Stumcke, Jr.
Henry D. Sturr, Jr.
Henry C. Surratt, Jr.
Jack D. Sutton
Alasdair E. Swanson
John P. Swope
Curtis S. Sword, Jr.
Denis J. Taft
Donald C. Tarquin
Brent W. Taylor
Donald A. Taylor
James T. Taylor, Jr.
Philip H. Taylor
Richard "E" Tennent, Jr.
Eric F. Thacher
Leo E. Therrien, Jr.
Thomas W. Top
Robert L. Topping
Carl J. Triebes, Jr.
Leslie P. Troolin
Darrell C. Troutman
Fred G. Troutman
Paul C. Tucker
Walker S. Uhlhorn, Jr.
James V. VanHoose
Richard D. VanLandingham
Henry G. Vargo
Robert R. Vaughan
Guy D. Veasey
Robert L. Venable
John C. Vick
Alfred E. Victor
Frederick L. Wales
John J. Wandell, Jr.
Sinkler Warley, Jr.
Robert L. Warren
George L. Watts
Stephen T. Webster
John A. Wedell
Robert L. Weibly
James G. Weigand
Paul L. Weitfle, Jr.
Bradford W. Welles
Robert D. Wells
Thomas A. Werner
Ralph W. West, Jr.
Dale A. Westbrook
Kenneth A. Westphal
Theodore C. White
Richard P. Whitney
Franz R. Wiedemann
Bruce A. Wilcox
Christopher B. Wilhelmy
George W. Williams
James D. Williams
James R. Williams
Theodore M. Williams
Wayne A. Williams
Dennis K. Wilson
James S. Wilson, Jr.
Richard J. Wilson
William Z. Withers
James A. Wood
Michael G. Woodbury
Richard P. Woodley
Phillip L. Work
James C. Wright
Leo C. Wright
Charles R. Yarbrough
Albert N. Yost
William K. Young, Jr.

The following-named midshipmen (Naval Academy) to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Gregory D. Bernatz
Donald B. Bernes
Charles J. Bowne, Jr.
Charles H. Brooks, Jr.
David G. Burden
Ralph J. Carestia
James S. Clarkson
William R. Drury
Frederick R. Fry
John M. Halliday
Charles V. Hanna
John W. Hatchett
Chesley M. Hicks, Jr.
John T. Kennard
Graydon F. Lombard
Charles W. Lord
Duane B. Lucas
Paul F. Malcewicz
Max D. Marbain
Moston R. Mulholland, Jr.
James F. Patterson
Otto C. Rice
Robert E. Risinger
Glen F. Smiley
Samuel G. Werbel
David G. Willingham
John M. Wyatt

The following-named midshipmen (Naval Academy) to be ensigns in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

James B. Caughman, Jr.
Michael M. Dallam
Owen M. Kirkley
Kenneth B. Knox
Jimmie G. Marshall
Benjamin F. Montoya
William A. Simmons, Jr.
Thomas H. Thoureen
John A. Walter

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

Robert G. Affleck
James E. Alden
John Alden, Jr.
Paul B. Alker
John W. Anderson
Ralph P. Anderson
Thorwald "H" Anderson
Preston W. Angell
Anthony I. Antonio, Jr.
David W. Arnold
Richard T. Ashman
Jay G. Baetz
John E. Baillis
John K. Baker
Roger E. Baldwin
Robert L. Beck
George J. Bednar
Roger L. Berg
Roger W. Berger
Harris "I" Berkowitz
Thomas B. Bigford
John P. Bird
Jimmie R. Boatright
Julian R. Bocksserman
Thomas L. Boennighausen
Wayne N. Bohlke
Reber F. Boult, Jr.
Courtney B. Bourns
Bernhard A. Brakke
James D. Brown
Roger A. Brown
Walter P. Bruen, Jr.
Norman L. Burnett
William R. Butler
John W. Cameron
Craig S. Campbell
Wayne A. Carbiener
Stanley J. Chesney, Jr.
Robert J. Cielnicky
Donald R. Clark
John C. Clinton
Robert B. Clothier, Jr.
Jack H. Colldeweih
John A. Coller
Richard S. Collier
David W. Conover
David R. Cox
Kenneth E. Cox
Richard C. Dahl
Joseph A. D'Appolito
Richard C. Darcey
Richard A. Darling
David L. Davidson
Daniel W. Dearasaugh, Jr.
John T. Decker
Thomas P. Develin
Robert L. Dolbeare
Clifford C. Dougherty, Jr.
Terry C. Drake
Rodney F. DuBois
Daniel C. Dunlap
William P. Dunn
James M. Durante
Robert M. Eade
Robert N. Edney
Ronald R. Edwards
William W. Elliott IV
Russell A. Ellis
David L. Emmert
Harold F. Enright
Wayne R. Ericksen
Paul E. Felton, Jr.
William D. Forsyth, Jr.
Edward K. Frear
Scott L. Garrett
Donald W. Garrison
John P. Gould
Robert B. Grafton
Roger L. Grant
Stephen H. Gushee
Richard A. Haas
Edmund "A" Hajim
Joe E. Hammer
William C. Harding
David W. Harned
Malcolm R. Harvey
Thomas W. Harwell
Clair E. Heckathorne
Brooke R. Heckman
Henry A. Holmes
David E. Holt, Jr.
George S. Hoover
Ronald W. Hough
Walter E. Huff
Robert P. Hughes
Alonzo B. Huntsman, Jr.
Harold S. Hutchison, Jr.
Jack C. Hyde
John W. Jablonski
James D. Jennett
Karl F. Jennings
Ronald L. Jensen
Robert L. Johns
George K. Johnson
Paul H. Johnson
James P. Jolly
James F. Judson
Edwin S. Keasler, Jr.
Earle L. Kitts, Jr.
Ronald W. Knox
David E. Labovitz
Eugene Lee, Jr.
Robert R. Lee
Roger L. Levin
Arthur E. Lindberg
Gerald J. Lindquist
Paxton "D" Lockhart
Christopher S. Lohnes
Robert A. Lowrey

William D. Lyon
Frank S. McLaughlin, Jr.
Lauren L. McMaster III
Arleigh E. Machemehl
James A. Major
Robert T. Marold
William M. Mathews
Reid T. Melville
Francis B. Michels
Roger D. Middlekauff, Jr.
Howard Miller
William H. Miller
James R. Miltenberger
Richard C. Montgomery
Tylman R. Moon
William R. Moorman
James F. Morgan
Ermett T. Mueller
Robert J. Murphy III
Richard C. Nelson
George B. Newton, Jr.
Harvey W. Nix, Jr.
Harold A. Noring
Clifford E. Olivera
Benhart H. Olson
Richard L. Olsonoski
Douglas L. Orme
Martin K. Pedigo
David L. Pendleton
Lawson M. Phyfe
Henry N. Pollack
Otto G. Raabe, Jr.
Donald J. Reeves
James H. Rich, Jr.
William L. Riddle
Hardy A. Risteen
John J. Roach, Jr.
John J. Roberts
Carl W. Robertson
Kenneth A. Robison
Edward L. Rohm
James A. Rossi
Glendon Rowell
Mervyn L. Rudee
Thomas N. Ryder
Richard K. Sager
Paul S. Sakuda
Robert P. Sanchez
Robert G. Sansom, Jr.
Frederick W. Saunders
Kenneth A. Saunders
Donald A. Schneider
John C. Schulz
Jay A. Severance
Kenneth R. Skivington
Bartley P. Smith
Phillip A. Snell, Jr.
Larry Spear
Stuart B. Spence
Melvin S. Spielberger
Marshall W. Sprigg
Robert E. Spydell
Orlin M. Stansfield
James O. Stepp
Herbert A. Stokely
David F. Sutter
Stephen P. Sutton
John H. Tate, Jr.
John H. Thielman
Charles R. Thompson
Donald L. Tiedeman
Raymond M. Torick
Robert J. Townsend
William G. Trussell
Karl J. Turecek
Paul B. Uhlenhop
Michael J. Verner
Henry G. Viets
Fredric J. Wade
Norbert Wagner
Robert L. Walters
John L. Way
Theodore G. Weeks, Jr.
William H. Weidenbach, Jr.
George A. Weidner
David R. Weisel
Jerry D. Westbrook
Robert W. Westgate
Clarence C. Whitney
John S. Williams
George S. Wills
William A. Wineberg, Jr.
Martin Wolman
John H. Wood
Jess B. Woods, Jr.
Donald N. Wright
Wilbur A. Wright
Robert D. Yeager
Richard G. Young
Harry J. Zimmer
Robert M. Zorn, Jr.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Robert O. Artner, Jr.
Walter I. Austin
James H. Baker
Ronald A. Bero
John H. Blackford
Robert A. Brayshaw
Rodney E. Brunker
Robert P. Bryant
Charles O. Campbell
Cecil D. Conlee
Timothy P. Coogan
David D. Crane
Walter J. DeGroft, Jr.
Ralph B. Draughon, Jr.
Bernard A. Dunn
William B. Early
Harry H. Ekholm, Jr.
Jerald R. Forster
Duane L. Furan
Stuart K. Gord
Edward W. Hargadon
Harland D. Harris III
Thomas G. Harvey, Jr.
Curtis C. Higgins
Edward L. Kocan
Richard C. Hogan
Bobby P. Keith
John E. Lewis
Fred Louis III
George H. McLaughlin II
Lawrence D. Morrow
John P. Nicholson
Andrew O. Oberhofer, Jr.
Richard S. O'Brien
Richard F. Powers
John H. Schwarz, Jr.
Robert J. Shackleton, Jr.
Georges C. St. Laurent, Jr.
Herschel T. Sturms, Jr.
George W. Thackston, Jr.
Leo C. Wardrup, Jr.
David G. Warren
Craig R. Webber
Jay F. West
Daniel R. Weston
Robert M. Willig

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

James E. Bodamer
William M. Boyer
Glenn S. Calvert, Jr.
Herbert L. Dozier, Jr.
Arthur W. Fort
Dante Fuligni
John O. Hamel
Edward J. Kaiser
Richard G. Kauffman
Arthur D. Kohler, Jr.
Richard A. Lowery
Thomas B. Mattox
Frederick Z. Mills
Franz H. Misch
Thomas W. Moody
William A. Olson
James M. Osterhoff
Michael V. Sherbrook
Arnold R. Smythe, Jr.
Loyal R. Updegrove
James A. Williams
James L. Wilson III
Frederick H. Wolf
Robert F. Worley
Donald E. Wudtke

Harlan L. Lane (Naval Reserve Officers' Training Corps) to be an ensign in the Medical Service Corps of the Navy, subject to qualifications therefor as provided by law.

The following-named (civilian college graduates) to be lieutenants in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

James G. Harmeling
Elliot I. Morrison
Howard E. Waldstreicher

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

COMMANDER

Roland W. Jones

LIEUTENANT COMMANDER

Joseph M. McGinley

LIEUTENANT

Adolphus R. Allison, Jr.
Burness F. Ansell, Jr.
Charles E. Brodine
Anthony Dede
Robert H. Easterday
William N. Fender
Rafael Fernandez
Donald M. Kinkel
Arthur C. Krepps II
Roger H. Morris
Earl M. Olmstead
Regis W. Stinely
James F. Walker, Jr.
Welbourne A. White
Alfred E. Wiggs II
Stuart Wolfe

LIEUTENANT (JUNIOR GRADE)

Franklin D. Beary
Wesley W. Boucher
Carl T. Brighton
John W. Davis
Solomon J. Hazan
Richard E. Sand
David F. Schaefer

George D. Mitchell, Reserve officer, to be a lieutenant in the Medical Corps of the Navy, and to be promoted to the grade of lieutenant commander when his line running mate is so promoted, subject to qualifications therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, for temporary service, subject to qualifications therefor as provided by law:

COMMANDER

Joseph M. McGinley

LIEUTENANT

Franklin D. Beary
Wesley W. Boucher
Carl T. Brighton
John W. Davis
Solomon J. Hazan
Arthur C. Krepps II
Richard E. Sand
David F. Schaefer

The following-named officers to be lieutenants in the Dental Corps of the Navy, subject to qualifications therefor as provided by law:

George C. Fischer, Jr.
Steven W. Perand

The following-named officers to be lieutenants (junior grade) in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualifications therefor as provided by law:

Edwin G. Abate
Daryl M. Allman
Charles V. Beesley
Peter R. Boeke
Victor L. Chesser
John A. DesEnfants
Fred A. Garrett
Rosco Z. Heppler
Ronald K. Hill
Roland A. Hublou
Robert E. Huettner
John F. Lessig
Bruce W. Novark
Preston L. Smith
Bobby L. Swaim
James D. Swenson

The following-named officer candidates to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law.

Douglas N. Adams
Kenneth W. Adams
John D. Albright
Carl W. Amick
Marion A. Atwell
John R. Beatty
James D. Beaube
Henry M. Bechtel, Jr.
Roy T. Beckner
Karl R. Bernet
Fredrick E. Blair
Bennie E. Bough
James P. Boyd, Jr.
John J. Brennan
George Brining
Virgil E. Brock
Charles H. Brown
Frank H. Brown
Lawrence D. Bryant
Robert J. Burchardt
James R. Burnett
Vernon R. Bussard, Jr.
Arnold L. Busse
Billy F. Caldwell
Lawrence J. Carpenter
Robert E. Carr
Macey M. Casebeer
Beveardge L. Cash
Elijah J. Cass, Jr.
Donald E. Cates
Frederick W. Chapman
William F. Chapman
Lawrence W. Cook
Walter O. Crusinberry
Joseph H. Cyr, Jr.
Donald L. Darling
Billy E. Davis
Edgar M. Delbert
Edgar E. DeLong
Martell E. Dewrell
Theodis Dillard
Pat Duncan
Lovelace J. Dupre, Jr.
Thomas R. Duvall
Roger A. Eddy
Frank L. Edmunds, Jr.
Scott Edwards
John R. Eggleston
Harold D. Elliott
Howard R. Ellis
Arthur F. Ensley
Albert R. Estes, Jr.
George Estock, Jr.
Howard J. Fees, Jr.
Robert H. Ferguson
Thomas L. Flanagan
Warren J. Fordham
Harris P. Gary, Jr.
William T. George
James R. Giesea
Harold A. Goldsberry
John E. Goodrow
Bruce P. Gordon
Daniel H. Grace
Joseph D. Graceffa
Norman D. Greer
Kenneth R. Gustafson
Edwin C. Hagedorn
James W. Hale, Jr.
Hubert M. Haller
Ralph A. Halverson
Gerald A. Harkless
Dowel W. Harrell
Wilford H. Harvey
James R. Hawkins
Ray M. Hawkins
Richard W. Hayward
Watson L. Hobbs
Jack A. Hodgens
Floyd W. Holloman
Jerry L. Holt
Arthur E. Holzhaeuser
Leonard L. Houston
George H. Hulderman
Kenneth M. Hydorn
Milton Jackson, Jr.
Warren D. Jackson
John J. Jamroga
John L. Jelks III
William A. Johnston
Eugene P. Jones
Billy F. Judis
Robert P. Kendall
Charles R. Kitchens
Robert M. Kofoed
Robert G. Korslund
Orton G. Krueger
Charles F. Laws
Edward L. Leiser
Frederick E. Lewis
James G. Livziey
Joseph H. Luallen, Jr.
James R. Lusk
Claude O. Lysaght
Richard L. Mabrey
Robert F. Magee
Robert D. Mahoney
Bruce D. Martz, Jr.
Lawrence L. Massa
James C. Maxton
John R. Maxwell
Donald E. McAtee
Allen D. McNelly
James L. McVicker
Wesley L. Middleton
Billy G. Miller
Charles L. Miller
Latnay H. Miller, Jr.
Clyde L. Moore
Jack R. Moore
Billy R. Morrow
Harold Morton, Jr.
William J. Mullaly
Deighton J. Muller
Mark V. V. Nelson
Walker D. Nicholson
Lyle G. Nordhaugen
Edward A. Olmstead
George Oncea
James T. Osborne
Dudley R. Overton
Philip C. Painter
Lawrence M. Patella
William D. Patrick
Victor P. Peri
Milton G. Peters
Donald L. Pfister
Raymond C. Phillips
Stanley Piskorski
Charles E. Poarch
Grant H. Pollock
Billie L. Price
Eugene F. Quinn
Lee I. Reber
Richard L. Reinhardt
Russell B. Rentsch
Lloyd K. Rice
Daniel R. Rivera
Delma C. Robison, Jr.
Donald R. Rowden
Perry R. Royse, Jr.
Vernon R. Scarbrough
Andrew D. Scram
LaVerne E. Severson
James W. Shelton
Donald D. Sheppard
Theodore L. Shope
John Smarz, Jr.
Robert L. Sminkey
James C. Smith
Eugene A. Spadoni
Ernest G. Stavropoulos
Samuel Steed
Donald A. Stehlin
Robert V. Steveley

William O. Stinson
Cecil G. Stockton
Robert L. Stone
Roy K. Story
William E. Stoudt
Edward L. Street
Jack D. Sturgill
John R. Swain
Willis M. Swarthwood
Harry Symons, Jr.
James E. Tedder
Angus B. Thomas
Jack R. Thomas
Robert H. Thomas
Russell G. VanMoppes
Thomas L. VanPetten
John T. Vinson
Robert M. Watkins
Clayton R. White
Howard G. White
Donald L. Wilburn
Charles A. Wilkerson
Everette D. Wills
Robert D. Wilson
Carl J. Winter
Daniel C. Woods
Robert N. Woods, Jr.
Melvin R. Woody
Everett F. Worden
Ernest C. Yoes
Ernest Zon
Nicholas D. Zorn

Grace L. Field (woman officer candidate) to be an ensign in the line of the Navy, subject to qualifications therefor as provided by law.

The following-named officer candidates to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Thomas A. Bell
Joseph L. Cejka
Claude H. Drake
Charles C. Eye
Patrick F. Flanagan
Roger D. Gillingham
Allan H. Hanson
Daniel G. Hartlieb
Carl F. Huth, Jr.
Omer L. Johnson
Kenneth E. Livingston
Samuel S. Montgomery
Robert H. Robertson, Jr.
Peter Rock
George G. Spence, Jr.
Gerald E. Sveen
Junior J. Watson
Peter J. Welzbacker
Hugh H. Wheeler
Roy Willett
James Wilson, Jr.
Frank N. Winn

Vernon P. Perry (officer candidate) to be an ensign in the Medical Service Corps of the Navy, subject to qualifications therefor as provided by law.

The following-named officer candidates selected as alternates, to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

James N. Benson
Amos "M" Blevins
John W. Brackett
Arthur G. Crawford
John W. Duncan
Gaston O. Easley
Coleman J. Gadbaw, Jr.
Wayne G. Henley
Harry H. Hudgins
Gerald C. Hudnall
James H. LeClare
Edward A. Morrow
Elmer W. Peterson
John M. Renwick
Bobbie L. Sample
Donald E. Smith
Arthur J. Walker
Richard A. Wood

The following-named officer candidates selected as alternates, to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Michael A. Benson
George C. Brown
William O. Buckalew, Jr.
Ralph Conrad
Robert B. Giles
Rogers E. Hall
George H. Houk
Beauford A. Long
Harvey S. Loomis
James L. Myrah
Robert L. Tutas

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Lee R. Boles
Gerald F. Brackett
James A. Bridge, Jr.
George P. Brown
Dominic A. Bryla
Lloyd M. Bucher
Lawrence P. Bunyan
Earnest H. Carson
Benjamin W. Cloud
Walter N. Cottrell
Joseph M. Culbert, Jr.
Robert W. Dolan
Jack "B" Elliott
Andrew C. Ferguson
Fred R. Gaskell
Clifton G. Gent
Ronald P. Good
William F. Hahnert, Jr.
Wayne A. Johansen
Cornelius Kastelein
George I. Knowles
John H. McAlevy
Samuel R. Marshall
Allan R. Mitchell
Louis D. Neill, Jr.
Robert L. Newman
Terence P. O'Brien
John S. Oster
Glenn L. Palatini
George D. Pixley
William L. Reger
Robert J. Richards
William J. Rigney
Donald W. Roe, Jr.
Richard E. Runyon
William A. Russ
Oscar E. Sanden, Jr.
Richard R. Skeen
Jack L. Sotherland, Jr.
Van E. Spradley
Charles N. Straney
Arthur A. Strunk
Robert H. Sullivan
Lee A. Tavis
James V. Walters
Robert E. Weedon
Elmer C. Whiddon, Jr.
Richard E. White

LIEUTENANT (JUNIOR GRADE)

Billy J. Adams
Jerry P. Anderson
Richard J. Brennan
Ming E. Chang
Richard V. Christopher
Wallace F. Doolittle, Jr.
John W. Ford
John F. J. Fox
David H. Foxworth
James S. Gardner
Thomas C. Grier, Jr.
Joey W. Hegeman
Milton D. Honea
Richard E. Johe
Anthony J. Kral
Simon C. Kralik
John D. Larison, Jr.
Victor D. Larsen
Ramsay Lawson
John M. Loscavio
Bruce W. Lovell
David L. McDonald
James A. Maxwell, Jr.
Wilton H. McIntire
Horst A. Petrich
Leo V. Rabuck
Charles N. Robbins
John R. L. Scarborough
Peter R. Schmidt
John D. Sink
Donald F. Strand
Robert C. Taylor, Jr.
Theodore R. Thompson
Roy D. Varner, Jr.
Richard J. Wallace
Beverly W. Witherspoon
James R. Wyly, Jr.

The following-named for permanent appointment:

LIEUTENANT

James R. Babb
Norman R. Baty
Robert C. Brandenburg
John G. Carpenter
Cecil S. Colee
Everett S. Eckersley
Stephen L. Hart
Arthur G. Luskin
Samuel T. McKee
Harry H. Misakian
Richard J. Morin
Philip E. Page, Jr.
Louis J. Previati, Jr.
William M. Russell
Carl S. Snyder, Jr.
John D. Williams

LIEUTENANT (JUNIOR GRADE)

James M. Alderson
Alfred F. Beavert
Lee R. Boles
Gerald F. Brackett
James A. Bridge, Jr.
Frederick P. Brown
George P. Brown
Richard B. Brown
Thomas F. Brown III
Dominic A. Bryla
Lloyd M. Bucher
Jerry L. Bullard
Lawrence P. Bunyan
Earnest H. Carson
Ralph B. Cazares
Benjamin W. Cloud
Walter N. Cottrell
Joseph M. Culbert, Jr.
Richard S. Cumming III
Glen G. DeBroder
George K. Dickson
Robert W. Dolan
Jack "B" Elliott
Leroy Evrard
Andrew C. Ferguson
Arthur L. Fish
John P. Flick
Raymond C. Fonda
William L. Galli
Fred R. Gaskell
Clifton G. Gent
Stanley R. Golanka
Ronald P. Good
William F. Hahnert, Jr.
Barry F. Hampe
William E. Janes, Jr.
Robert G. Jewett
Wayne A. Johansen
Cornelius Kastelein
Peter W. Kellaway
Richard L. Kiehl
John R. Kois
Theodore F. Kopfman
George I. Knowles
Leonard M. Lee
John H. McAlevy
Samuel R. Marshall
Ronald C. Miller
Allan R. Mitchell
Anthony Morano
William J. Moredock
Donald F. Moxley
Louis D. Neill, Jr.
Robert L. Newman
Walter L. Nyland
Terence P. O'Brien
George Ormond, Jr.
John S. Oster
Glenn L. Palatini
Harlan R. Pearl
Dickinson H. Pellissier
Dale A. Peterson
George D. Pixley
William V. Polleys III
William L. Reger
Robert J. Richards
William J. Rigney
Donald W. Roe, Jr.
Richard E. Runyon
William A. Russ
Oscar E. Sanden, Jr.
George E. Sheldon, Jr.
Richard R. Skeen
Richard H. Smith
William Y. Sneed
Jack L. Sotherland, Jr.
John R. Spear
Van E. Spradley
Herbert J. Steffes
LeRoy R. Stehle
Charles N. Straney
Arthur A. Strunk
Martin J. Sullivan
Robert H. Sullivan
Lee A. Tavis
Spencer J. Thomas
Chester J. Thrailkill
John L. Townley
George L. Vandewater, Jr.
Casper R. VanDien
James V. Walters
Thomas H. Watson
Robert E. Weedon
Jack T. Weir
Ronald C. Westfall
Elmer C. Whiddon, Jr.
Richard E. White
Howard L. York
Milton E. Young

ENSIGN

Billy J. Adams
Jerry P. Anderson
Richard J. Brennan
Ming E. Chang
Richard V. Christopher
Wallace F. Doolittle, Jr.
John W. Ford
John F. J. Fox
David H. Foxworth
James S. Gardner
Thomas C. Grier, Jr.
Joey W. Hegeman
Milton D. Honea
Richard E. Johe
Anthony J. Kral
Simon C. Kralik
John D. Larison, Jr.
Victor D. Larsen
Ramsay Lawson
John M. Loscavio
Bruce W. Lovell
David L. McDonald
James A. Maxwell, Jr.
Wilton H. McIntire
Horst A. Petrich
Leo V. Rabuck
Charles N. Robbins
John R. L. Scarborough
Peter R. Schmidt
John D. Sink
Donald F. Strand
Robert C. Taylor, Jr.
Theodore R. Thompson
Roy D. Varner, Jr.
Richard J. Wallace
Beverly W. Witherspoon
James R. Wyly, Jr.

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy (special-duty-only law), subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

LaVerne E. Evans
Coleman E. Myers

The following-named for permanent appointment:

LIEUTENANT

Joseph D. Geller

LIEUTENANT (JUNIOR GRADE)

Coleman E. Myers
LaVerne E. Evans

The following-named women officers to the grade indicated in the line of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT (JUNIOR GRADE)

Jacqueline L. Bakosh
Shirley J. Falls
Jeanne L. Murphy

The following-named for permanent appointment:

LIEUTENANT

Patricia I. McKenna
Nancy M. Walsh
Rosemarie C. Walsh

LIEUTENANT (JUNIOR GRADE)

Clydena L. Clinton
Margaret E. Letham
Margaret A. McIlraith

ENSIGN

Carol A. Adsit
Jacqueline L. Bakosh
Mary J. Downing
Shirley J. Falls
Jeanne L. Murphy

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Service Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Donald R. Kelley

LIEUTENANT (JUNIOR GRADE)

Frederick W. Breidenstein
Andrew J. Zseltvay, Jr.

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Donald R. Kelley

ENSIGN

Frederick W. Breidenstein
Charles W. Halverson
Andrew J. Zseltvay, Jr.

The following-named officers for temporary or permanent appointment to the grade indicated in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Richard B. Bennett
Robert E. Flolid
Kenneth R. Maxwell
Dean S. Mercer
John W. Paul
Bernard L. Recher

LIEUTENANT (JUNIOR GRADE)

Alvin D. Schaaf, Jr.
James A. Szwed
Clyde E. Tudor
Thomas L. Vannaman
John C. Webster
Roger C. Wilson

The following-named for permanent appointment:

LIEUTENANT

James D. Pollen

LIEUTENANT (JUNIOR GRADE)

Donald A. Beals
Richard B. Bennett
Cyril H. Buehler
Robert E. Flolid
Michael H. Hamilton
Milford A. Leal
Kenneth R. Maxwell
Dean S. Mercer
John W. Paul
Bernard L. Recher
Frank K. Wilson

ENSIGN

Charles L. Chipley, Jr.
Stuart F. Platt
Alvin D. Schaaf, Jr.
James A. Szwed
Clyde E. Tudor
Thomas L. Vannaman
John C. Webster
Roger C. Wilson

The following-named women Reserve officers for temporary or permanent appointment to the grade indicated in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT (JUNIOR GRADE)

Kathryn L. Wham

The following-named for permanent appointment:

ENSIGN

Emily L. Brown
Kathryn L. Wham

The following-named officers for temporary or permanent appointment to the grade indicated in the Chaplain Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Robert L. Bigler
John C. Condit
Raymond J. Dietrich
Marvin W. Howard

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Robert L. Bigler
John C. Condit
Raymond J. Dietrich
Donald F. Doxie
Marvin W. Howard
William C. League
John G. Newton
Maurice R. VanLaningham, Jr.

The following-named officers for temporary or permanent appointment to the grade indicated in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

John F. Hall
Henry C. Sherrod, Jr.

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

John F. Hall
Robert C. Peace
Henry C. Sherrod, Jr.

The following-named officers for temporary or permanent appointment to the grade indicated in the Nurse Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT COMMANDER

Martha L. Boring
Emma L. Dannan
Hazel Funk
Ruth E. Kuethe
Catherine M. McCleary
Elizabeth C. Strang
Phyllis R. Taylor
Dorothy Turner

LIEUTENANT

Mary A. Brogan
Lois E. Burke
Barbara R. Courtright
Mary E. A. Fitzpatrick

The following-named for permanent appointment:

LIEUTENANT

Martha L. Boring
Rose M. David
Emma L. Dannan
Hazel Funk
Ruth E. Kuethe
Catherine M. McCleary
Constance H. Rowe
Elizabeth C. Strang
Phyllis R. Taylor
Dorothy Turner
Ruby E. Walker

LIEUTENANT (JUNIOR GRADE)

Mary A. Brogan
Lois E. Burke
Barbara R. Courtright
Mary E. A. Fitzpatrick
Beverly J. Sparks

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy (special duty only, Communications), subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Henry J. Davis, Jr.
Paul W. Dillingham, Jr.
Theodore F. Johnson
Richard L. Kallaus
Norman Klar
Clyde D. McDonald
Kirby L. Robinson
John K. Wulfhorst

The following-named for permanent appointment:

LIEUTENANT

John K. Cowperthwaite
Joseph M. Devonchik
Hobart J. Edmonds, Jr.
Eugene H. Platzek

LIEUTENANT (JUNIOR GRADE)

Henry J. Davis, Jr.
Paul W. Dillingham, Jr.
Theodore F. Johnson
Richard L. Kallaus
Norman Klar
Clyde D. McDonald
Kirby L. Robinson
John K. Wulfhorst

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy (special duty only, Intelligence), subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Robert B. Bathurst
Robert L. Chartrand

The following-named for permanent appointment:

LIEUTENANT

John Gordon
George J. O'Donnell, Jr.

LIEUTENANT (JUNIOR GRADE)

Robert B. Bathurst
Robert L. Chartrand

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy (special duty only, Public Information), subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Joseph W. Stierman, Jr.

LIEUTENANT (JUNIOR GRADE)

Philip S. Havran

The following-named for permanent appointment:

LIEUTENANT

Thomas A. Loomis

LIEUTENANT (JUNIOR GRADE)

Joseph W. Stierman, Jr.

ENSIGN

Philip S. Havran

The following-named officers to be permanent chief warrant officers, W-4, in the United States Navy, subject to qualifications therefor as provided by law:

Boyd D. Hughes
Troy M. McKinney

Joseph E. Schirmer, retired officer, to be a permanent chief warrant officer, W-3, in the United States Navy, pursuant to title 10, United States Code, section 1211, subject to qualifications therefor as provided by law.

The following-named officers of the Navy for permanent promotion to the grades indicated:

CAPTAIN, DENTAL CORPS

George O. Stead

LIEUTENANT, LINE

Donald G. Scully
Rollin E. Jeffries, Jr.
William H. C. Self
Robert D. Rohde
Lawrence V. Grant
Thomas J. Herbert
Jack H. Hartley
James R. Redman
David J. Keeney
Lloyd D. Beatty

LIEUTENANT, CHAPLAIN CORPS

John J. O'Connor
Joseph T. Dimino

LIEUTENANT, NURSE CORPS

Pauline F. Prest
Ann Sefchok

The following-named officers of the Medical Corps of the Navy for temporary promotion to the grade of commander, subject to qualification therefor as provided by law:

Francis W. Burke
Paul H. Sebrechts

The following-named officers of the Navy for temporary promotion to the grade of lieutenant commander in the line and staff corps as indicated, subject to qualification therefor as provided by law:

LINE

William M. Russell

MEDICAL CORPS

George D. Mitchell
Dermot A. Murray

CHAPLAIN CORPS

Thomas J. Wooten

The following-named line officers of the Navy for temporary promotion to the grade of lieutenant, subject to qualification therefor as provided by law:

Frederick P. Brown
Richard B. Brown
Paul W. Dillingham, Jr.
George A. Hume
Norman Klar
William J. Moredock
Walter L. Nyland
Deane G. Peters
William V. Polleys III
John B. Rivers
Ronald G. Shelly
William Y. Sneed
Herbert J. Steffes
Joseph W. Stierman, Jr.
Glenn F. Thomas
John L. Townley
Jack T. Weir

The following-named line officers of the Navy for permanent promotion to the grade

of lieutenant (junior grade), subject to qualification therefor as provided by law:

John B. Rivers
John S. Scrimgeour, Jr.
Scott A. Shaw
Glenn F. Thomas

The following-named officers of the Navy for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps as indicated, subject to qualification therefor as provided by law:

LINE

Leonard J. Abbott
Paul L. Abernethy, Jr.
Harold G. Adams
John L. Adams
Jackie D. Adams
James L. Adams
Winthrop R. Adkins
William M. Ahlenius
Herbert W. Ahrens, Jr.
John W. Ailes IV
Gerald L. Ainsworth
Charles P. Ake
Harold C. Albin, Jr.
Charles R. Albritton
Donal M. Alderson, Jr.
Thomas L. Aldrich
Loyal F. Aldridge
Donald A. Alecxih
Howard W. Alexander
James W. Alexander
Dean C. Allard, Jr.
Bill R. Allen
Charles A. Allen
John C. Allen
Neal M. Allen
Peter F. Allen
Bruce T. Alligood, Jr.
Thomas L. Allison, Jr.
Richard R. Allison
Kent S. Allworth
Frederick J. Almgren, Jr.
Harris J. Amhowitz
George Anagnostos
Ray J. Anderson
Erns M. Anderson
Paul R. Anderson
Jon T. Anderson
Joseph J. Anderson
James C. Anderson
Frank N. Ansel
George S. Ansell
Charles Antonacos
David W. Armstrong
Alexander B. Aronis
Charles B. Arrington, Jr.
Glern N. Arthur, Jr.
John F. Arvay
Donald M. Arveson
Donald R. Ashby
Roy W. Asher
James P. Ashford
Robert H. Aslakson
James F. Astley
Raymond Atherton
George P. Atkins
George T. Atkins, Jr.
Allan L. Atkins
Edward J. Augustyniak
Charles W. Austin
Donald J. Aven
John H. Ayres
Hunter E. Babin
Allen L. Bader
Victor A. Baglioni
John P. Bailey, Jr.
Bruce A. Bailey
Winfield S. Baird, Jr.
Jon A. Baker
Robert A. Baker
Richard L. Baker
Laurence C. Baldauf, Jr.
George K. Baldry
James T. Baldwin
John A. Baldwin, Jr.
Leroy C. Baleme
Geoffrey H. Ball
Stanley M. Ball
Charles W. Ballew
Robert M. Ballinger
Leo J. Balsamo
Floyd R. Banbury
John M. Bannon
Robert D. Banz
Richard H. Barbe
Gale D. Barbee
Robert F. Bardwell
Charles B. Barfoot
Theodore W. Barger
Monroe W. Barker
Howard W. Barnes
Walter A. Barr
James J. Barrett
James M. Barrett
Fred H. Barrows III
Marion D. Bartlett
Robert D. Bascom
Paul D. Batdorf
Glenn D. Bates
Roy E. Battles
John R. Batzler
James R. Bauder
Gerard R. Baumann,
John P. Baumgartner
William J. Baxter, Jr.
Norman T. Beal
Alan L. Bean
Ralph C. Beardslee, Jr.
Leroy R. Bechelmayr
Richard N. Bechtel
Norman E. Beck
William H. Becker
Thomas S. Beeler
Douglas W. Bel, Jr.
William J. Belay
Charles E. Bell, Jr.
William R. Bell
Russell C. Beltz
Frank Belvin
Richard G. Bemis
John E. Bendel
Oscar W. Benefiel
Raymond D. Bennett
Joseph E. Bennett
Thomas P. Bennington
Joseph D. Benton
John C. Bergquist
George O. Bernard
John J. Berrier, Jr.
Jesse E. Bethany
Roger G. Betsworth
Thomas A. Bickerstaff, Jr.
Herbert K. Biegel
John E. Bilderback
Donald J. Bilinski
Clare B. Billing
Robert O. Binkley
Edward E. Birkinshaw, Jr.
Michael E. Bishop
Robert W. Bjorndahl
Cole Black
Gregory D. Black
George E. Black
Shem K. Blackley, Jr.
Fredrik S. Blackmar
Robert D. Blaine
Peter S. Blair
James S. Blaising
Garvey A. Blanc
James R. Blandford
George F. Blank
Alan A. Blatz
John A. Blesch
Russell M. Blythe
John R. Boardman
H. Lee Boatwright III
Wayne D. Bodensteiner
Gill H. Boehringer
Archie M. Bolster
Russell L. Bolton
John J. Bonasia
Clarence G. Bonhan
Edwin J. Bonner
James T. Bonner, Jr.
William W. Bonneville
Philip E. Bonz
Archie D. Borden
Joseph Bordogna
David L. Boslaugh
William L. Boss, Jr.
Edmund B. Bossart, Jr.
George T. Bostic, Jr.
Kirk L. Bosworth
Bruce E. Bothwell
Frederick R. Bott
Francis T. Boucher
Luk S. Boudreaux III
Byron F. Boudreaux
Donall G. Bourke
Norman M. Bouton
Barry V. Bowen
Thomas E. Bower
Peter P. Bowler
Harry S. Boyd, Jr.
Robert L. Boyd
Robert W. Boyd
Robert L. Brace
Leonard A. Bracken, Jr.
James R. Bradish
Bedford C. Bradley
Jerald S. Bradshaw
Frederic L. Brady, Jr.
Walter F. Brady, Jr.
John L. Brainerd
Carl T. Braun
John A. Brecheen
Stephen K. Breslauer
Harold L. Bridenstine
David G. Briggs
Donald R. Briggs
Franklin H. Briggs
Carl W. Brockenhauer
Ronald D. Brogden
Edward H. Browder
Charles J. Brown
Dennison R. Brown
Glenn C. Brown
Harold E. Brown
Isom L. Brown
James G. Brown
Leo P. Brown
Robert C. Brown
Thomas N. Brown
Victor A. Brown
William H. Browning III
James H. Brownlow
Merle W. Brubaker
Joseph D. Brubaker, Jr.
Gerard P. Brunick
Auda E. Buchanan
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James E. Rattan
Leonard M. Rausch
Paul E. Raysin
Kenneth F. Read
Kenneth R. Rebello
Calvin C. Reed
Richard L. Reed
William C. Reed
John G. Reeder
David A. Reedy
John N. Rees
Malcolm C. Rees, Jr.
Gerald E. Reid
Warren E. Reid
Philip J. Reilly, Jr.
Thomas L. Reise
Philip M. Reitzel
John W. Renard
William O. K. Rentz
Stephen W. Reszetar
David B. Reynolds
Preston A. Reynolds
Keith A. Reynolds
William K. Rhodes, Jr.
Eugene M. Rice
Keith J. Rice
Robert V. Rice
Robert C. Rice
Peter H. Rich
Bill A. Richards
Bruce Richards
John R. Richards
Gordon R. Richards
William G. Richardson
Frederick J. Richey
Frederick W. Richter
Huntley N. Ricker
Myron V. Ricketts
George E. Riddell
George M. Rider
Ronald E. Ries
Ivers W. Riley, Jr.
Thomas R. Riley, Jr.
Ira D. Riskin
Todd D. Ritter
James D. Rivers
James P. Riviere
Harold S. Roach, Jr.
John W. Roberts
Lloyd C. Roberts
John L. Robertson
Joel A. Robinson
Robert M. Robinson
Clifford V. Robinson
William A. Rockwell
Ray W. Rodman
John E. Roe, Jr.
William F. Roemer
Charles L. Rogers
Thomas F. Rogers
Brien B. Rogers
Eugene Rogers
James L. Rollins
Everet F. Rollins, Jr.
Robert W. Rose
Russell L. Rose
Hayden A. Rossclunis, Jr.
Mario A. Rossi
Ralph A. Rossi
James F. Roth
James A. Roth
James C. Rothrock
Alvin A. Rouchon
Kirk W. Rowe
Robert R. Rule
William H. Rush
Franklin E. Russell
John W. Rustin, Jr.
Marvin L. Salomon
Chester G. Sample
Charles R. Samuelson
William A. Sanders
Carl H. Sanders, Jr.
James D. Sanders
Thomas E. Sandmeyer
George S. Sanstol
John D. Santivasci
Gerald L. Sauer
Robert C. Saunders IV
Wesley W. Saunders
Wesley L. Saunders, Jr.
Arthur L. Schelling
David E. Scherer
Francis H. Scherer
Edward R. Schickler
John F. Schilpp
John R. Schinabeck
Robert K. Schleichardt
Joseph R. Schlichter
Edward A. Schmidt
Fred B. Schoenberger
Harry C. Schrader, Jr.
Gilbert A. Schroeder
Albert B. Schultz
Thomas D. Schultz
Walter H. Schulze II
Gary B. Schumacher
Charles F. Schwaebe
Robert J. Schwartz
Karl E. Schwarz
Albert J. Scoles
Austin B. Scott, Jr.
Augustus E. Scott, Jr.
Gary L. Scott
George W. Scott
MacGregor G. Scott
Ronald D. Scott
William D. Scott
Norris L. Seabron
Charles E. Seager
Murland W. Searight
James H. Seaton
Robert B. Segal
Richard A. Semmler
Floyd B. Shacklock
William F. Shand
Robert J. Shanley
John W. Shearin
John P. Sheehy
Charles B. Sheldon
Donald C. Shelton
Rolf A. Shepard
John R. Sherman
Lawrence L. Sherman
Dan G. Shields
Thomas Shine, Jr.
John H. Shippee
Richard L. Shoup
William H. Showers
John Shulick, Jr.
Harry E. Shull
James W. Shumate
Gordon B. Shupe
Winfield M. Sides, Jr.
Gilbert K. Sievers
Robert G. Sievert
Arie C. A. Sigmond
Erwin Sigrist
Gordon F. Siljestrom
John R. Sill
Larry K. Simmering
Roger O. Simon
George E. Sineath
Charles V. D. Singer, Jr.
Ray D. Sipes
Melvin J. Sires III
Arthur R. Skelly
Wallace A. Skelton
Stanley S. Skorupski, Jr.
Robert W. Skyles
Marshall T. Slayton
Harold D. Sleet
Kenneth J. Sliwa
Barton L. Smith
Charles E. Smith, Jr.
Charles L. Smith
Charles R. Smith
Charles G. Smith
Dickinson M. Smith
Douglas A. Smith
Darrel Smith
Donald A. Smith
Edward G. Smith
John W. Smith
Kenneth E. Smith
Lewis D. Smith
Marvin G. Smith
Neil C. Smith
Roy J. Smith
Ralph A. Smith III
Robert L. Smith
Robert W. Smith
Thomas K. Smith
Thomas R. Smith
William D. Smith
Winchester C. Smith, Jr.
Dimitry Smorsch
James R. Snow
Gary L. Snyder
William J. Sommerville, Jr.
Manuel B. Sousa, Jr.
Jack F. Sousae
Charles M. Southall
David F. Southard
Stephen E. Speltz
Harry E. Spence
Walton R. Spencer
Thomas J. Spisak
Norman L. Spry
James A. Stackpole
John H. Staehle
Dudley V. Staggs, Jr.
Thomas F. Stallman
Franklin R. Standerfer
Arthur W. Standley, Jr.
Herbert L. Stanley
Paul R. Steffenhagen
Frederick B. Steketee
David M. Stembel, Jr.
Edward V. Stephenson
Gordon L. Stephens
Francis L. Stephens
James R. Stevens
William Stevens
Robert N. Stewart
John E. Stewart
Frederick R. Stewart, Jr.
Walter J. Stewart III
Ronald L. Stoddart
Walter W. Stoeppelwerth
Francis G. Stokes
Bernard J. Stortecky
Peter R. Story
George W. Stott, Jr.
Leland R. Stouter
John T. Strain
Ralph N. Straley II
Carl J. Strang, Jr.
Robert C. Strange
Raymond S. Strangways
Richard A. Stratton
William R. Stratton
John B. Streit
Willard C. Striffler, Jr.
Thomas L. Strub
Douglas M. Stuart
Donald B. Stuart
Charles J. Stuart, Jr.
Richard W. Stuebben, Jr.
Harley L. Stuntz III
Walter Sturm
Donald L. Sturtz
Dennis J. Sullivan, Jr.
John J. Sullivan
Florence M. Sullivan
Donald M. Sumner
Kenneth F. Sumner
Ronald K. Sundfors
Paul E. Sutherland, Jr.
Wilber B. Swaim
William A. Sybers
Charles T. Sylvester
William G. A. Sympson, Jr.
Edward B. Talbot
John M. Tallman
Thadeus Tarka
Charles A. Tarver, Jr.
James E. Tassell
Carl H. Taylor, Jr.
Alex O. Taylor, Jr.
Patterson C. Taylor
John E. Taylor
Raymond P. Tennison
Domenic S. Terranova
Horace J. Terrill III
Henry L. Thacker, Jr.
William J. Thearle
Colin C. Thomas
William I. Thomas
Emil S. Thompson, Jr.
Richard E. Thompson

Harry E. Thompson
Ernest T. Thompson
William Q. Thornburg
John R. Thune
John C. Tibbs
George D. Tice, Jr.
Frederick W. Tindall
Donald G. Todaro
James F. Todd
Robert E. Tollaksen
Albert L. Toney, Jr.
Ernest J. Toupin, Jr.
Donald J. Toutant
George F. Towne III
Bernard J. Tracey
William K. Tracy
Jeffrey W. Traenkle
Clifford D. Treese
Wallace E. Trelford
Delmer Trimble
Dean E. Troxell II
Ernest W. Truman, Jr.
Arnold L. Trygsland
George Tsantes, Jr.
James R. Tucker
James W. Tucker
John E. Tucker
William R. Tully, Jr.
John L. Turnbull III
Laurence L. Turner
Lee R. Turner, Jr.
Edmund L. Turner
Joseph F. Turpel
Gordon F. Udall, Jr.
Louis D. Uht
Donald M. Ulbrich
Simon J. Ulcickas, Jr.
Robert W. Ullman
George E. Ulrich
John H. Ulrich
Fred S. Underwood
Walter G. Updike
Robert E. VanDermay
Richard W. VanHorn
David B. VanHulsteyn
Loring E. VanKleeck
William E. Vanoy
Richard W. VanPelt
James A. VanValkenburg
John M. Vaughan
Eugene H. Vaughan, Jr.
Gordon G. Vaughan
Gerald C. Vaught
Raymond C. Vehorn
Carl Versteeg
Grant J. Villemaire, Jr.
Howard E. Vinson
Robert J. Vogel
George H. Volk
Seaborn H. Wade, Jr.
Donald L. Waggoner
Harry A. Wagner
Denis E. Waitley
William A. Walden
Robert P. Waldron
Michael J. Waldron
Clyde E. Waldrop
Benny R. Walker
James R. Walker
Eugene R. Walker
John A. Walker, Jr.
John D. Wallace
Kenneth T. Wallenius
Homer M. Wallin, Jr.
Lawrence P. Walsh
William A. Walsh
Donald W. Walter
John T. Walter, Jr.
Joseph J. Walter
Peter E. Walther
Thomas G. Warburton
Edward A. Wardwell
Larry E. Ware
Byron L. Warmee
John S. Warner
James F. Warnke
Frank B. Warren
Richard P. Warrick
Ronald R. Warthen
Jerome F. Watson
John Watson
Harry C. Watts
Raymond A. Ways
Richard J. Wear
Terry M. Weathers
Wayne R. Weatherhead
John C. Weaver
Richard M. Weber
Hugh L. Webster
James G. Webster
Donald P. Wefer
Raymond L. Wehrmeister
Morton E. Weichsel, Jr.
Calvin M. Weil
Richard M. Weinfield
Richard L. Weis
James R. Weller
Alfred H. Wells, Jr.
John E. Wengert
John W. Werblow
Rodney K. Wernicke
Rene D. Wernicke
Donald A. West
Kenneth W. Westall
Darr E. Westbrook, Jr.
Bernard A. White
Billy J. White
Harold O. White
Kohen E. White
Marvin L. White
Trentwell M. White, Jr.
Ted E. Whiting
Frank C. Whitney
Ralph C. Wiggins, Jr.
William W. Wigley
Lawrence S. Wigley
John E. Wild
Edward A. Wilkinson, Jr.
Bruce S. Wilkinson
Charles H. Will, Jr.
Mark R. Willcott III
Frederick D. Williams
Hugh C. Williams
John O. Williams, Jr.
Percy W. Williams, Jr.
Talmage T. Williams, Jr.
Tommy L. Williams
Gerald G. Williams
Arthur G. Williams
David E. Williams
Joseph F. Williams
John P. Williamson, Jr.
Edmund P. Willis
James L. Willis, Jr.
Allen D. Wills, Jr.
Robert H. Willyard
William R. Wilson
Derek W. Wilson
Wayne W. Wilson
Gordon B. Wilson
John R. Wilson, Jr.
Victor L. Wilson
Peter D. Wilson
Gunnar F. Wilster
Warren H. Winchester
Paul M. Windham
Richard N. Winfield
Cleon W. Winslow
Carroll H. J. Wittner
Daniel J. Wolkensdorfer
Albert A. Wood, Jr.
Gerard E. Woodbury
James H. Woodson
Thomas A. Woodward
Robert M. Woolnough
Douglas A. Worth
Eric R. A. Woxvold
Theodore H. Wuerfel
Joseph E. Wyatt
Donald G. Wylie
Robert F. Wyvill
Willard B. York
Lawrence L. Yost
Clinton H. Young
Leonard R. Young
Richard A. Young
John M. Yuscavage
Charles J. Zadd
Charles E. Zamzow
Marshall V. Zinner
Otto A. Zipf
Emil J. Zseleczky
Robert H. Zuege
Allen D. Zumbrunnen
Richard F. Zwetsch
Carol Y. Allen
Kathleen A. Bashe
Hildegard K. Baumbach
Marjorie L. Bennett
Sara P. Denby
Beverly W. Frost
Anne V. Goodwin
Elizabeth L. Gregg
Beverly I. Hill
Lucille R. Kuhn
Dorothy A. Larsen
Janice R. McMorrow
Shirley A. Staub
Wyline S. Thomas
Anne M. Tierney
Lucy E. Zierdt

SUPPLY CORPS

Samuel B. Allen, Jr.
Elif A. Andersen
William N. Ashbey
James F. Babcock
Joseph H. Bacheller
Robert A. Barbary
Jack R. Bedenbaugh
Arthur G. Bedford
John A. Begley, Jr.
Delbert H. Beumer
James F. Blake, Jr.
Arthur F. Braun
William R. Britton
George E. Brockett
George W. Brockman III
Donovan W. Butler
Verner R. Carlson
Edgar S. Causbie
David B. Chaffe III
Brian Chrisman
Robert W. Clamp
Davis L. Clark
William G. Collier
Roy E. Collins
James P. Conway
Wayne T. Cooke
Fred S. Coombs
Robert W. Davis
William W. Deacon
James J. Devenney
Roger F. Dickinson
Ronald W. Dickson
Donald N. Dirks
Robert H. Dolloff
Jerry B. Douglass
Richard M. Dowling
Regis G. Dugue
James L. Durham
George D. Eagleton
Richard W. Ellis
Robert A. Ely
Barry M. Erickson
Sidney A. Farha
Edmond R. Farrell, Jr.
John J. Flynn, Jr.
Phillip W. Flynn
William S. Ford, Jr.
Clarence P. Foreman, Jr.
Ronald N. Friedrich
Laurence W. Frost
Glenn L. Gaddis
Robert F. Gallagher
James H. Gallaher
Harry R. Garing
James E. Gast
William L. Gilbertson
Peter E. Gilles
John C. Grant
Roger A. Graul
John F. Hamilton
James W. Hamilton
Harlan L. Hauskins
Lester D. Hayes, Jr.
Hugh C. Haynsworth III
James D. Hennes
Richard C. Henseler
James R. Holder
Jay S. Horton
Philip L. Hummer
Donald G. Jackson
Gerald E. Jackson
Samuel Jacobson
William E. Jerauld
James B. Johnson, Jr.
Bobby J. Jones
John M. Jones, Jr.
Robert A. Kaiser
John R. Kaufman
Donald M. Keller
Richard T. Knock
Raymond A. Kruithof
Richard O. Lay
John C. Layman
Charles W. Lee
Stanley S. Leese
Paul A. Lemma
Richard D. Lewis
Thomas G. Lilly
William J. Lockhart
James B. Lovelace, Jr.
Donald A. Lovelace
Jerry B. Maney
Eugene T. Manley
Ray A. Mara
Richard B. Marx
John T. McCahon
Richard B. McLaughlin
Billy G. McSwain
George W. Mead III
Arthur J. Mehrens, Jr.
Douglas M. Michelsen
David O. Miller
Albert G. Moe
Joseph C. Mullins
Charles C. Narducci, Jr.
Alvin W. Neely, Jr.
James R. Ocheltree
Richard S. Olinger
James R. O'Neil
Earl H. Pace
James O. Perkins
Joel S. Poorman
Jack A. Pore
William M. Powell
Farrell J. Rader
George W. Regan
Michael C. Reu
Richard H. Ribbe
Philip W. Richardson
Leonard P. Rittenberg
James M. Robbins
Francis C. Rose, Jr.
Edward F. Ruese II
Richard A. Ruth IV
Stephen R. Ruth
Robert D. Ryder
Guy M. Schaefer
John W. Schmucker
Leon J. Scott, Jr.
William D. Shardelow
George H. Shelton
Carl Shumaker
David A. Singer
Bernard J. Sloan, Jr.
Tex R. Sluder
Gad C. Smith
Jack L. Smith
Ludwig A. Smith, Jr.
Casimir E. Sojka
William P. Sovey
Robert L. Stark
Will G. Steadman III
Dennis R. Stephens
James L. Stidham
Andrew M. Stiglitz
William E. Stombaugh
Donald G. Straw
Patrick D. Sullivan
James W. Sweeney
Robert R. Taylor
Garnot H. Thomas, Jr.
Jennings J. Thompson, Jr.
Clarence J. Thurston
Ronald N. Tokay
William P. Tuggle III
William E. Turcotte
Frank S. Virden
Carl P. Vogel, Jr.
Robert B. Vollum
Carl R. Webb, Jr.
Hoyt T. Webb
Jimmy D. Webb
Herbert S. Weil, Jr.
John E. Wildman
John R. Wilkins
Harold H. Willenborg
Walter E. Williams, Jr.
Richard F. Wilson
James H. Wright
Walter F. Wright, Jr.
Maurie D. Yager
Herman D. Beach
Joseph L. Bilk
Herschel J. Bonnett
Eugene V. Coleman
Alfred I. England
Charles E. Griffiths
Ralph L. Holland
Robert D. Lang
Harry W. Leftwich
Albert A. Manson
Winston L. Martin
William H. McInniss
Robert E. Murray
William P. O'Donnell
Allen F. Smith
Joseph W. Stok
Warren M. Sweet
William H. Trenkle
Cary F. Wright
Paul G. Zoller

CIVIL ENGINEER CORPS

Hyneman M. Andress
William A. Bair
Ellis G. Bauereis
Cornelius P. Brogan
George H. Brown
William E. Burdick
Jerry L. Clark
Donald L. Conner
Walton J. Grinke
Aaron B. Jacobs
Robert L. Kramer
Stephen D. Lowe
Neil L. MacFarlane
William J. McCorkle
William J. Mebes
Russell Myers, Jr.
Kenneth R. Newcomb
Philip Oliver, Jr.
Robert P. Phenix
Lowell H. Ruff, Jr.
Willard G. Shafer
Vincent M. Skrinak
Ernest H. Smith
Gene S. Taglienti
Thomas N. Tate
Charles B. Uber
John M. Weis
Robert J. Westberg
Murray L. Brooks
William F. Monnier

MEDICAL SERVICE CORPS

Walter A. Andersen
Samuel D. Barker
Harold H. Coulson
Chester A. DeCesaris
James J. Devane
Robert G. Devine
Kenneth H. Dickerson
Kenneth F. Floan
George G. Forrester, Jr.
Billy D. Harvey
James H. Herrin
Thurman O. Jordan
Allison N. Kendrick
Joseph F. Ksenzak
Thomas L. McGehee
Richard Neuman
Arthur W. Paxton
Gale Ramirez
Robert S. Ruffin
Carl L. Shaneyfelt
John L. Sims
Wesley D. Skidmore
Dewey L. Smith, Jr.
Donald J. Snowden
James A. Spahn, Jr.
Irvin O. Stallings
Millard F. Tanner
William E. Whitlock

The following named (Naval Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Dale H. Adams
Don E. Auten
Horace W. Baker
Henry J. Bartol
Francis B. Campanella
Alan J. Dean
Charles H. Dennis
Robert A. Ferguson
Bron D. Hafner
George R. Horne II
Clarence D. Lindseth
Fredric W. Maley
Warren L. Martin
Charles P. Mead, Jr.
John J. Miluski
Jesse G. Mulkey
Bruce S. Nielsen
David B. Peterson
Tommy J. Silver
Fred D. Simpson, Jr.
John F. Spangler
Arthur A. Sutherland, Jr.
Bruce C. Taylor
James E. Toth
George E. Vasko
Sanford D. Ward
Jack W. Wells

The following named (Naval Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

James H. R. Curd
Bennett R. Dean
Philip E. Norman

The following named (Naval Academy graduates) for permanent appointment to

the grade of second lieutenant in the Marine Corps subject to qualifications therefor as provided by law:

Richard H. Alexander
Anthony A. Anthony
William D. Bauer
Bruce B. Boman
Richard L. Brinegar
Edward R. Browne
John P. Burke
Richard H. Buss
John J. Carty
Russell J. Caswell
John C. Chambliss
Matthew T. Cooper
Dennis M. Cunningham
James E. Dalberg
Bernard C. Day
Gene A. Deegan
Eugene J. Driscoll, Jr.
Robert K. Featherston
William B. Fredricks
Alan S. Friedland
George F. Gallagher, Jr.
Marvin A. Goldberg
Richard H. Gordon
Michael J. Hanley
Hugh J. Harper
John W. Hemingway
Jacob E. Iles
Myron J. Kandra
Ernest T. Kretschmar
John D. Lanigan
Richard C. Lawe
Daniel F. Leary III
George T. Lengauer, Jr.
Alexander P. Longdon, Jr.
Charles H. Manazir
Kenneth A. McNutt
Henry N. Means III
Anthony D. Miller
Miles E. Mixson
William A. Mooney
Charles H. Nichols, Jr.
Reid H. Olson
Reid B. Paige
Wesley R. Phenegar, Jr.
Larry J. Polk
Thomas M. Pratt III
Eugene T. Radcliffe
John R. Rasavage
Thomas L. Reeves
John C. Roberson
Donald M. Robinson
William O. Rodewald
Joseph F. Rosenberg
Anthony R. Russo
Michael D. Salmon
Kennell I. Schenck, Jr.
John E. Schmidt
David K. Shroyer, Jr.
William T. Sinnott
Douglas K. Stewart
Anthony W. Stremic
Edward A. Studer
Paul T. Sudmeyer
Amos D. Thompson, Jr.
Alan Tinker
John H. Van Niman
Warren S. Walters
Paul E. Westphal, Jr.
David A. Wier
John M. Willmarth
Ronald W. Wright

The following-named meritorious noncommissioned officer for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Robert A. Sutton

The following-named (Army Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

John R. Murphy
Giles C. Sydnor
William A. Fuller, Jr.
Ronald Smaldone
James T. Vaughan

The following officers of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Stephen A. Armstrong
Donald C. Bickel
David S. Holben

CONFIRMATIONS

Executive nominations confirmed by the Senate April 30, 1958:

UNITED STATES TARIFF COMMISSION

Walter R. Schreiber, of Maryland, to be a member of the United States Tariff Commission, term expiring June 16, 1964.

COLLECTORS OF CUSTOMS

Frank W. Hull, of Washington, to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash.

James L. Latimer, of Texas, to be collector of customs for customs collection district No. 21, with headquarters at Port Arthur, Tex.

Douglas Butler, of Texas, to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex.

UNITED STATES ATTORNEY

Fred Elledge, Jr., of Tennessee, to be United States attorney for the middle district of Tennessee, term of 4 years.

IN THE ARMY

The nomination of Lt. Gen. Lemuel Mathewson, O14980, to be placed on the retired list in the grade of lieutenant general under the provisions of title 10, United States Code, section 3962.

The nomination of Maj. Gen. Thomas Leonard Harrold, O16051, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in the rank of lieutenant general.

The nomination of James Alward Van Fleet, O3847, for reappointment to the active list of the Regular Army of the United States in the grade of major general, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211.

The nomination of James Alward Van Fleet, O3847, for advancement on the retired list in the grade of general, under the provisions of title 10, United States Code, section 3962.

The nominations of Frank O. Alexander, and 1,229 other officers, for promotion in the Regular Army which were received by the Senate on April 14, 1958, and may be found in the Senate proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of Frank O. Alexander which is shown on page 6312, and ending with the name of Ernest D. Zottola, which appears on page 6316.

IN THE NAVY AND IN THE MARINE CORPS

The nominations of Byron R. Adams, and 1,806 other officers, for appointment in the Navy and in the Marine Corps, were received by the Senate on March 31, 1958, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Byron R. Adams, which is shown on page 5810, and ending with the name of William W. Heath, which appears on page 5814.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 30, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

I Corinthians 10: 24: *Let no man seek his own, but everyone another's welfare.*

Eternal and ever-blessed God, we are again gathering under the canopy of Thy grace and goodness, coming unto Thee with our prayers of confession, of thanksgiving, of supplication, and of intercession.

Deliver us from the fears that eclipse and weaken our faith, the errors which blind and obscure our vision, and the doubts which deplete and dwarf our energies.

Grant that daily we may be inspired with a deep longing to understand the will and ways of God. Help us to live spiritually and think scientifically, uniting the old values of the spirit with a new vision of the universe and its laws.

Fill us also with a greater sense of social obligation and responsibility, and may we feel more keenly that none liveth unto himself, but that humanity is one in need and nature and destiny.

Hear us for the sake of our blessed Lord. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 11470. An act to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes.

The message also announced that the Senate insists on its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. STENNIS, Mr. BYRD, Mr. SYMINGTON, Mr. SALTONSTALL, Mrs. SMITH of Maine, and Mr. BARRETT to be the conferees on the part of the Senate.

ADJUSTING BASIC PAY OF UNIFORMED SERVICES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table 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, with Senate amendments, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. KILDAY, RIVERS, HÉBERT, HARDY, GAVIN, PATTERSON, and BATES.

PERMISSION TO COMMITTEES TO SIT DURING GENERAL DEBATE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may sit during general debate in the House today.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during general debate in the House today.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that for the remainder of the week the Select Committee on Astronautics and Space Exploration may sit during general debate in the House.

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

There was no objection.

AUTHORITY FOR PRINTING PAMPHLET AS HOUSE DOCUMENT

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 228, authorizing the printing as a House document of the pamphlet entitled "Our American Government. What Is It? How Does It Function?" and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That, (a) with the permission of the copyright owner of the book, Our American Government—1,001 Questions on How It Works, with answers by WRIGHT PATMAN, published by Scholastic Magazines, Inc., there shall be printed as a House document the pamphlet entitled "Our American Government. What Is It? How Does It Function?" In addition to the usual number there shall be printed 2,000 copies for use and distribution by each Member of Congress.

(b) As used in this concurrent resolution the term "Member of Congress" includes a Member of the Senate, a Member of, and a Delegate to, the House of Representatives, and the Resident Commissioner from Puerto Rico.

The resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORITY FOR PRINTING PROCEEDINGS IN CONNECTION WITH ACCEPTANCE OF STATUE OF MARIA L. SANFORD

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 71, to print the proceedings in connection with the acceptance of the statue of Maria L. Sanford, late of Minnesota, and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That the proceedings at the presentation, dedication, and acceptance of the statue of Maria L. Sanford, to be presented on November 12, 1958, by the State of Minnesota in the rotunda of the Capitol, together with appropriate illustrations and other pertinent matter, shall be printed as a Senate document. The copy for such Senate document shall be prepared under the supervision of the Joint Committee on Printing.

SEC. 2. There shall be printed 5,000 additional copies of such Senate document, which shall be bound in such style as the Joint Committee on Printing shall direct, and of which 100 copies shall be for the use of the Senate and 1,900 copies shall be for the use of the Members of the Senate from the State of Minnesota, and 500 copies shall be for the use of the House of Representatives and 2,500 copies shall be for the use of the Members of the House of Representatives from the State of Minnesota.

The resolution was concurred in.

A motion to reconsider was laid on the table.

OMNIBUS RIVERS AND HARBORS BILL

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, the need for the vast majority of public-works projects included in the omnibus rivers and harbors bill is not open to question. But the need for some 28 projects included in the version of the bill vetoed by the President is.

Therefore, I am introducing today a clean version of the omnibus rivers and harbors bill in an effort to clear the noncontroversial features of our Nation's rivers, harbors, and flood-control programs out of the way so that the controversial portions can be argued without side distractions.

The items mentioned in this new bill are strictly in line with the President's recommendations on this vital matter. It is in the best interests of our Nation to approve those projects which are not subject to controversy at the earliest possible time so that Congress can take action to appropriate funds for those which must be given immediate attention.

It is in the best interests of our Nation to approve these useful projects and to act upon the controversial measures singly, so that each can be weighed as to its merits by all the Members of Congress.

I am certain that almost all of my colleagues agree that some 80 percent of the projects in the original bill should be passed in the best interests of our Nation. But many of us are not willing to buy a package which contains 80 percent meat and 20 percent fat. We must eliminate the fat if we are to make the most of our dollars and make sense in the process.

The majority Members of the House claim that the omnibus bill is an antirecession measure. If that is the case—and by the way, I do not believe it—then it is imperative that Congress pass a clean bill which will not be vetoed by the President, who has had to take over the duty of acting as watchdog of our Federal funds because some Members of Congress wish to abdicate that power.

PENSION AND WELFARE FUNDS

Mr. TEWES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. TEWES. Mr. Speaker, during the debate in the other body on the legislation affecting pension and welfare funds, the point was made frequently that committee hearings should be held prior to floor debate. Members then are fully informed and are better prepared to vote intelligently. I have always been impressed with the validity and significance of this argument.

But the assumption which underlies this premise is that the leadership which controls the committees will actually provide the opportunity for hearings. Such an opportunity is being denied by Democrat leaders of the Subcommittee on Labor-Management Relations in the House. For political reasons apparently, the subcommittee refuses to study any legislation, some of which I understand is desired even by labor itself. I have not had an opportunity to examine these bills in detail and am not here concerned with them. My protest is, rather, against this policy which hinders the workings of our legislative machinery. I conceive it to be totally indefensible for Members to rail against proposals because they have not had hearings and to refuse at the same time to hold such hearings.

And yet this represents the contradictory position of the various wings of the Democrat Party today. Senate Democrats say, "We must hold hearings on these important matters before reaching a decision." House Democrats say, "Exactly, but try and get them." This kind of politics is good neither for the country nor, I submit, for the Democratic Party.

THE STORY OF FREE ENTERPRISE

Mr. ALGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. ALGER. Mr. Speaker, the mail from home these days is comforting, for it reassures me that some of the smartest people in our area are as bewildered as I am by a lot of the antirecession oratory emanating from Washington. I was beginning to wonder. Now I would hesitate to suggest that some of this pulpit pounding is done with tongue in cheek, but I would remind all and sundry that this is an election year—a time when some politicians obviously feel that anything goes.

Recently I heard an amusing story about a Congressman and an administration official who were conferring on a problem of grave concern to both of them. It seems that consumption of a particular agricultural commodity was declining sharply and huge surplus stocks—enough to break the market—were piling up in Government hands. The problem was discussed at great length from the viewpoint of farmers, consumers, and the Government.

"Here are the facts," the official said, "here is what we have done. Given those same facts, what would you have done?"

The response was quick. "Do you mean if I were Secretary of Agriculture, or if I were running for reelection?"

STATE DEPARTMENT SAYS INTERNATIONAL CONVENTION WILL ENTER INTO FORCE AFTER RATIFICATION BY 22 SIGNATORY COUNTRIES

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. PELLY. Mr. Speaker, the United Nations-sponsored Conference on the Law of the Sea which has been meeting in Geneva, Switzerland, has finally ended.

The Department of State advises that the 86 nations have adopted by substantial majorities 4 conventions, 1 protocol, and 9 resolutions.

The four conventions had to do with the territorial sea—aside from its breadth—high-seas problems including fisheries, and the Continental Shelf. The one protocol provided for the settlement of disputes arising out of the conventions by the International Court of Justice if disputing nations cannot agree on another means of peaceful settlement.

In my opinion, the United States is well out of that Conference. We had a bear by the tail and it is fortunate that no apparent serious damage resulted.

However, Mr. Speaker, I am greatly concerned at this statement which was contained in the State Department summary on this Conference:

> None of these proposed conventions will enter into force until after signature and ratification by 22 of the signatory countries.

I have requested amplification. The question is Could ratification by 22 nations out of the 86 nations have the effect of establishing international law?

If so, it could be very serious because our delegation at Geneva recently proposed to forgo the historic fishing rights of our American fishermen in order to try and get a compromise international agreement as to the territorial sea limit for other purposes. If two-thirds of the 86 nations had voted in favor of the American compromise, and then 22 nations had ratified that proposal then would our fishing industry have been jeopardized under international law?

Certainly, the Congress should find out if 22 nations ratifying an international convention would have the force of law.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 48]

Ashley	Christopher	Dellay
Auchincloss	Cooley	Dies
Buckley	Cunningham, Nebr.	Dooley
Burdick	Dawson, Ill.	Fogarty
Celler	Gwinn	Grant
Harden	Kilburn	Morano
Holt	Kitchin	Porter
James	Knutson	Powell
Jarman	Lennon	Radwan
Jenkins	Lesinski	Rains
Jones, Mo.	Miller, Calif.	Roberts
	Montoya	Shuford

The SPEAKER. On this rollcall 394 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock a. m.

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

There was no objection.

INTERSTATE AND FOREIGN COMMERCE COMMITTEE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Commerce and Finance of the Interstate and Foreign Commerce Committee may have permission to meet this afternoon during general debate.

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

There was no objection.

TEMPORARY UNEMPLOYMENT COMPENSATION ACT OF 1958

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 555.

The Clerk read as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 12065) to authorize temporary unemployment benefits for individuals who exhaust their benefit rights under existing unemployment compensation laws, and for individuals who were employed in noncovered employment. After general debate, which shall be confined to the bill and continue not to exceed six hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may desire.

This resolution calls up for consideration by the House, H. R. 12065.

This bill is temporary emergency legislation and is being considered by the House today because millions of unemployed Americans through no fault of their own, are in need of monthly income to provide shelter, food, clothing, and other essentials for their families. If enacted into law, this bill will authorize temporary unemployment benefits for individuals who exhaust their unemployment insurance and also for persons who were employed in noncovered employment. It will provide up to 16 weeks of unemployment compensation provided them under the above category.

These billions will be paid from Federal funds only to those States who choose to participate in the program and enter into an agreement with the Secretary of Labor complying with the conditions and provisions as set out in this bill. It is a simple bill of two separate titles. Title I provides for those who have exhausted their compensation benefits. Title II provides benefits for unemployed persons who can qualify under the terms and conditions of the various States who have worked in noncovered employment, with certain exceptions, the State may enter into an agreement for the payment of benefits under either title I or title II, or both, or neither, as it chooses.

The Rules Committee, fully realizing the necessity for immediate legislative action to relieve the unemployment crisis in so many distressed areas throughout the Nation, has granted an open rule which will give the Members of the House full opportunity to work its will and adopt any germane amendments which the majority of our membership may consider essential. The Rules Committee has also provided 6 hours of general debate which will give ample time for the members of the Ways and Means Committee, who have held long hearings and deliberations on this bill to explain its details and operations and the enforcement machinery which will make this legislation effective. Under this liberal period of debate time, the other Members will have an opportunity to speak and express their opinion concerning this legislation. No doubt, during the period of debate on this bill considerable opinions will be expressed as to the necessity of this legislation. Members also will discuss other measures or steps which should be taken to relieve the Nation of the unemployment crisis in the cities and the lack of buying power in the agricultural and urban areas throughout the Nation.

The figures issued by the Labor Department reveal almost 5 million unemployed in the country does not begin to picture the true facts of the unemployment crisis. I represent the Calumet industrial area in Indiana. We have 3 major steel mills, Carnegie, Inland, and Youngstown located in my Congressional District. Hundreds of other major and smaller mills, factories, and industries are also located in this area. The workers who are completely unemployed are but a small fraction of the persons who are working part time, 3 and 4 days a week. The head of a family who is working 3 and 4 days a week and is making monthly payments on his home, automobile, and other necessities, should be classified as unemployed as far as purchasing power is concerned. These unemployed and part-time workers are one of the reasons why over 950,000 new model 1958 automobiles are standing in the sales rooms and factories throughout the Nation today. If these part-

time workers are added to the 5½ million unemployed, plus the millions of farmers who are not in the purchasing market, we are hovering very close to those dark days back in 1930, 1931, and 1932. Nobody maintains that this bill will be a cure-all but, nevertheless, its passage will give a message of hope to the millions of families who are worrying about food after their unemployment insurance terminates.

There may be some Members of Congress from rural areas who might think that this crisis in the industrial areas does not effect the economy in their districts. I have always maintained that prosperity in agriculture is interdependent with prosperity in industry and vice versa. In 1955, I attended a gathering of farmers at a cornhusking contest in Terre Haute, Ind. After the meeting an implement dealer informed me that he had over 150 pieces of new farm machinery that he was unable to sell because of the low income of the farmers in that community. He also stated that the same thing existed with a relative of his in the same type of business in Iowa on a larger scale with 4 times as much machinery on his sales lot which he could not sell. The thought struck me at the time, with that condition existing in the farm area, it would only be a short time until it would be reflected in the steel mills in the Calumet area, Pittsburgh, Birmingham, and other places. It only took a short time until that condition in the farm area was reflected in the steel mills of my District. Today, thousands of steel workers are idle or working short-day weeks; and let me say to the Members from farm areas that if the consumers in the industrial areas have no income to buy food products and that condition continues for long, the farmers in Indiana, Illinois, Ohio, Michigan, and Iowa, as well as other States throughout the country, will sink to a lower economic depth than they are today. I mention this because the low income farmers and unemployment in the cities are in this recession current together.

The legislation we are considering today should not be considered unusual. To you older Members who were serving in this House in the dark days of 1933, 1934, and 1935 when the American economy was at the lowest depths in its history and the organizations like the Chamber of Commerce, National Association of Manufacturers, and American Bankers sent delegations to Washington and informed the new President, Franklin D. Roosevelt, that his program was their program; anything to lift out our Nation from the economic depths and overcome the unemployment, farm bankruptcies, and general discontent, soup lines and communistic radicalism that was rampant in this country. This bill is a minor step in plugging a hole in the dike to prevent the present situation from becoming worse and the deplorable conditions of the early thirties repeating itself.

This legislation should not be considered as a partisan measure but should have the support of every Member of this House who wants to provide necessities and also increase the buying power of the men and women who are unemployed through no fault of their own.

Yes; the Congress has taken steps recently on legislation such as the primary road bill and the housing bill of a few weeks ago which I do hope will be put into operation at once.

It is indeed unfortunate that almost 22 months have passed since this Congress passed and enacted a $31 billion highway construction program. With that mammoth expenditure for needed public highways under construction, with all the steel required for highlines, bridges, clover leaf entrances, and exits, had that program been speeded in the last year and a half, the steel mills of our Nation would be operating at almost normal capacity today. Steel is but a part of the necessities used in a highway program which includes cement, concrete, hauling, lumber and hundreds of necessities in an undertaking of that magnitude. If the leaders of our Government only realized our true economic situation, thousands of miles of this highway would already be under construction and it would be unnecessary for this legislation to be on the floor of the House today. We are met with the excuse for this total lag in our highway program that the various States have been delinquent in submitting plans. With competent leadership in the White House, these Governors should have been called into Washington and apprised of the necessity to immediately inaugurate this needed public-works highway program.

For the last year when I return to my area in Indiana, I am constantly asked, "What has happened to the Federal multi-billion-dollar highway construction program?" Everybody realizes that a program of this magnitude cannot be launched unless some dynamic leadership and direction is exercised and, up to this hour, we have not observed any concern of this great highway project from the White House. If the President would knock a few heads together among his economic advisers and call a governor's conference for a speedup of this great road program, it could be under way before the summer is over. If action is taken on these projects, along with housing and much needed school construction, the necessity for unemployment insurance would greatly diminish in a few months.

You are going to hear a great deal in this debate about socialism in connection with this legislation. Those smear tactics will be nothing new or unusual to prejudice Members against a bill; because, in 1936, the CONGRESSIONAL RECORD reveals that a great many Members of Congress termed the enactment of social security as socialism. In fact, it was only 10 years ago when I heard a sitting Member of this House speak against the expansion of social security and denounce the whole program as socialistic. The same socialistic smear was used against most of the progressive legislation that was passed in the 1930's.

We have appropriated billions in the last dozen years to curtail the spread of communism, yet we know that nothing breeds communism more than unemployment, discontent, and poverty. We observed that condition during the depression days of the early thirties. We will hear during the progress of this debate, Members denounce the bill because organized labor is advocating its enactment. Had we followed the recommendation of some of the leaders of organized labor on legislation and made more progress during the last couple of years, this legislation would not be on the floor today. And in this connection, I can refer to you the fight that has been made by organized labor over the last 7 years against the increased interest rate, tight-money policy that has siphoned billions of purchasing power from the pockets of the consuming public in America.

The leaders of organized labor have advocated curbing the monthly rise in the cost of living but have met with opposition by the so-called palace guard of the administration. I think it is now time to stop, look, and listen to some of the advice that has been given in the last few years to retain our prosperity. A few years ago, advocates of preventive measures were termed "disciples of boom and bust" but today we find that the chickens have come home to roost and we must take steps to restore our economy; and this legislation is in the right direction.

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

Mr. MADDEN. I yield to the gentleman from Indiana.

Mr. HALLECK. Well, will the gentleman recall that after the Interstate Highway System was proposed by the administration, that the Democrat Congress was some 2 years getting it enacted?

Mr. MADDEN. I say that when the Congress passed that $31 billion highway bill they passed an emergency piece of legislation. If the executive department followed through with real leadership, highway construction would be at full speed throughout the Nation. Millions would be working today producing steel, lumber, cement, and hundreds of other products in this mammoth construction program.

Mr. Speaker, I incorporate with my remarks excerpts from last Sunday's New York Times. It tells of a steelworker at Youngstown, Ohio, and an unemployed worker from Louisville, Ky.

Today throughout the Nation we have millions of unemployed in the same financial situation as Elzy Fisher, of Louisville, Ky., and Paul Kotch, of Youngstown, Ohio.

Paul Kotch, a crane operator in the Youngstown Sheet & 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 his home. He paid cash for his secondhand auto, but he'll have to peddle it if things don't pick up soon.

* * * * *

LOST HOME AND CAR

Another man hurt by the recession is Elzy Fisher, 27. Laid off last fall at American Air Filter Co., where he worked as welder's helper and took home about $70 a week. His unemployment compensation is exhausted, and he has been forced to give up the house he rented for $45 a month. His

furniture is in storage. His wife and two small boys are living with her family; Elzy is living with his family. Unable to keep up the monthly payments, they lost their 1949 car and freezer.

Mr. Speaker, I have 30 minutes of time and I promised our distinguished chairman 10 minutes. I now yield 30 minutes to my good friend, the gentleman from Illinois [Mr. ALLEN], and if there is time available following our chairman, the gentleman from Virginia [Mr. SMITH], I will be glad to yield for any questions.

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

Mr. Speaker, I am opposed to the bill which this rule makes in order because I am absolutely convinced that the present laws dealing with unemployment compensation are adequate. I regret my good friend, the gentleman from Indiana, has seen fit to bring politics into the discussion on this bill which I had hoped would be free from politics. The gentleman mentioned the school construction program. I was against the school construction or Federal aid to education for the same reason that I am opposed to this measure. I feel that both are the responsibility of the several States. I remember when I came to the Congress in 1933. At that time the national debt was approximately $22 billion. During the 20 years following, I witnessed the national debt go from $22 billion up to $275 billion. I witnessed at the same time during those 20 years, our Federal taxes increased by 3,100 percent. I also am not unmindful of the fact that during my lifetime there have been four wars. When people talk about jobs, we know that we can take people out of unemployment when there are wars. So, I say to my good friend, inasmuch as he did speak about politics and brought that element into it, I could say much about the lines of unemployment and what can happen to relieve unemployment, but I am not going to do that.

I am extremely proud, Mr. Speaker, of the State of Illinois and of Governor Stratton. He came to Washington recently and appeared before the Committee on Banking and Currency. He testified there that at the present time the State of Illinois has approximately $500 million in its unemployment fund. He further testified there is less than one-third the exhaustion of unemployment compensation benefits as compared to the years 1949 and 1950 under a different administration. He did not draw a picture of gloom and doom, as did the Governor of the State of Michigan, when he appeared before the Committee on Ways and Means. The Governor of New York and Massachusetts and other States testified about gloom and doom, but Governor Stratton's views were refreshing in contrast with the governors of those States who came down and pictured what a horrible, we might say, mess we are in. It appeared to me it gave them satisfaction and they took glee in reading off the number of unemployed in the State of Michigan. All I can is so far as I have been able to learn, probably the State of Michigan and especially Detroit would not have so many unemployed if they had a Governor who would not be driving business out by kneeling down to labor and forcing wise and sound employers and businessmen to stay away from that State.

Mr. Speaker, this bill has been called in some instances a dole; in other instances it has been called insurance; in other instances it has been called a relief measure. Well, whatever you might call it, I cannot conceive of a bill of this nature being called a relief measure, because one of the requisites of relief means that you must be in need. This bill, in order to benefit by it, does not require anything along the line of being in need, because according to this bill a person can be a millionaire; he can have worked for 8 or 10 months and made a salary of $20,000. His wife could be employed and making any amount of money. He could have a couple of children living in the same household making considerable money, but under this bill the minute he became unemployed he could come right in immediately and would not have to prove any element of need whatsoever.

So I say one of the requisites of a relief bill is that you must be in need, and this does not require it.

In regard to an insurance fund, my idea of insurance is that somebody must pay in some premium. No one pays in to this except the United States Government, a Government that is probably in worse financial shape than any State in the Union. Still we have presented here a bill whereby the United States Government—according to the last line in the bill, "There are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated"—I am going to predict this, if these kinds of measures which provide that the United States Government, which owes $275 billion, continue to come before the Congress each week that before this Congress adjourns that it will be necessary to raise the debt limit again. That is up to you, but as far as I am concerned, I am about ready to quit saddling a greater and greater national debt on my children and grandchildren to pay.

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

Mr. ALLEN of Illinois. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, I follow the argument of the gentleman from Illinois, but as I read the legislation and read the report, the amount that is paid an unemployed applicant is based on a base period provided for by State law. It follows State laws. It does not give the States or any unemployed worker anything that the base period in that State law does not provide for. Is that true?

Mr. ALLEN of Illinois. I do not know much about economics, but whether it belongs to some base, or whatever it belongs to, this money comes right out of the Federal Treasury. It goes out to the States, and the States then give it out as they see fit.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. BROWN of Ohio. I believe the gentleman will agree with me that title II of this bill makes provision for granting Federal aid to people that no State unemployment law ever provided for.

Mr. ALLEN of Illinois. I agree with the gentleman.

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

Mr. ALLEN of Illinois. I yield.

Mr. HALLECK. It is quite obvious from a consideration of the bill that many of these people who are presently unemployed are agricultural workers, domestic workers, and so on, for whom it would be impossible to establish any sort of base period. In addition, the money is to come from the Federal Government.

There is no incentive on the part of the States to see to it that money is not improperly expended; on the contrary, the invitation goes out that the gates be opened wide in order that the money may be paid out.

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

Mr. ALLEN of Illinois. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I take it my friend from Illinois is opposed to any bill.

Mr. ALLEN of Illinois. I want the present law to remain as it is.

Mr. McCORMACK. In other words, the gentleman is opposed to any bill.

Mr. ALLEN of Illinois. Correct.

Mr. McCORMACK. That means the gentleman is opposed to any of the bills.

Mr. ALLEN of Illinois. That are represented here?

Mr. McCORMACK. Yes.

Mr. ALLEN of Illinois. Correct.

Mr. PERKINS. The gentleman is well aware of the fact that all the States have laws that require payments based on a base period before a worker can qualify for unemployment compensation. Is that correct?

Mr. ALLEN of Illinois. That is my understanding.

In conclusion may I say, Mr. Speaker, that while we hear so much about the people starving, I have not received any letters to that effect. I spent a couple of weeks back in my District recently. I cannot conceive, having public assistance, unemployment compensation, social security, and all these measures—which, personally, I am happy we do have—that people are starving. We use such terms rather loosely around here.

But I do say that in my opinion if this Congress keeps appropriating money at the present rate the time may come when social security itself will be affected; and, of course, we do not want that to happen. I do feel, however, that unless we stop this tremendous spending the time will come when instead of having the many benefits they have now, the unfortunate people will find them less because of our financial condition.

Mr. MADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. SMITH].

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

The SPEAKER pro tempore. The gentleman from Virginia [Mr. SMITH] is recognized for 15 minutes.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include at the end thereof a letter just received this morning from the Governor of Virginia, our former colleague, the Honorable J. Lindsay Almond, Jr., in opposition to the bill that is before the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I opposed this rule in the Rules Committee; I opposed it because it was hastily gotten together, because the public was not given an opportunity to be heard on it, because the committee was so uncertain in their own views on the subject that there were 10 members supporting and signing the majority report, and 15 members who signed either differing views, supplemental views, or minority views. It can therefore be said safely that of that committee of 25 who gave this measure, of such broad significance to the Nation, the short consideration they gave to it, only 10 out of the 25 were in full accord with the provisions of this bill. I opposed it because I thought the Congress and the country in a matter of such grave significance, a matter that, in my judgment, affects the very fundamentals of the system of government under which we live, should have an opportunity to know something about it.

I assert now that in the Committee on Ways and Means the hearings that were printed and said to be the hearings on this bill are not the hearings on this bill. I assert this bill was never given a public hearing and no citizen of the United States affected by it was ever given the opportunity to come forward and express his or her views. What these hearings refer to are the original bills affecting unemployment insurance.

But there are two titles in this bill and it is the second title to which I wish to direct my remarks. I think perhaps it is just as well that this thing should come here and let this bill be debated and lay this matter on the table and let it be dissected as it was not dissected in the Ways and Means Committee, and let those who do not believe in socialism have their day in court to talk it out freely here.

This bill has two titles. One is the title that was talked about in all of the hearings that we had. That title extends the present law on unemployment insurance, an emergency act. But after the hearings were all closed and nobody was given an opportunity to be further heard, someone dreamed up title II. Title II is what I want to talk about and what I hope and pray the Members of this Congress will think about. Title II extends unemployment insurance without any provision for means of paying it; to every unemployed person in the United States.

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

Mr. SMITH of Virginia. I hope the gentleman will let me complete my statement.

Mr. HALLECK. For a correction. Title II has nothing to do with unemployment compensation as it exists in the law today.

Mr. SMITH of Virginia. Of course, it has nothing to do with it. Let me complete my remarks and I think I will make myself clear.

Title II, as the gentleman said, has nothing to do with unemployment insurance. It is a dole. Under the provisions contained in State unemployment it is merely used as a guide for the distribution of a dole.

I want to assert to you, and I assert it in the light of the only public hearings that have ever been held on this bill, and I say that those hearings were held in the Rules Committee and that due to the unseemly haste with which this bill has been brought forth to the floor of the House, those hearings have not been printed. But here they are. These hearings in the Rules Committee are the only hearings that have ever been held on this specific bill.

I assert to you that this bill as it is written in title II is pure unadulterated, undisguised, unabridged, and unabashed socialism. In the hearings before the Rules Committee nobody denied that assertion.

I assert to you that this is the same kind of a dole that was tried in Great Britain during that great era of socialism over there. It is the same dole that destroyed the economy of Great Britain, and the only difference between us and Great Birtain is that Great Britain had behind her, to bail her out, generous Uncle Sam. We do not have any Uncle Sam behind us to bail us out, because we have given it all away.

Now, under this bill, if you pass it—and I cannot think that you will, if you will study it, if you understand its implications, if you know that what you are doing is passing a simple, unadulterated dole, then I do not think this House will pass it as it is. You may pass some modified version, but under this bill it provides for a dole, a dole measured by the unemployment insurance formulas, and that is the only thing that has to do with unemployment insurance. It provides a dole for every person who is unemployed. It carefully refrains from any needs test. It does not make any difference whether you need the money or not, it is going to be dished out to you if you ask for it and if you are unemployed. Now, that is the only condition attached to this measure, and nobody has denied that in the only hearings which have been held on this bill.

Now, let us see what will happen. I will give you a few examples of what can happen under this bill. Let us take a retired gentleman. We will say he is a millionaire; he has all the money he needs; his family has all the money it needs, and yet it was admitted before the Committee on Rules that that man could go and draw his unemployment insurance if he was retired. Take the thousands of retired people in the armed services, drawing their generous retirement pay. They are unemployed, but every one of them can come in and take his dole, and he is welcome to it. Take the retired civil-service employees, thousands and thousands of them, who are paid their retirement pay, a system that they helped to inaugurate and pay for. They can come in under this dole. Well, usually at the end of every 2 years some Members of Congress are retired either voluntarily or involuntarily. They are unemployed. So, I say for the comfort of you, including myself, that those of us who happen to be defeated or happen to retire voluntarily, we can come in and hold out our hands and the dole will be generously placed in our palms. Anybody dispute that. It was admitted by the members of the Committee on Ways and Means before the Committee on Rules. A person may be unemployed just temporarily, lose his job, but he may have 5 or 6 members of his family who are working at good wages, his family amply taken care of, but he could draw it. You could take a gentleman who is unemployed who has a very wealthy wife. All he has to do is to hold out his hand. All temporary and casual workers, such as domestics, farm labor, or workers in seasonal production can come in. Now, they do not have to be so particular about getting themselves another job. There are very few people that you can think of that are not taken care of in this bill.

There is one very important class that is discriminated against. Let us take the students, the boys and girls graduating from high schools and universities this year. They never have been employed. But, we are discriminating against them. They can graduate from school and starve to death, but they are not being taken care of at all. Then there is another class, the Amalgamated and United Order of Hobos. They never have worked. And, we are discriminating against them. They cannot get anything under this bill; but as to everybody else, all they have to do is to hold out their hands and your taxpayers and my taxpayers will have to put an unearned dole into their hands. Is that the kind of thing that this Congress was set up to do?

Mr. Speaker, think about it. Some people think this is a popular thing, that we are going to give everybody something and everybody is going to vote for us. Do not fool yourselves. The American people have more sense than some of you think.

As to the need for this particular bill, there are only 4 or 5 States, you will recall, that really need it. The other States have in their reserve fund an accumulation of between $8 billion and $9 billion and every one of them is amply able to take care of this emergency if there is an emergency. Why do this if it is not just purely and simply vote-getting politics? What other logical excuse can you give for it? Let us look at it for what it is.

There are no available statistics on this matter. All we had, when it was asked how much it was going to cost the taxpayers is that somebody guessed $1½ billion. They might just as well have guessed $20 billion; they do not know. Is there anybody here who has ever known of any of these giveaway programs that, once inaugurated, were temporary? If this thing goes on for 16 weeks and this cloud darkens, as some of us fear it may, just as surely as we are sitting here, they will be back to

extend it again and extend it again and pay it out of money that may be unexpended in the United States Treasury. Pay it out of the pocket of the overburdened taxpayer.

Mr. Speaker, I take the floor on this matter because I am very much in earnest about it; I am very much disturbed about it. I know and you know, if you will stop to think, that this is one of the most ruinous proposals that has ever been laid before this body. I do hope that when the time comes to make your record, you will not leave a blot on it by voting for a dole to the American people who were never raised that way.

COMMONWEALTH OF VIRGINIA,
Richmond, April 29, 1958.

Hon. HOWARD W. SMITH,
House Office Building,
Washington, D. C.

DEAR JUDGE: On Tuesday, April 22, 1958, the House Ways and Means Committee reported out a bill, H. R. 12065, bearing the title Temporary Unemployment Compensation Act of 1958. Essentially, this bill provides for Federal supplementation of State unemployment compensation, by extending the benefits for 16 additional weeks beyond the State duration. It also proposes to extend 16 weeks of benefits to individuals not now covered by the State unemployment-insurance program even including such normally excluded employments as agricultural labor, employment in domestic service, employment for religious and charitable institutions, employment for State and local governments, and many others.

As you know various proposals for Federal supplementation of State unemployment insurance have been under consideration now for several weeks. Since I felt strongly that such proposals projected Federal controls into still another area which has traditionally been wisely retained as an area of State responsibility, and since such proposals if enacted into law would have a detrimental effect on the State's unemployment-compensation programs, I requested the Virginia Unemployment Compensation Commission, in conjunction with the office of our attorney general to prepare a statement opposing such Federal intervention to be presented on my behalf before the Ways and Means Committee. The text of that statement appears on pages 323-327 of the transcript of the committees' hearings on emergency extension of Federal unemployment compensation benefits held March 28, 31, and April 1, 1958.

Although H. R. 12065 was not in existence at the time of those hearings, it is an extension of H. R. 11326, and the statement referred to above is no less applicable.

Actually H. R. 12065 compounds the folly of the original proposals and turns unemployment insurance into a dole system which according to our unemployment compensation commissioner would invite fraud and present insurmountable administrative difficulties. If this bill becomes law the insurance features of our State program will be virtually eliminated, and eventual federalization of our program will be but a short step away.

My purpose in writing is to advise you of the position I have taken on Federal supplementation of State unemployment benefits and to solicit your assistance in opposing H. R. 12065.

Sincerely yours,
J. LINDSAY ALMOND, Jr.

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

Mr. BROWN of Ohio. Mr. Speaker, I am sure every thoughtful American, including every Member of the House of Representatives, is very much concerned over the unemployment situation which exists in many areas and in many different States of this country. I can assure you that I am seriously concerned over the situation.

The question which confronts us today, as Members of Congress, is as to what we can do about it, and as to the best way to proceed to solve the problem which confronts us.

Some States, some areas of the country, are doing something about it. They are taking action to attempt to correct the unemployment situation, and to give employment to those people who wish to work.

The gentleman from Indiana, my beloved colleague on the Committee on Rules [Mr. MADDEN], said something about the highway program. It may be slowing down, or dragging, in some States, but I can assure him, and I assure you here in the House, such has not been the case so far as my own State of Ohio is concerned.

During 1957, we spent some $190 million on highway construction in the State of Ohio. We will have $500 million worth of highway projects under construction in our State in this year of 1958. In addition, sirs, we are spending approximately $500 million this year on the construction of State and local hospitals, schools, and other public buildings. We are attempting to meet our own unemployment problem.

The real question as to this bill, and I am seriously concerned with it, is whether or not this is the way to solve the present problem. Frankly, I am afraid it is not.

There are two provisions in this bill. One is in connection with the extension of State unemployment compensation benefit payments through the grant of Federal funds, or the giving of Federal aid to each State whether the State needs the money or not. The second provision in this bill, which is title II, deals with the direct grant of aid, through the State unemployment agencies, to persons, who have never been covered by unemployment insurance at any time, as a pure—well, or as some people may describe it—dole. But, certainly, such a payment is something for which neither the employer nor the employee has contributed under any insurance program. The Federal Government is going to do that at a cost of at least $1½ billion without any contribution from the States. It would do it without any request, under the provisions of this bill, from the State, regardless of whether the State needs or asks for Federal assistance. It will be given to them regardless of need if this bill is enacted into law.

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

Mr. BROWN of Ohio. I yield.

Mr. PERKINS. As I understand the provisions of the bill, no State has to accept.

Mr. BROWN of Ohio. No State has to accept, but you put a proviso in the bill that they have to pay Federal taxes therefore, whether they get the money or not. I know what is in this bill. I sat and listened to it discussed for days and days on end.

Mr. PERKINS. Does not the bill provide that an agreement has to be entered into between the social-security department and the State?

Mr. BROWN of Ohio. I decline to yield further, Mr. Speaker, I have answered the gentleman's question.

Mr. Speaker, the Federal Government is practically bankrupt today. As you and I and every other informed Member of the Congress knows, the fact of the matter is we have only $200 million in Federal funds available for this kind of purpose today, and that comes from the annual excise tax on employers of three-tenths of 1 percent, under the old original unemployment act, which provided for the setting up, in the various States, of unemployment compensation or insurance programs under State laws. The 48 States of the Union had nearly $9 billion in unemployment funds available as of the first of April. My own State had $585 million, which is a sufficient amount, at the present rate of payout over income, to run our program of unemployment compensation benefits for nearly 4 years. In addition, the State of Ohio, like every other State, has the right or the privilege of increasing its unemployment taxes so as to meet any contingency that may arise.

In addition to all of that, the State of Ohio, as many other States do, has both State and county provisions for the granting of relief and welfare aid to those who may need it. This bill does not provide anything on the basis of actual need. It just gives payments whether needed or not. It might be of interest to know that in my State of Ohio less than 1 out of 7 of those persons whose unemployment benefits have expired has applied for relief or welfare aid in any form—and that our relief and welfare programs and payments are based on need. We do not give relief and welfare benefits to millionaires, or to people with large incomes from other sources. We give relief and welfare aid to the unemployed who do not receive unemployment compensation, on the basis of actual family need. A young man, with 5 or 6 children, gets more than an older person who has no one to support other than himself. That is the fair, that is the American way.

I am hoping we may give full consideration to any amendments offered to this bill which may provide that the States will at least have to request that these funds be given to them, and that the States will have to participate in meeting the cost of any such new program. In my opinion, if we make Federal funds available on a loan basis, rather than a gift basis, then the States would be more careful in the disbursal of the money involved in each case, and we would have a more practical solution of the unemployment problem than otherwise provided at the present time.

The SPEAKER. The time of the gentleman from Ohio [Mr. BROWN] has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. SHEEHAN].

Mr. SHEEHAN. Mr. Speaker, I regret that a previous Democrat gentleman

made some wild statements about the Republicans causing a rise in the cost of living. As usual, it amounts to half a true statement. They do not give us the real facts. Let us look at the facts as we know them. He forgot to tell the House of the tremendous rise the Democrats caused in the cost of living based upon the price of consumer goods and services.

Here are the facts, based upon figures from the United States Bureau of Labor statistics:

With 1947–49 as an index equaling 100, in August 1947 the base was 59. In November 1952 while the Democrats were still in power the base was 114.3. In December 1957, 5 years later, the base was 121.6.

Simple arithmetic shows that under the Democrats from 1939 to 1952, 12 years, the cost of living hurtled upward into outer space at the rate of 4.6 points per year, on the average, for a total of 55.3 points. In the 5 years the Republicans controlled the economy, this rise averaged 1.46 points per year, or a total of 7.3 points.

The gentleman should have told you that under the Democrats, based on each year's average rise, the cost of living increased three times greater than under the Republicans based on the yearly proportionate increase. In other words, the Democrats are far more adept at reducing the purchasing power of the people.

Yes; the Democrat speaker spoke part of the truth, and in all fairness he should have disclosed the actual facts of the rise in the cost of living under Democrat leadership.

The SPEAKER. The time of the gentleman from Illinois [Mr. SHEEHAN] has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of the time to the gentleman from Illinois [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I shall support this rule because I think this matter should be disposed of. However, there are a few comments that I might add at this juncture.

First, we all recognize that if we have anything of a depression it is a matter of concern for all of us. We are concerned about how to deal with it and what to do. At the same time, I think we ought not be pushing the panic button when we ought, instead, to take a good look at what we are doing. After all, the ultimate solution to any problem like this that confronts us is not a dole, but it is a matter of real jobs for the people who seek employment.

As this situation developed, the President made certain recommendations having to do with the extension of unemployment-compensation insurance. That was an arrangement under which money advanced would be recaptured to the Federal Treasury.

That proposition, I might say at this juncture, in substance will be offered as a substitute for the pending bill, at the proper time, with a further amendment, an amendment which will require that before this assistance goes to the States there be affirmative action on the part of the States indicating their desire that they want such assistance.

Now, let us take a look at the bill the committee has reported. I do not intend to go over it again in detail. In title 2, and even in title 1, it goes far beyond unemployment compensation.

Title 2 provides for direct relief payments with no relationship to unemployment compensation; and, as a matter of fact, in title 1, the direct payments are out of the Treasury of the United States. In addition, there are the contributions that have been made to the fund through the years.

I think we ought to understand as we approach this problem, the fundamental purpose cited by the Ways and Means Committee when this unemployment-compensation law was first enacted. It was not to be a relief measure; it was to provide a cushion against unemployment out of a fund to be made up of contributions and to be actuarially sound.

The committee bill departs from that concept completely; as a matter of fact you do not require a needs clause in connection with unemployment compensation insurance because there the employee is simply getting back money from a fund that has been created out of contributions by employees and employers.

Is direct relief within the province of the Federal Government? We did not have that in the depths of the depression in the early thirties. I was here. I never was called upon to vote for any such proposal. That is perhaps what some of you want to do. But that is such a radical departure from anything we have ever had that before you take that step you had better take a long, hard look at what you are doing. I can envision a situation in which you make a direct relief payment for 16 weeks, and if the situation still is bad, you make it for an additional 16 weeks, and so on. There is no end once you start down that road.

And again may I say that none of you has any monopoly on solicitude for people out of work; everybody wants to do something for them, and that we propose to do.

Then, another thing. I have read some of the debate on the unemployment compensation insurance bill, I have read some of the hearings, some of the statements made by people who knew about the system, when measures exactly like this were before us. As a matter of fact, the gentleman from Arkansas [Mr. MILLS] had a different opinion then than he has now. I have read the testimony given to the Ways and Means Committee in 1952 on this very same sort of proposition, and may I say to my friend from Arkansas I take his words of wisdom as he stated them in 1952 rather than apparently as they are in connection with this bill presently before us, because on that occasion the gentleman from Arkansas said:

> Currently the so-called Federal reinsurance proposal and the making of Federal funds available for State benefit payments with no obligation for repayment to the Federal fund is considered highly undesirable by all State administrators with whom I have discussed the question and in my own opinion.

The hearings are full of similar statements on the part of the gentleman. An overwhelming majority in the Congress wanted to maintain the original purpose which was that unemployment compensation was created as a part of our social security system.

Mr. Speaker, under leave to extend my remarks and with the permission of the gentleman from Arkansas [Mr. MILLS] I offer at this point the gentleman's statement presented before a subcommittee of the Committee on Ways and Means during hearings held in 1952 on the subject of unemployment insurance, together with questions and answers which were a part of the gentleman's testimony:

STATEMENT OF HON. WILBUR D. MILLS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARKANSAS

Mr. MILLS. Mr. Chairman, my name is WILBUR D. MILLS, and I represent the Second Congressional District of Arkansas.

I appreciate this opportunity to discuss with this subcommittee the provisions of the bill which I introduced on May 16, 1951. The number of the bill is H. R. 4133. In view of the fact that the gentleman from Michigan, my good friend, Mr. DINGELL, has had something to say about the authorship of the bill, let me take a moment of the subcommittee's time to inform you just how the bill originated.

For a number of years the Interstate Conference of Employment Security Agencies has had under consideration a situation which might arise in some States, and which I understand is rapidly approaching in the State of the gentleman from Rhode Island, [Mr. FORAND], wherein those workers who have earned under State law certain benefits may find themselves not receiving these benefits due to a depleted condition of the State's unemployment fund.

It is a problem that has worried me for some time as I have seen developments in certain sections of our country, and in certain agencies of the Government which, over the years that I have been on the Committee on Ways and Means, indicate to me a desire to centralize our whole system. That is a thing that I have not wanted to see done. I could visualize, however, that if a State fund became depleted and workers were not paid that which the State law entitled them to, and no provision was made to assist the State in meeting those payments to the various workers, that the impetus would be greater for some degree of Federal regulation or Federal implementation, or supplementation, whatever you might call it, of State funds. That was, I presume, the thinking of those in Congress to which I referred earlier.

Sometime in the spring of last year representatives of the interstate conference came to me advising that something should be done by the 82d Congress; that there was a possibility that one or more States might find their funds so depleted that payments to which workers were entitled could not be made.

We discussed the various principles which I, myself, could support, and which they, themselves, thought should be enacted. At the conclusion of the conference I asked them to put in legislative form these ideas upon which there was agreement between them and me.

They came back a few days later with a bill which I thought included some things that should be changed. I made certain suggestions for changes. Those changes were subsequently made. Then I introduced the bill on May 16.

It is my understanding—and I am going solely on the basis of memory—that the Governors' Conference has agreed in principle to the ideas contained in the bill H. R. 4133.

It is also my understanding they never take a position, nor adopt a resolution, except that it be by unanimous consent of all the governors who are in attendance. It is my further understanding that the bill, so far as its principles are concerned, has been endorsed by the fiscal officers of the State governments, at one of their annual conventions.

I understand also from reports which have been submitted to me this morning that the bill itself does not meet with the complete approval, or should I say approval, perhaps, of the Department of Labor or the Federal Security Agency, and in the closing paragraphs of each letter to the chairman of the Committee on Ways and Means, I observe that statement is made that the Bureau of the Budget advises that if the bill is enacted it would not be in keeping with the President's program.

I want the committee to have all the facts about the background of the bill, H. R. 4133.

The committee, of course, has access to those reports the same as I have.

I have a statement I want to make to the committee about the bill itself, and just what would happen under the bill and what the bill proposes to do. I am very keenly aware of the situation which may exist in any State where a worker has used up his benefits over the period of time for which they can be paid under State law.

If this subcommittee is seeking a solution of the problem of allowing workers additional amounts over those which are allowed under State law, the committee will not find that solution in this bill. The bill does not in any way change the amount of money which is to be paid under State law, nor does it change the duration to which a worker would be entitled to those payments under State law.

Actually, contrary to what my friend from Michigan, Mr. DINGELL, said, or what I understood him to say, the bill does not in any way destroy the State systems which now exist. The whole purpose of the bill is to make those systems more workable and solvent at all times.

Now, I want to discuss the provisions of the bill. All State unemployment compensation administrators—and I think I can say that without exception—feel that the full proceeds of the three-tenths of 1 percent tax collected by the Federal Government under the Federal Unemployment Tax Act should be exclusively devoted to the Federal-State unemployment compensation program. Certainly I share that view, and in the report to the committee on the bill from the Federal Security Agency I gathered that that Agency shares that view.

There can be no disagreement with the proposition that the Federal unemployment tax was levied to initiate and maintain our unemployment compensation system. The Administrator's proposal, H. R. 4133, would use the excess-tax collections to buttress and improve these State programs.

May I say here that the proposals do not attempt to recapture or earmark the approximately $1,400 million which today represents the excess of the three-tenths of 1 percent tax collections over disbursements and administrative costs.

The gentleman from Rhode Island and other members of the subcommittee are fully aware of the fact that this excess has gone into the Federal Treasury, and that the provisions of the George loan fund, which our committee accepted in conference some years ago, expired, as I remember, on December 31 last. Rather, the proposals deal entirely with future tax collections which are estimated to run between $50 million and $75 million per year in excess of disbursements for administrative expenses.

The salient features of these interrelated proposals of the bill are as follows:

All tax collections under the Federal Unemployment Tax Act are to be earmarked. This is accomplished through an appropriation of all taxes received to an account known as the Federal unemployment account in the unemployment trust fund. From this account the administrative expenses of the program would be paid.

With respect to the excess-tax collections in each fiscal year—and this is one of the very salient points in the bill—20 percent of such excess is earmarked in the States' reserve account in the Federal unemployment account.

This diversion of a portion of the annual excess-tax collections to the States' reserve account is to continue until the account reaches $50 million. The States' reserve account which is thus established puts into permanent legislative form the basic principles of the George loan fund which expired December 31, 1951, as I have already stated.

From the States' reserve account any State whose trust fund for paying benefits is dangerously low may secure an interest-free advance. And I want to take time a little later on to tell you why we call it an advance rather than a loan. The only difference between the proposed States' reserve account and the expired George loan fund is that there is a definite provision in the proposed reserve account requiring eventual repayment to the account by those States which have secured interest-free advances. The George loan fund contemplated—and I think we all recognize that—that a State which had secured advances would make eventual reimbursement when the size of its trust fund permitted, but no machinery was provided for assuring such reimbursement. It is now proposed that machinery be established for the liquidation of advances made the States.

And the bill does provide for such machinery, and I want to get to that now.

Thus, employers of any State which has had an outstanding advance through two January 1's would have their 90 percent credit against the Federal 3-percent tax reduced by 5 percent of such tax. Accordingly the offset would be 85 percent, with a consesquent 4½-percent tax payment to the Federal Government instead of the 0.3-percent payment at the 90-percent offset level. The additional 1½ percent would be applied by the Federal Government against the State's outstanding advance. If the State advance were still outstanding on the third January 1, the offset against the Federal tax would be reduced by another 5 percent, or by 10 percent, thus making it 80 percent. The Federal tax collection would then be at the rate of 0.6 percent, with half the amount being used to reduce the outstanding advance.

Similar reductions in the allowable tax credit would be made for each succeeding year until the allowable credit has been entirely wiped out or until the State's advance had been liquidated in full.

State administrators attach the utmost importance to having a sound contingency reserve fund from which States in distress may continue to finance their benefit payments. The soundness of this position was recognized in the establishment of the George loan fund and it continues no less sound now that the George loan fund has expired.

The States of Rhode Island and Massachusetts have notably low reserves, and the reserve position of certain other States can be questioned. If the reserve of any State becomes insufficient to pay benefits, undoubtedly the Federal Government will have to enter the picture. State administrators believe that it is entirely proper to make provision for this contingency out of taxes levied to establish and maintain the program in the first place.

Not only would a contingency reserve meet the problem of insolvency of State trust funds, but it would permit the States generally to make any necessary upward adjustments in benefit levels, without undue fear of consequences on the position of their trust fund. As it is, States must think in terms of maintaining their reserves to meet entirely unforeseen and unpredictable situations.

Thus the establishment of a contingency reserve would put the States in a much better position to improve their benefit schedules if they so desire.

In this connection, currently so-called Federal reinsurance proposals which would make Federal funds available for State benefit payments with no obligation for repayment to the Federal fund is considered highly undesirable, by all State administrators with whom I have discussed the question, and in my own opinion. I have not talked to all 51. They realize that the integrity of State systems is dependent upon their being financed exclusively by State money.

The third element of the proposal made by the State administrators and incorporated in my bill, H. R. 4133, is the provision for an allocation back to the States of the annual excess tax collections not used in the creation of the States' reserve account.

Now, gentlemen, permit me to interpolate for just a moment: I think it is this that brings down the objection of the Labor Department to which I earlier referred, and I want to have something to say about that later.

For the first few years, 80 percent of excess tax collections would be allocated back, and after the States' reserve account reached $50 million all excesses would be so allocated. The allocation made to the States would be deposited by the Treasurer in the unemployment trust funds of the respective States. The allocations would be in the ratio which the State's covered taxable payroll bore to the aggregate taxable payroll of all of the States. The money thus deposited in State trust funds could only be used for one of two purposes: either payment of benefits or payment of administration expenses. It is contemplated under the bill that the legislatures of the States will make the decision and determine the amount between the two. But I would suggest to the committee it might be preferable, if you decide to give further consideration to the bill, to spell it out directly in the bill that these moneys which are to go back to the States are to be used only as the legislature decides. I think clearly that they could not be used otherwise, but that could be spelled out indefinitely if it is considered desirable.

One of the purposes, as I said, is the payment of benefits; the second, the payment of administrative expenses not met by Federal grants under the existing arrangement for financing State administrations.

State administrators feel that there are many things that might be done if administrative funds were available that would bring about tighter and better administration, and thereby bring about greater public acceptance. They feel that if abuses could be checked—and they can only be checked by greater expenditures for purposes not ordinarily promoted by Federal supervisory agency—that benefit levels could and would be raised with little or no increase in the amount of money paid out. It is for this reason that they desire to relieve themselves, in part at least, from complete Federal purse-string control, and have some administrative funds for which they are not dependent upon and accountable to the Federal department involved.

The State administrators would like for me to point up the fact that in 1945, when the reconversion benefits bill, essentially similar to H. R. 6954, was before our committee, it rejected the proposed Federal supple-

mentation of State benefit amounts and proceeded to strengthen the State system to meet the impact of reconversion unemployment with the establishment of the George loan fund.

All of those present remember the action by our committee. Today the situation is quite similar. State administrators are of the firm opinion that no basic tampering with the present program is necessary to meet any problems in the ascertainable future. However, they are the first to agree that the present program can be further improved, and believe that the establishment of a permanent contingency fund and the allocation of excess tax collections back into State funds will put the State system in a much stronger position to do the job it was set up originally to do.

That completes my statement in explanation of the bill, Mr. Chairman.

Mr. FORAND. Thank you.

Mr. MILLS. I want to add this if the chairman will permit: I think there are two things which are in this bill which are not acceptable to the agencies of the Government that are involved. And I add that I have great respect for their views and their sincerity, of course, and I am not criticizing them.

I want to point out that it occurs to me that any move on the part of Congress to remove State administrators of the unemployment compensation program from the grant system which is made by Congress upon the request and at the suggestion of the Secretary of Labor to take care of administrative expenses would be objected to by these agencies.

The administrators at the present time have to account not to the Congress alone but to the Department of Labor, particularly to the Secretary of Labor, for everything that is done under the State program for every dollar they receive for administrative purposes. Whether they are to receive any administrative money or not, as you remember from the experience we had earlier, may well depend upon the interpretation by the Secretary of Labor of the way they have done their job.

That degree of dependency upon the Department of Labor for administrative funds is naturally obnoxious to those who administer the program. I do want to emphasize the importance of the degree of independence in the administration of the program which this bill would afford. I think it is basically sound.

Of the funds made available under this bill, the excess goes back to the States, and the legislatures decide as between two uses for the money. The moneys can go into a benefit-payment fund or they can be used for administrative purposes, or both. If an administrator can show the State legislature that the amount of money that he has earlier received is not sufficient and if they can give him some additional money he can improve the administration of the program, the State legislature perhaps would give him some from that excess. But, basically, it is my thought that the great majority of this money if returned to the various States, will be placed by the State legislatures in the various benefit-payment funds.

I think any administrator who comes before this subcommittee would endorse the statement that I have just made.

Another thing, Mr. Chairman: I have always felt that some of those for whom I have great respect in the Department of Labor and within the Federal Security Agency, perhaps, have an entirely different view about the place of the Federal Government in this overall program from what I have. I do not want to weaken the State system; I want to retain it, maintain it, and strengthen it as a State system. I do not want us to take action in Congress that in any way provides for additional benefits, provides for additional payments to workers directly from the Federal Treasury or from this account which would be set up here under the bill. The payment of benefits must remain a State function. States must continue to determine the size of benefits and the time for paying them. This is a State responsibility.

I find myself in complete disagreement with the bill which has been introduced by the gentleman from Michigan, because of the fact that that bill deviates from the basic philosophy which founded this program initially. The bill says that, irrespective of State action, when the governor of a State finds unemployment in a little segment of the State, we will pay out of the Federal Treasury benefits so that the benefits of the State may be 50 percent greater than they are under the State law, and an amendment has been suggested to provide that the benefits may be drawn for a period of time 50 percent longer than the State law provides.

In the State of Michigan, as I understand, payments are for a maximum duration of 20 weeks. This action would mean they would be up to a 30-week period.

It is my understanding also that the benefits in Michigan are some $27 per week; and, if that is the case, the benefits would be increased under Mr. DINGELL's bill by 50 percent.

That is not what I am interested in in connection with this overall subject. Certainly I knew nothing about the Michigan situation when I introduced my bill, H. R. 4133. The problem of what to do in the case of workers who have used up their unemployment benefits under State laws is not solved here in this bill.

I do not want us to solve it here on the basis of Federal supplementation of State benefits, nor would I want us to extend the time for paying benefits by Federal law.

I understand that the Governor of the State of Michigan is a very fine, a very progressive and energetic man, and I understand that the Legislature of the State of Michigan is in session now. Certainly, if there are funds in the unemployment fund of the State of Michigan, those funds should be used first, to say the least, in supplementing those benefits that are paid now under State law.

It is easy for us always, when we get into a particular situation where there is need, and where human beings are involved, and a strong argument can be made on the basis of relief from suffering, to come here and say that we want something done by the Congress.

What I think should be done, and what I think we should do on this subject, is to provide a better method of guaranteeing the payments of benefits for the time specified under State law, so that the States themselves can continue carrying on this job.

Parenthetically, Mr. Chairman, I might say that I have been assured that in the event this bill should become law the situation in the State of Rhode Island would be much more solvent than it is today; that it would create a situation wherein the Governor of the State could receive funds if the funds now available in Rhode Island become depleted, to pay benefits which the Governor or the State Legislature of Rhode Island have said that the unemployed people in Rhode Island should receive.

He can do that; there is no question in the world but what this bill would do that. It will not permit any State to pay greater benefits for a longer period of time after receiving these funds than the State laws of a State provide, and I do not think we should go into that. We have this present problem before us. I think the Congress should not go into the State part of the overall program.

I hope, in this connection, we will try to strengthen the State funds, to make them more solvent, because we do belong in that picture.

I said earlier that I considered this an advance rather than a loan. It is an advance to a State. It is my understanding that the State constitutions of many States prohibit the pledging of the credit of the State, so that I do not want us to be getting into that constitutional question. For all practical purposes, the advance is a loan, but the credit of the State itself is not involved. It is significant to bear in mind that, in the event advances are made to a State under this bill, the tax burden of the employers of the State will rise; the burden is applied to the employers of that State.

Mr. FORAND. Right on that point, Congressman MILLS, where the employers have been using the argument that they are paying too high a tax all the way along, or have been paying the so-called maximum under existing law, then you would be adding a further burden to them, making it possible for the Rhode Island employer to have a further argument as to why they should move out of New England and down South.

Mr. MILLS. I do not agree with the gentleman on that at all. That might continue to be the situation: that industry might see fit to leave certain sections of the country and go to another section.

Mr. FORAND. Particularly to use the argument that the taxes they are paying are too high, and that this particular tax again would be increased.

Mr. MILLS. It might interest the gentleman to know—at least, it is my understanding, and I have a telegram here which is not addressed to me, and which I hesitate to use before this committee—that some employers of the gentleman's State endorse the principles of this bill.

Mr. FORAND. I should be happy to see it.

Mr. MILLS. I am saying employers, because the burden under this bill is placed upon the employers, where I think the burden should be placed.

The problem of providing benefits to its people who have become unemployed is the problem of the State of Rhode Island, just as the problem existing in my State when people become unemployed and benefits are to be paid is a problem in my State.

If we do not continue to look at this situation from the viewpoint of its being a problem of the employers in the State where the fund becomes insolvent then the only thing we can say, if unemployment exists somewhere in a State and that State's fund is not capable of meeting its obligation, is: it becomes a problem of every taxpayer in the United States.

When we get to that point of view, in my opinion, the program will be completely changed.

If we are going to increase benefits and if we are going to increase the time within which those benefits can be paid, and pay for them out of the pockets of all the taxpayers of the United States, irrespective of whether they are employers or not, certainly, then, we will be placing the funds of the entire program in jeopardy, and I certainly do not feel that such an approach is justified at the moment.

Mr. FORAND. The gentleman from Arkansas now refers to increased benefits and of spreading the benefits over a longer period.

Mr. MILLS. Yes.

Mr. FORAND. I was addressing myself to the use of the unemployment fund to take care of people, and your suggestion is an additional tax be placed upon the employers. They are two very different things.

Mr. MILLS. That is true.

Mr. FORAND. First of all, I believe the gentleman from Arkansas will agree with me that the unemployment system is a national system.

Mr. MILLS. No, I will not. The unemployment compensation system is not a national system; I have always said that; I have always felt it was conceived originally that the

Federal Government should levy the tax—maybe I misunderstood the gentleman—and the payment of benefits, the amount and the period for which they were paid, was a State matter, and should always remain a State matter.

Mr. FORAND. The unemployment compensation system is a Federal system, with each State having its own system which must come within the requirements of the Federal system.

Mr. MILLS. The minimum requirements; yes.

Mr. FORAND. That is correct.

Mr. MILLS. The minimum requirements is what I had reference to.

Mr. FORAND. It is a national problem that is handled through the Federal Government.

Mr. MILLS. So it was conceived originally, yes; it was conceived originally as a national problem; there is no question about that, and we had to have an act of Congress, in the first place, or we would not have had a program perhaps at all.

Mr. FORAND. That is correct.

Mr. MILLS. That is the only virtue of having it passed by Congress so as to have a program in all the States. But at the same time we said that the States may pay such as they decide to pay for such period of time as they decide.

Mr. FORAND. That is the State legislatures.

Mr. MILLS. That is the legislature's part of the problem.

Mr. FORAND. The Congress then considered the economy of each State, being based upon certain categories of industry, and then we say in some areas are large groups of people that do not come within the provisions of the unemployment compensation law, and another area, highly industrialized, would be under the provisions, and you have got a much higher percentage covered than in the other State. Those factors do affect the unemployment compensation fund of the State.

Mr. MILLS. That is exactly what I have in mind, and I recognize the complete accuracy of the gentleman's statement. That is exactly what I am trying to do here in this bill, that is, to provide that we assist the States where there is a great deal of unemployment by returning to the State funds which under existing law and without Congressional action will continue to go into the General Treasury. I do not think those funds should go into the General Treasury. I think those funds should be expended for administration or for the payment of benefits for the very programs for which they were initially collected.

Mr. FORAND. Does the gentleman not believe that in placing the surplus fund in the law, it could be called a special fund or whatever you want to call it, but it would pool the so-called three-tenths of 1 percent, which should be held by the Federal Government as an emergency fund to take care of those circumstances as we find in Rhode Island now?

Mr. MILLS. You will see that under my bill they will build up a fund of $50 million, and when the fund reaches the $50 million mark the excess will be distributed to the States on a proportionate basis. But if the committee should decide that the $50 million is not enough, then I think the committee should consider that question.

Mr. Mason, you had a question?

Mr. MASON. The general effect of your bill is a maximum of $50 million of it can be paid.

Mr. MILLS. Yes; into the underwriting fund.

Mr. MASON. In other words, the general objective of your bill is exactly what the chairman has just said?

Mr. MILLS. We have conferred on this; the State administrative groups and I, and we just could not conceive of such general unemployment that would call for a greater amount in this fund than $50 million.

Now, certainly the gentleman from Rhode Island recognizes, I am sure, that if the time comes that we get into a period of extensive and unusual unemployment that we cannot expect this unemployment fund to take care of that kind of a situation.

Mr. FORAND. Right on that very subject: The State administrator of the State of Rhode Island will be here and will go into great detail concerning the point I am trying to make, and I hope the gentleman from Arkansas will be free to sit in on those hearings.

Mr. MILLS. Permit me to say at this point, that it is my understanding the administrator of the program in the gentleman's State prefers some other approach than the bill I have introduced. He was not one of those who conferred with me in the preparation of this bill. Those with whom I conferred were members of the legislative committee of the State administrators conference.

However, as I recall, this gentleman was not in the group.

Mr. FORAND. I am sure he was not, because his viewpoint does not agree with that of the gentleman from Arkansas.

Mr. MILLS. I thought that it might be significant for the gentleman to note that the employers in his own State do not have the concern about this approach which apparently the gentleman was earlier expressing.

Mr. FORAND. I would like very much for the gentleman to include that telegram in the record if he is free to do it.

Mr. MILLS. I will read the telegram if the gentleman desires.

Mr. FORAND. I would like to know which one of those good employers in Rhode Island is so big-hearted as to be willing to go along and pay higher unemployment-compensation taxes.

Mr. MASON. While he is looking that up, I wish to make a terrible confession. I usually go through bills and prejudge them and note on the outside "No," "Yes," or a question mark, and that is a guide to my secretary in answering questions about them as to what she shall say. She will say he is for the principles of that bill, or he is against the principles of that bill, or he has some question in his mind about it.

I had a question mark in mind about H. R. 4133. The questions have been answered and I have written "Yes" on that bill now. I wish to notify the gentleman from Arkansas.

Mr. MILLS. The gentleman's support is welcome, and if I can just get the chairman to go along on it we will be in pretty good shape here this morning—plus the gentleman from Kentucky.

Mr. FORAND. I am happy to comment at this point that it is always a great satisfaction to me to work with the gentleman from Illinois because I always know where he stands.

Mr. MASON. That is right.

Mr. MILLS. The gentleman from Illinois is a very prized member of our committee. I have always had the greatest respect for him. I never have any difficulty in knowing just where he stands on anything that I am for or against. I appreciate his being for this bill.

Let me read this telegram, if I may. The telegram is addressed to Stanley Rector, who is a former member of this conference to which I referred.

"Regarding your telephone to Ruben Peterson"—

And you may know the gentleman——

Mr. FORAND. Very well. He represents the Rhode Island industries.

Mr. MILLS. That is the whole purpose of this telegram, to tell you how they stand—"today Associated Industries in vast majority of its membership is unalterably opposed to Federal reinsurance and has so stated publicly and would prefer the George loan provision whereby money would be repaid."

That is signed by Frank F. Shy, president of the Associated Industries of Rhode Island.

Mr. FORAND. That is an offshoot of the National Association of Manufacturers. They do not like to wave that flag so they use a different name.

Mr. MILLS. The gentleman has led me to believe these employers support my bill. If they do, and other employers likewise support the bill, I should think the subcommittee would not be too concerned then about the imposition of this additional tax within the States where the funds become insolvent because they are the ones who are going to pay the tax.

Mr. FORAND. I am glad to have that association on record as willing to pay more taxes.

Mr. MILLS. Let us not generalize on it. They have not said that they are in favor of an income tax increase; merely this to maintain the State system.

Mr. FORAND. If there are no further questions we thank you very much.

Let me say positively that the substitute which will be offered, in my opinion goes as far as anything ought to go at this time. I think we ought to support that substitute and then if there are other things to be done get to them in due time.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to incorporate with the remarks I made on the rule two articles from the New York Times immediately following my remarks.

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

There was no objection.

Mr. MADDEN. Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts [Mr. McCORMACK].

The SPEAKER. The gentleman from Massachusetts is recognized for 7 minutes.

Mr. McCORMACK. Mr. Speaker, my mind goes back 30 years in this body, my mind goes back to the time when I was one of the members of the Committee on Ways and Means who helped frame the Social Security Act. My mind goes back to the time when that bill came up. Some of the same members who spoke today in opposition to the pending bill, talking about a dole and socialism, advanced the same argument then. They represent the forces of status quo, honest, but if our Government was ever in their control, God help it.

It is the old battle of the forces of progressive outlook against those of status quo, the old battle of service to the people in view of changed conditions. I can remember the same forces opposing the minimum wage law, even elimination of the exploitation of child labor. The faces might be different to some extent, although some are still here. But it is the same old battle. They talked about socialism then, they talked about a dole then.

They cannot deny we are in a recession. This bill is not for the purpose of giving money; its purpose is to use a proper avenue to try and stop the recession and to put something into our economic system that will start our economic system traveling again along the affirmative road. So dole and socialism are nothing new. Thirty or forty years from now when there are

other Members here beside us and progressive legislation comes up, there will be Members making the same argument of dole and socialism.

This bill is connected with the recession. When they bring in a tax reduction bill they will make a different argument. They do not want to get purchasing power back into the hands of those who need it and where it will do the greatest amount of good.

Up in Boston the other day there was a meeting of businessmen. The educational consultant of General Motors spoke. What did he say? That the present recession is simply a return to normalcy. That is their thinking, that is the thinking of those who are opposed to this bill.

Let me remind my friends, this is not a fight of one side against the other. You know as well as I do there is a coalition against this bill. What about the progressive-minded Members on the Republican side, what are you going to do when the final vote comes and when the rollcalls come? Are they not out of work in your districts? I remember not so long ago the chairman of the House Republican Congressional Committee said, "You are on your own. Campaign in accordance with your own district." When reciprocal trade comes up, we will oppose it, we will not follow Ike then. Many others will not. When other matters come up, many of those on the Republican side will not follow Ike. The chairman said, "You are on your own."

Mr. Speaker, I am appealing to the progressive Members on the Republican side. I realize the implications involved in this bill.

What are the differences? Let us analyze them. There is no essential difference in section 1. The President has recommended his bill. If the Democratic bill is socialism, so is his bill; if the Democratic bill is a dole, so is his bill. Section 1 of the President's bill does not vary much except in this respect: Ours is a direct grant. The President's is a loan repayable within 4 years by the States. Every Member here knows that no State is going to pay it back. If it is not paid back thereafter, the taxes are going to be increased upon the employers to pay it back, and you and I know that they will never go into effect. So, the practical effect of the President's recommendation is a Federal grant, and we might just as well face the facts.

Now we come to section 2. What is wrong with it in the emergency? What is wrong with it? A person who is not covered and who is out of employment is just as adversely affected as one who is covered. In fact, the covered employees have the benefit of payments established by law. In some States they cover from 1 employee up, and in other States they cover from 4 employees up. That is one of the basic requirements of the Federal act. What about those who have 1, 2, or 3 employees and the State covers 4 or more? They do not have any unemployment compensation. And when we are considering this as an emergency measure—that is what it is—in connection with the present recession, to try and stop it and getting our national economy going back on a forward level, a forward move, why should they be discriminated against? Why should there be injustice directed against them?

I admire my friend the gentleman from Illinois [Mr. ALLEN]. He is against any bill. He is frank; he is honest. I disagree with him. But I admire him very much for his frankness. Those who feel that way throughout the House on both sides, are honest; they oppose any bill. My friend the gentleman from Indiana [Mr. HALLECK] said there was no unemployment compensation paid in the thirties. Well, we had no unemployment compensation law until pretty well in the thirties. There was no unemployment compensation law during the last depression.

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

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

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 12065) to authorize temporary unemployment benefits for individuals who exhaust their benefit rights under existing unemployment compensation laws, and for individuals who were employed in noncovered employment.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 12065, with Mr. HAYS of Arkansas in the chair.

The Clerk read the title of the bill.

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

Mr. MILLS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I realize, as I listened to the debate that just occurred in connection with the rule making in order the consideration of H. R. 12065, that we did not do as good a job as we thought or intended to do when we were presenting the request for a rule to the Committee on Rules.

Mr. Chairman, much misinformation has been given the House about what is proposed in connection with the bill reported by the Committee on Ways and Means by a vote of 16 to 9, upon which hearings were held. I want, if I may, to try to correct some of the misinformation that has been given and pinpoint the issues which are involved in this entire subject matter and to give you some idea, if I can, of what prompted the numerical majority of the Committee on Ways and Means in taking the course of action which is set forth in this bill. But let us first talk about one point that was raised in reference to hearings, by one of our distinguished Members. Complaint was made that no hearings have been held on this bill except before the Committee on Rules. I do not know what the practice is in all committees, but the historical practice in the Committee on Ways and Means has been for hearings to be held on a general subject matter including all bills that have been introduced relating thereto; then for the committee to sit down in executive session and reach conclusions as to what the committee's ideas are with respect to a bill.

Following the conclusion of such determination by the committee the usual procedure is for the committee either to direct the chairman to introduce a clean bill that carries out the decisions that have been made and all amendments that have been adopted respecting the subject before the committee.

In this instance we followed that course. I want to read just one paragraph from the announcement of the hearings which I issued on Tuesday, March 18, 1958. But before I read it, let me say this: We on the committee, both Democratic and Republican members, were not unmindful of the request of the President of the United States for prompt action with respect to the problems of those unemployed individuals covered under State unemployment compensation systems who were rapidly exhausting their benefits. He made that request just before the announcement of hearings was released by me as chairman of the Committee on Ways and Means. In the announcement I pointed out that we would hear the subject matter of the exhaustions under State unemployment compensation programs, as follows:

> Chairman MILLS also stated that the subject of the hearings encompassed any recommendations or suggestions which witnesses might advance relative to the most feasible emergency measures which might be suitable for affording assistance to individuals who are unemployed and who cannot qualify for the additional unemployment compensation benefits because they have not been covered by the unemployment compensation programs of the various States. Testimony will also be received on means of financing these programs from any witnesses who may want to testify on this point.

So I say that the statement that this bill has not been subjected to hearings by the Committee on Ways and Means results, I am sure, because of the confusion and the failure on our part to cover this point before the Committee on Rules. But I do want the Members to realize that we have followed the ordinary procedure here. We have held our hearings and have reported to you our best judgment of what ought to be done.

Now let us look to the statement by my very admiring friend from Indiana, I might say, according to his own words. He quoted, or referred at least, to some statement I had made. Parenthetically, I might say I now discover what former Vice President of the United States, Mr. Garner, meant when he said to me one day that the worst thing in the world a Member can do is to speak so often that he will make a statement that will come back to haunt him. This statement, if it had been left, merely on the basis of what my friend, the gentleman from Indiana, said might now haunt me. But, the gentleman overlooked a part of my statement in 1952, and had he considered this part of my statement, he would have understood what I was saying at that time. I said:

> Now, certainly the gentleman from Rhode Island recognizes—

And that is the gentleman from Rhode Island [Mr. FORAND], who was then chairman of the subcommittee conducting these hearings.

To repeat:

Now, certainly the gentleman from Rhode Island recognizes, I am sure, that if the time comes that we get into a period of extensive and unusual unemployment that we cannot expect this unemployment fund to take care of that kind of a situation.

That was in 1952.

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

Mr. MILLS. I yield.

Mr. FORAND. I want to confirm the statement made by the gentleman that at that time he told us of his position at the moment, but that he was looking forward and would be ready for changes, if the circumstances warrant it; and he has done so.

Mr. MILLS. We have heard this matter discussed enough today to about reach the conclusion that most of the complaints about the bill that is before us today are, in fact, complaints about the State systems of unemployment compensation or with respect to the administration at State levels of the State unemployment compensation plans. I have always in the past, Mr. Chairman, felt that we should never legislate with respect to standards for guidance to the States in established unemployment compensation programs. But, if all these things that I have heard so far today are true then, perhaps, the greatest service the Committee on Ways and Means could render to the country would be a complete restudy and reevaluation of the State unemployment compensation programs to see whether or not some of these things that are attributed to these programs ought to be eliminated by Federal standards. I hope that all this information given us will prove to be, and I know it is, wholly inaccurate and that such action will not be necessary.

Let us look to the pending bill, H. R. 12065. The President advised us that there is a need for supplementing the State unemployment compensation benefits because a rising number of individuals are exhausting their weekly benefits. At that time, as now, we knew that we had not reached the point of economic recovery, so that there were not prospects of job opportunities for those individuals receiving benefits before their benefits expire. It was in the light of this that we undertook to consider this matter. I dare say we were prompted to do to some extent by the suggestion of the President that such action was necessary in order to provide continuing purchasing power in the hands of many people who are rapidly losing that purchasing power. So we did approach the idea of developing a bill that would attack the problem of unemployment and the possibility that jobs would not be available by the time the State programs expired. The President suggested that we provide supplemental benefits for a period equal to 50 percent of the period prescribed under State law, not to exceed 13 weeks, amounts equal to the benefits which are being paid under State unemployment programs.

Mr. McCORMACK and I introduced bills, before the present administration bill was introduced, providing for a flat extension of 16 weeks on a basis of 50 percent of the average wage of the individual, but not to exceed the average wage in the State.

In one of the recommendations which the President made to us he requested that we require the States by Federal law to amend State laws to do this very thing in the future.

Now I am sure the majority leader would agree with my statement that we thought that would meet with ready approval at the White House. It did not. The committee decided to discard that provision from the bill we reported to you, because it would have placed upon the unemployment compensation offices within the States the additional burden of redetermining the benefits for this period. The benefits had already been determined under State law; so the committee decided, rather than to bring about any delay, we would drop that provision and continue in the bill we have before you the benefit payment that the State had provided for this extended period of 16 weeks. The question arose whether or not this would be a loan, a grant to the States, repayment, or just what it would be. I do not know whether my information is correct or not, but I understood that when the conference occurred at the White House, to which the governors of the governors executive committee were invited, some of those governors frankly told the President that they did not like the suggestion and did not want it. It was my understanding however that all of the governors felt that if this was to be done it should be done in a way that would least interfere with State programs, and certainly not require subsequent meetings of the State legislatures to make their laws conform to whatever we did here. That is my understanding of what went on.

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

Mr. MILLS. I yield.

Mr. HALLECK. I understand the gentleman made some statement, about what I quoted him as saying, during my absence.

Mr. MILLS. All I did was read the part of what I said which you did not read.

Mr. HALLECK. Would the gentleman object, under permission to extend my remarks, that I include all of the gentleman's testimony?

Mr. MILLS. All the questions and answers?

Mr. HALLECK. All the questions and answers.

Mr. MILLS. I will be glad to have the gentleman do that.

So it would appear that those who are the heads of the various governments at State levels would prefer the same type of approach. We had that in mind as we sat down in executive session in the committee. I personally wanted to take the approach that would not do violence to or destroy or in any way be harmful to State programs. I believe the pending bill accomplishes the objective and I would now like to discuss it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLS. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, the purpose of the pending bill, H. R. 12065, is to help offset the loss in purchasing power by unemployed individuals and to help relieve the toll in human misery and deprivation which the loss of purchasing power entails for the unemployed. At the same time the bill will help to prevent a worsening in the current economic decline and aid in stimulating the economy to recovery. The bill provides up to 16 weeks of unemployment benefits for those unemployed who, one, have exhausted their unemployment compensation benefits under existing Federal and State unemployment compensation plans; and two, do not qualify under any of these plans solely by reason of having established their work records in noncovered employment. The total dollar amount that can be paid under the bill to any unemployed individual is an amount measured as 16 times the weekly benefit amount payable under the State or Federal unemployment compensation plan for which such individual qualifies, and the weekly benefit amount is that amount established under applicable State or Federal unemployment compensation laws.

The benefits provided by the bill are payable under two titles. Title I provides benefits for those who have exhausted their unemployment compensation benefits under State or Federal plans, while title II provides benefits for those who solely by reason of having worked in noncovered employment have no benefits under existing plans but who have work records and wage qualifications which meet the standards established under State unemployment compensation plans. Benefits are provided with respect to weeks of unemployment beginning 15 days and 45 days, respectively, after the date of enactment of the bill in the case of title I and title II, but only for weeks of unemployment beginning before November 1, 1959.

Benefits together with the necessary administrative expenses incurred in connection therewith, will be financed by a grant from the general funds of the Treasury Department. Complete freedom of choice is provided by the bill to the States. Thus a State may, as it chooses, enter into an agreement for the payment of benefits under title I or title II, or both, or neither, in its complete discretion.

H. R. 12065 is designed so as to utilize the unemployment-compensation facilities of the 48 States, the District of Columbia, Alaska, and Hawaii, and to this end provides that benefit payments are payable subject to the terms and conditions established by the various State unemployment-compensation laws. Thus, benefit amounts, employment and wage qualifications, and the terms and conditions for qualification and disqualification under the bill are the same as those provided by existing State and Federal unemployment-compensation plans.

The costs of the benefits provided by this bill and the administrative costs which they will entail are, of course, de-

pendent upon the level of unemployment during the next 15 months. The Department of Labor has estimated that the total cost of the bill will be $1.47 billion. This estimate is based upon the assumption that there will be a decline in the level of unemployment between now and the middle of 1959. It assumes that 3.1 million persons will be eligible for benefits under title I because they will have exhausted their benefits under State and Federal unemployment compensation, and that 1.73 million persons will be eligible for benefits under title II as noncovered unemployed persons meeting the wage and other requirements for qualification set by the various State laws. If these assumptions prove correct, the benefits provided by title I will cost $950 million and entail administrative costs of $35 million. In case of title II, benefits are estimated to cost $460 million and administration to cost $25 million.

I should like to point out that the $1.47 billion estimated cost of this bill will become a fact only if employment opportunities do not improve. It cannot be too strongly emphasized that the estimated costs of this bill are much less than the price that the economy will of necessity pay in losses of purchasing power and human misery unless its benefits are made available to the millions who are now and will be without income in the next 15 months.

At this point I should like to point out an error in the committee's report appearing on page 5, the last sentence in the first beginning paragraph on that page. The report states:

> The expenditure of this amount will prevent further economic decline and help to promote recovery.

A typographical error distorts the meaning of that sentence, which was intended to say that the benefits provided by H. R. 12065 will help prevent a further economic decline and aid in the restoration of confidence and economic recovery.

Mr. Chairman, it is now my intention to discuss the issues involved in this piece of legislation and their great importance on their merits, with regard only to their substance. I know that my colleagues in the House will desire to do the same. I hope no one here believes that the severe unemployment situation being experienced in the United States today and the awful price in deprivation and want which it is exacting of persons who do not have work lends itself to exercises in rhetoric and name calling. I have heard and I know that the Members of this House are aware of this, that some have referred to the benefits which this bill will provide as a dole. Now, if minimum financial assistance to honest job-seeking workmen who, through no fault of their own have no work, is a dole, then by parity of reasoning it would be fair to characterize other forms of financial assistance which have been provided to other segments of the economy as a dole as well. The unemployed workman for whom we provide in this bill wants a job. Just as a farmer desires a market for his crops at a fair price, so also does the unemployed workman desire an opportunity to use his tools and skills. Just as the businessman desires a fair opportunity to use his capital and exercise his business acumen and ingenuity in contributing toward the economic growth and well-being of the United States as well as his business, so does American labor desire a fair opportunity for employment in order to contribute towards the same goals. I cannot distinguish between the literally hundreds of bills that have been enacted by the Congress during my tenure here to provide for the legitimate aids to business and agriculture and the bill which we are today considering. Surely none of my colleagues would make a distinction between the help for the unemployed and help for the businessman. Our economy is a gigantic entity in which each segment is dependent upon the goods and services and prosperity of the other. The individual fibers of our economic fabric are so closely woven together that to permit one to deteriorate from want of justifiable aid is to endanger the whole.

A man who has substantial and valid arguments to support his cause has no need to resort to name calling as a substitute for reasoning. If any Member of this body has the facts and the logic to support his cause and objects to this bill, in principle or in implementation, let him state such facts and present such logic. Under the rule it is the privilege of any such Member to attempt to do a better job than the majority of the Committee on Ways and Means has done. But bear in mind this bill has not been called to the floor of this House by men who did not know their duty to their office and who do not appreciate their obligations to the unemployed citizens of the United States. I believe that it is the best possible solution which can be offered to relieve the existing abnormal and severe national problem of unemployment. This is not to say that I believe that the bill will solve all of the Nation's economic ills, because it will not. It will, however, help to promote economic recovery. It should be considered as but one of several sorely needed governmental contributions toward the end of preventing further economic decline, restoring business confidence and bringing about full economic recovery and continued economic growth.

Let us now look at the unemployment situation and the economic factors which have brought that situation about. H. R. 12065 is based upon the fact that we are facing an abnormal condition of unemployment which requires that the existing unemployment-compensation programs be supplemented. Abnormal is, of course, a word involving judgment. If one is sufficiently indifferent to human problems he could, I presume, be unmoved by a level of even 10 million unemployed. I can give you the reasons why I believe we should be concerned about the present unemployment situation and the plight of the unemployed.

The total full-time unemployment in March of this year was estimated by the Bureau of the Census at 5.2 million persons, the highest monthly level since September 1941. The weekly data on persons covered under the State unemployment compensation programs shows that through the week of April 12, insured unemployment is about 100,000 higher than it was in the middle of March. It develops that the Census estimate of total unemployment for April is not materially lower than the March figure. This, I might note, is the pattern at the time we are being informed that the bottom of the downturn has been reached. Normally unemployment should fall by half a million between February and April due to the spring pickup in construction and agriculture. In terms of seasonally adjusted unemployment, we have had an increase of about one-half million in these 2 months. An additional 2.3 million persons who usually work full time have been reduced to part-time work for economic reasons. At this time last year only 1.3 million persons were on this enforced part-time employment.

This level of unemployment is serious both because of its absolute amount and because of the potential duration. In our first postwar recession, unemployment reached a peak of 4.8 million in February 1950 but had dropped down to 3.7 million as early as April of that year. In the recession of 1953–54 an unemployment peak of 4.1 million was reached in March of 1954 and the situation improved rapidly thereafter; it did not grow worse as it has today.

Not only is the present level of unemployment high, but there is grave reason for concern over the next 15 months. The various recent surveys of business plans for plant and equipment expenditures make it abundantly clear that business firms are planning for a continuous decline in investment until at least the middle of 1959. A few other economic indicators are in order on this point. For example, freight-car loadings are down 23 percent since last March; steel operations were at 50 percent of capacity in the last week of March compared to 92 percent for the same week last year; manufacturers' new orders were down 16 percent in February 1958 compared to February 1957, down 4 percent since January; manufacturers' unfilled orders were down 25 percent in February 1958 compared to February 1957; manufacturers' sales were down 12 percent in February 1958 compared to February 1957; bituminous coal production was down 30 percent in February 1958 compared to February 1957; machine tool orders were down 61 percent in February 1958 compared to February 1957. Even if the precipitous economic decline of the past few months should come to a halt this year, there is little reason to expect a rapid business upturn in the face of poor demand for investment goods and consumer durables.

There is another reason to be concerned about employment levels over the next few months. In the months of lean profits ahead, firms are very likely to react as they have done historically in a business downturn, that is, by cutting down wherever possible on employment. It appears highly likely that even if business improves by this summer, without more positive action by the Congress the rate of growth of income through the middle of 1959 will barely be adequate

to deal with the regular growth of the labor force and increase in productivity. In these circumstances, an annual growth of even 5 percent in the gross national product at constant prices would not materially reduce the level of unemployment. To emphasize the fact that the economy has to advance rapidly just to keep up with the normal unemployment problem, I would call your attention to the situation that is likely to develop over the next 3 months. Even the optimistic forecasters do not expect a real improvement in economic conditions before July. At the close of school in June, however, we will have realized a very large proportion of the annual increase in the labor force. It would appear quite likely that unemployment in June of this year will be close to 6 million persons. For these reasons, I am convinced that we are justified in believing that the present unemployment conditions are sufficiently abnormal to require that existing unemployment compensation systems be supplemented as provided in this bill. The facts and statistics which I have just cited are such as to warrant the belief that something must be done to aid the unemployed. Of the two principal means of providing this relief, that is, the public assistance or relief programs of the States and the unemployment compensation systems of the States, it is the overwhelming view of those who are informed as to the facts that the unemployment compensation systems provide, not only the most practical, but the fairest method of providing this relief. The administration has taken this position and the provisions of this bill are predicated upon it. To decide otherwise and to predicate aid for the unemployed on the general assistance or public relief systems of the States would be to make any such aid contingent upon a needs test. The term "needs test" is a term of art. Generally speaking, to meet a needs test an individual must be in a state of abject poverty, without assets of any kind. Benefits for which a needs test is a prerequisite can only be received after an individual has sold or mortgaged all of his property and disposed of all his funds and savings of every kind. For what I believe are valid reasons the administration did not seek to impose it with respect to its plans for aiding the unemployed. For equally valid reasons this bill does not impose such a test, relying instead upon the normal test imposed by the existing State and Federal unemployment compensation plans.

Given the need to do something for the unemployed, which I believe we all agree to, and accepting the approach of using the unemployment-compensation systems, which appears to be equally well supported, only two major policy decisions incorporated in the bill remain open to debate, or so it appears to me. The first is the decision of how the benefits provided by the bill are to be financed, that is, by Federal grant from the general funds of the Treasury, or through increased taxation upon the employers of the future. The second decision is whether benefits will be provided only for those of the unemployed who are fortunate enough to have worked in covered employment and who have received and exhausted State unemployment compensation benefits, while nothing is done for those unemployed who, by the accident of the manner in which they make their living, worked equally long for similar wages in noncovered employment, received no State benefits to exhaust, and hence may be the more needy of the two groups.

Turning first to the decision of the committee to finance unemployment compensation benefits by grant out of the general funds of the Treasury, let us examine the method of financing provided in the administration's bill, H. R. 11679, introduced by the distinguished ranking minority member of the Committee on Ways and Means, the Honorable DANIEL A. REED, of New York. That proposal would finance benefits through increased taxation levied upon employers beginning on January 1, 1963. In other words, the administration's proposal would, in fact, impose additional tax burdens upon employers in the future to unemployment benefits today. Many such employers may not even be in existence today. Consider, if you will, first, the equity of that proposition, and then more important, the fact that the existence of a contingent liability in the form of future increases in taxation upon employers would be a serious deterrent to efforts by the States to improve their unemployment compensation plans as to coverage, benefit levels, and to terms and conditions for qualification. This contingent liability would tend to defeat the administration's own proposal that all States increase their maximum benefits so that the great majority of covered workers be made eligible for benefit payments equal to at least one-half their regular earnings, and that all States increase the maximum term of benefits to 26 weeks for every person who qualifies for any benefit and remains unemployed for a stated period. Moreover, since under the administration's proposal, a State would have benefits forced upon it whether it wished to receive them or not, some States which are already paying State unemployment taxes at the maximum rate provided by law, that is, 2.7 percent, would be placed in an adverse competitive position with respect to their neighbors.

As important as these considerations are in militating against acceptance of the administration's proposal for financing, a yet more important reason argues against acceptance of the administration's proposition. Curiously enough, you will find this reason stated in the minority views on page 34 of your committee's report, where it is stated in paragraph 3:

> (3) The purpose of the Federal-State unemployment compensation program is to provide benefit payments to laid-off workers for a relatively short period being sufficient to enable them to secure other employment in a normal labor market. It was expressly not designed to take care of protracted unemployment occasioned by economic recessions or depressions.

This is a statement of fact. The State unemployment compensation plans are presently not designed to, and are not presently capable of providing for the needs of the unemployed in a time of protracted, abnormal, and unusual national unemployment. To attempt to finance benefits to provide for a time of protracted, abnormally high, and unusual national unemployment after the fact of such unemployment through increases in the taxation upon future employers, would be to place an unbearable strain upon the State unemployment compensation plans which could well lead to their destruction, the very thing which the opponents of H. R. 12065 ostensibly wish to prevent.

The present State unemployment plans are predicated upon the assumption that in times of normal unemployment, State duration periods will be sufficient so that an individual who is out of work and wants a job can find new work within the duration period. This assumption is not justified in periods of high, abnormal unemployment as at present. This is so because there are simply not enough jobs available in such periods. To demonstrate this, even the optimistic estimates of the Department of Labor assume that between 40 and 50 percent of those of the workers who will become unemployed during the period during which benefits will be provided by this bill will be unable to find new employment before their State benefits are exhausted. If, as admitted by the opponents of this bill, the State unemployment compensation plans are inadequate to deal with the existing situation, are the Members of this body to accept the unbelievable and illogical conclusion that the existence of State unemployment compensation plans, which are designed to deal with normal unemployment, preempts the field and leaves no function to the Federal Government to perform in times of abnormal national unemployment? I think not. Rather, I think we are forced to the conclusion that the Federal Government has a legitimate and necessary function to perform in providing emergency temporary unemployment benefits to provide a last resort of aid to the unemployed until other Federal programs can effect economic recovery and further that these benefits, legitimately and necessarily, must be financed out of the general funds of the Treasury.

After examining the facts as I have detailed them to you and subjecting them to the critical and searching logic of all those who testified before your committee we reported H. R. 12065 so that the benefits which will be provided by its terms will be financed by a grant from the general funds of the Treasury. Once this decision was made, the decision involving coverage under the bill was made in such way as to avoid discrimination since to provide benefits for unemployed persons who have exhausted their benefits under State unemployment compensation plans and to provide no benefits for persons who are unemployed and who had the same attachment to the work force but who

never had benefits to exhaust under State plans solely because they were in noncovered employment would result in unconscionable discrimination. What are the differences in a typical case between Mr. Smith and Mr. Jones? They are both highly skilled machinists. They have each worked for their respective employers for 10 years. When employed, they make the same salary, work the same hours, live in the same neighborhood in adjoining houses, have the same number of mouths to feed. They lost their jobs on the same day. I will tell you the differences. Mr. Smith worked for an employer of four or more employees. He received State unemployment compensation benefits for a period of 26 weeks. Mr. Jones worked for an employer of only three employees. For 26 weeks he received nothing. He has exhausted his savings, he has borrowed money from his inlaws, and he is at the end of his rope. Those are the differences. Can you, in good conscience, take care of Mr. Smith and not take care of Mr. Jones? Agricultural labor is not covered by the State plans with the exception of the District of Columbia. Do you want to provide needed benefits for those unemployed individuals who worked in covered employment and do nothing for agricultural laborers who, through no fault of their own, cannot get a job today? Two and two-tenths percent of agricultural workers were unemployed in March 1957; by March of 1958 this figure had increased 150 percent.

Let us examine title II of this bill objectively. What rational distinction exists between unemployed persons who worked in covered employment and those who worked in noncovered employment? They get just as hungry, their children suffer just as much, they want jobs just as much, and they are American citizens with equal rights under the law. I for one, and in this I hope I am joined by every Member of this House, will never be party to the gross discrimination of which providing benefits for only covered unemployed individuals would make us guilty.

Now, it has been said by opponents of this measure that not only is it a dole, but that it will be a financial bonanza to the willfully idle, to the bums and sluggards of the Nation. Now let me make this clear. Not one penny will be paid under the provisions of this bill to any individual who does not meet the qualifications imposed by the States in connection with their own unemployment compensation plans. Without exception an unemployed person must be able and willing to work to be eligible under this bill. The State laws do not provide payments for bums or to the willfully idle, and this bill follows State laws. Just as an individual must be unemployed and actively looking for work, be attached to the labor force, and have a wage record under the State laws, so also must a person meet these tests under the provisions of this bill. The same persons who administer the State laws will administer this act. They are no less subject to trust and confidence with respect to the benefits which will be provided by this bill than they are with respect to the benefits provided by State law. I know that they will bring to the administration of this bill the same judgment, the same honesty, and the same high sense of public responsibility that they exercise with respect to the provisions of their own State laws. I wish to make it clear that I do not agree with those who would have us believe that because these are Federal moneys, the States and the State officials are not to be trusted. In the event of malfeasance or fraud, section 303 of the bill provides adequate penalties. That section provides a fine of not more than $1,000 or imprisonment for not more than 1 year, or both, for knowingly making a false statement to a material fact or failing to disclose such a fact to obtain or increase benefits under either title for one's self or for another.

Let me reiterate that something must be done promptly for our unemployed citizens, just as other steps must be taken to halt the economic decline and bring about full economic recovery. Public-works programs cannot be placed into effect with sufficient speed to alleviate the situation of the unemployed so as to eliminate the need for this bill, and, even though a tax reduction were to be provided, it will immediately aid only those who are fortunate enough to have jobs and income with which to pay taxes. We are confronted with a necessity for speed, and every day that we delay means additional suffering for people who are experiencing real want.

I am of the opinion, and I dare say that if such action is taken by Congress, history will demonstrate the accuracy of the prediction—that whatever Congress does in this instance it is going to be a grant out of the Federal Treasury; that there will be no repayment.

I want to talk to those of you who discuss States rights so often. I am an ardent believer in States rights. Let me talk to you about this business of States rights. Here is a great omnipotent Federal Government. Under the proposal that is to be offered, with the backing of my Republican friends, under their program they say to the States: "Because the situation has presently developed, your programs do not extend unemployment compensation for sufficient periods. We are going to superimpose upon those payments our judgment of an extended time under which people ought to be paid. We are not going to do that out of Federal funds, but we are going to say to you: "Either you pay us back out of the funds accumulated out of your tax on employers, or if you do not do it, beginning on January 1, 1963, and for as long thereafter as necessary, we are going to increase the Federal take out of the total 3 percent tax over the .30 percent to .45 percent, a .15-percent increase per year, until this amount is paid back."

I say I can see the desirability of a consistent program wherein a tax is to be applied; but, for the life of me, I cannot see how such an approach which imposes the Federal will on the States will not completely interfere with State programs.

What should we be doing under such a proposal? Either we are going to take out of State funds certain amounts so as to increase the tax, perhaps in 1959, on the employers—bear this thought in mind, that when once a State fund sinks to a certain level, under the operation of State law, the tax upon the employers of that State will rise. It will go down as your fund goes higher. Under the administration's bill, therefore, we may be forcing upon the employers of the State not only an additional tax in 1963 but we may well be forcing on them some boost in tax in 1959, dependent upon how much the State will have paid back. They do not have to do it, of course prior to January 1, 1963, under the proposal.

We thought that the administration proposal would do material violence to the State systems and that it would interfere with the effort that is being made to get the States to improve their own systems, make it less likely and less possible that they could. We decided from that point of view, therefore, that this artificially arranged repayment thing was not a good thing.

We finally concluded that if a State did not repay, that we in the Congress in our wisdom—not in this Congress but a future Congress far removed from the history of the 1958 depression, or recession, would say that since employers in 1963 are not the same employers whose employees were idle in 1958 the tax will not be permitted to go into effect. We would not permit it to happen. Why would a future Congress? I think, too, that the States would say to us: "If you do that you weaken our possibility of making improvements for ourselves."

The very people who now condemn any program of extending unemployment compensation through their organization will be the first ones in here to tell us in a subsequent Congress that we are not justified in expecting them to pay the costs of unemployment benefits paid in the year 1958. That is history. Let us wipe the slate clean.

So we could not reach any other conclusion than a grant. We are working on the basis in our bill that it will be a grant. We are being honest with the people. We are not camouflaging the possibility of a grant with a high-sounding program of repayment at some future date that will never arrive.

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

Mr. MILLS. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. Chairman, let us think about this thing. Oh, you have been told that this applies to retired people. You have been told a lot of nonsense, in fact, about title II. Let me tell you what the facts are. Nobody will be eligible under this bill for any benefit under either title I or title II unless he is a member of the labor force of this country, unless he has a work record under State law prior to the time he draws a benefit, unless he has received wages during that period of time that qualifies him for benefits under State law. Oh, listen. The hoodlums, the bums, they have no work record. Now, those are criticisms of a State law which are unfounded, absolutely unfounded, and completely erroneous.

Now, some of my friends who talk State rights, who tell us about the think-

ing of the people back home and who want to reserve to them the right to make decisions, still come to us and tell us, "No, you cannot trust those people with State funds; you cannot trust them with State funds." I know most every unemployment director in the United States. If he has been on the job for the last 2 years, I know him. But, I know of no group of people anywhere in government, in any category of government, that I consider to be more honorable than they. All we are saying to them is this, that so far as the Federal Government is concerned, we are approaching this problem on a completely nondiscrimatory basis. We want you to utilize your systems not only to take care of those who have exhausted their benefits, but we want you to take care of those people who are otherwise qualified under your system but who are solely prevented from being under your system because of the type of work they follow.

Oh, I could give you another case; I could give you a thousand cases. Remember this, that this bill costs nothing except that the need for employment and opportunity continue. This bill is a backlog, as we say in my State, against the possibility that these things which we want most to prevent will not occur. Are we going to say that we have done enough if we merely provide public works that may be 9 months from today will get started or maybe 15 months from today will be started? Are we going to say we have done enough for those people if many have your way and we reduce taxes? Many of you do not want it, of course, but many of you do. What good, in your thinking, are you doing the man who is unemployed by undertaking to plan a project that cannot get under way for 9 months? What good are you doing this man? What will you say is the good you are doing, when you go back home, if we do do it, and tell the people of your District that you have reduced income taxes for those who have jobs? What good are you going to say you have done for those—and I am talking particularly about these people involved under title II—because already something has been done for those who are covered under existing program?

Yes, let us look at it without name calling. Let us look at the situation and determine what is needed to be done and then do it in a way that will least interfere with the State programs, least interfere with States rights, least interfere with the administration of this program. Oh, they told us in executive session of the committee, if I may be permitted to divulge this information, that this would bring about a great many administrative problems in connection with title II. Maybe we could not do it; maybe we should not do it. I pondered in my own mind whether or not I could justify to the Members of the House our failure to do it, merely because there were some administrative problems. I wondered whether or not these people would be concerned with that as the reason for leaving them out.

Frankly, my friends, there is no other sensible, logical approach to this problem, in my opinion, than that which we have outlined in this bill. I can understand my friend from Illinois, for whom I have the greatest respect, being against the whole idea. I can understand the logic of that position, but for the life of me I cannot understand the logic of a position which says that we take care of those in the labor force for an extended period of time who have enjoyed the best rate of pay, who have enjoyed the best jobs, who have enjoyed the benefits of State unemployment compensation programs, but for the others, all in the world we have in mind for them is a needs test and public relief. That is not the answer to the immediate problem of unemployment.

This bill before you I think amply accords all that the Congress can reasonably be expected to do in this area and does provide a satisfactory solution of the problem that is before us.

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

Mr. MILLS. I yield to the gentleman.

Mr. CANFIELD. Does the gentleman see wherein the committee bill can lend itself to what has already been described on the floor as violent abuses?

Mr. MILLS. That raises a question in my mind whether or not violent abuses are now possible under State programs. State programs have penalty provisions. They vary among the 51 jurisdictions. Some are more severe than others. But there are penalties for misstatements and fraud within every State.

In this bill we provide what we think is a reasonable penalty; 1 year of imprisonment and/or $1,000 fine for any misstatement by anybody who is an applicant under either title I or title II.

I cannot say, I cannot take the position, believing as I do in the integrity of State and local governments, that just because money is Federal money that it will not be properly handled at State levels.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Chairman, I would like to have the gentleman's comment on how any administrator under title II can reconstruct a wage record. The gentleman recognizes that today records are involved showing where a person has worked, how much he was getting, who his employer was, and so forth.

Mr. MILLS. That is true under title I.

Mr. BYRNES of Wisconsin. But under this system we have no wage record to go back to.

Mr. MILLS. It is not presently available in the Unemployment Security Office; no, sir. But does the gentleman say that we ought to strike out title II because some people who otherwise would be eligible under title II may not be able to establish a wage base or a work record in 1957 for the purpose of receiving benefits in 1958? I know the gentleman does not say that. The gentleman does not believe it ought to be stricken out for that purpose. I do not know why he should think so, if he does. I am sure he would not take it out just because of an administrative problem.

There are people who are not eligible under title I or under the substitute that will be proposed here. There are people whose work records are easily established, who are not eligible under title I, who would be eligible under title II. Are we going to say that just because there are a few problems that cannot be worked out with respect to a few or even 100,000 under title II we are going to deny it to all the others?

Mr. BYRNES of Wisconsin. I say to the gentleman I differ with him on this use of the term "few" because everybody who cannot qualify under title I but who comes in and applies under title II is going to cause a problem in this respect.

Mr. MILLS. No, no; I disagree with the gentleman completely.

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

Mr. MILLS. I yield.

Mr. HALLECK. I would like to ask the gentleman if my conviction is not correct. Under title II of the committee bill, the Federal Government for the first time is going into the matter of direct relief payments to unemployed people.

Mr. MILLS. Under your program or under our program with respect to title I or title II, the Federal Government is for the first time providing funds from the Federal Treasury for the purpose of helping those people who are unemployed. There is no difference about that. The gentleman is under what I think is the misapprehension that you can resist what I think the Congress will not resist, namely, the temptation in subsequent years to forgive the tax. My conclusion, may I say to my friend, and, of course, he is entitled to his own conclusion because it is a question of judgment, my conclusion is that in either instance this is going to come out of the Federal Treasury and end up being a grant.

Mr. HALLECK. I listened to the gentleman's argument in that regard having to do with title I, and I can see how, since he is a reasonable person, and I hope I, being a reasonable person, I might go along with him there, although I do not think so.

Mr. MILLS. Will the gentleman yield to me for just a moment before he gets to his point?

Mr. HALLECK. Might I add this?

Mr. MILLS. Will the gentleman be good enough to yield to me for just a moment? What I was going to ask the gentleman is this. If you believe then, as I do, that this will or may end in a grant under either approach, would you leave out the people who are not covered under the State programs?

Mr. HALLECK. Now, just let me answer that question, if the gentleman will permit me. Title I of the committee bill and the substitute about which I have spoken have to do with unemployment compensation insurance.

Mr. MILLS. No, no.

Mr. HALLECK. Will the gentleman let me finish my statement? The gentleman asked me a question, would he be good enough to let me answer it?

Mr. MILLS. I want to correct the gentleman. It is unemployment compensation, if you want to call it that. But if you are talking about insured unemployment compensation, it is only

provided under State systems except, of course, for our system of civil-service employees and veterans—they are State systems, and that is your unemployment compensation. We are talking about an implementation through a Federal program of the benefits paid by the States under title I and under the administration program for an extended period, because we find that people are not going to be reemployed at the end of the State program.

Mr. HALLECK. I have given quite a bit of study to this matter.

Mr. MILLS. I know the gentleman has.

Mr. HALLECK. Will the gentleman permit me?

Mr. MILLS. I yield to the gentleman.

Mr. HALLECK. I would just like to give the gentleman my appraisal of the situation.

Mr. MILLS. I would be glad to have it.

Mr. HALLECK. The substitute does provide for advances to the States—not grants but advances, with provision for recoupment of the money. Now, if I am correct about that, then the essential features that were inherent in the original act that created unemployment compensation are still maintained. The gentleman's provision in title I is for direct grants.

Mr. MILLS. That is right.

Mr. HALLECK. The gentleman contends that there is no difference between what I am contending for and what he contends for because the States will never pay the money back.

Mr. MILLS. No, no; the gentleman is putting words in my mouth. I did not say because the States would not pay the money back. I said because the Congress in the future would not permit a tax to come into operation.

Mr. HALLECK. Will the gentleman yield further so that I may reply to the second part of the question, and that involves the matter of discrimination. I will say very frankly to the gentleman that the approach contained in the committee bill where you make the direct grant out of the Federal Treasury with no provision for repayment of this money would be discriminatory against those not covered under your philosophy. But, I insist by the same token that the proposal which I am supporting which says simply that these advances are to be made with provision for recoupment does not discriminate against those people who are not covered under the unemployment compensation programs. If something needs to be done for them, I might say to the gentleman I do not think it would even come from the Committee on Ways and Means. Your committee only has jurisdiction in this matter because the question of taxes is involved.

Mr. MILLS. No, no.

Mr. HALLECK. There is no tax involved in title II at all other than the grant to be given to people who are not covered.

Mr. MILLS. The gentleman knows that it would come from our committee if it was predicated upon relief or whatever was the purpose because our committee also handles social security.

Mr. HALLECK. But you handle relief because——

Mr. MILLS. We handle social security. We have Federal unemployment compensation and public-assistance programs. If we add another assistance program and create a fifth category, that is also in our committee.

Mr. HALLECK. In every one of those programs you have mentioned that have heretofore come from the Ways and Means Committee, there is a tax matter involved. There is no tax matter involved in this bill.

Mr. MILLS. Our committee is not just confined to jurisdiction over tax matters. We also have jurisdiction over the Federal debt, which is a borrowing process and not a taxing process. I would not say that our jurisdiction is simply limited to matters involved in taxation.

But let me ask the gentleman this: I am sure if the gentleman understands this thing fully he will get down here and make a speech in favor of the committee bill.

Mr. HALLECK. The gentleman is very persuasive.

Mr. MILLS. My friend feels that under a program of repayment, benefits would of necessity have to be limited to those refered to in title I of our bill. I would agree with the gentleman that if you are going to have a system of repayment, you cannot extend that system of repayment to the people we are taking care of in title II. I agree with you just as much as you agree with me, that if it is going to be a grant it has got to be this bill, but if he limits this approach to the people in title I, what are you going to do for the people in title II, or what do you recommend that we do for them?

Mr. HALLECK. Well, I have mentioned that rather briefly in my remarks on the rule. I realize that when there are people unemployed in this country of ours there is a great problem before us. But I repeat that in any Federal direct-relief program I want to take a long, hard look at that. I want to reexamine the responsibility of the States and the local communities. It would seem to me that a great many things should be considered that have not been considered in this bill before us. In my opinion you are rushing into a radical departure from anything we have ever had, a program which to my mind could never end. As far as I am concerned, I am not going for that at this time.

Mr. MILLS. The gentleman characterized this bill as a dole. Is this the first bill that has been on this floor under the guise of a dole?

Mr. HALLECK. I am convinced that it is.

Mr. MILLS. Oh, well——

Mr. HALLECK. I asked the gentleman a moment ago if the provision in title II did not for the first time put Congress on record for direct relief payments.

Mr. MILLS. For unemployment; yes. Now, what you are suggesting on the other hand is that we not do it; that we leave the solution of their problems and their needs to the States under some relief setup. That is the only other alternative I can see. Now, are you going to require matching? The States have no category of Federal assistance at the moment to take care of people merely because they are unemployed. If you do that, when is the legislature in the State of Indiana going to meet in order to provide funds or to provide legislation that will permit the State to pay to people on a matching basis with the Federal Government in the instance of unemployment? I know the gentleman realizes that if you do that the program cannot go into effect until the State legislatures that are required to take action meet and take action. We were told that it would require additional legislation in a great many States. Perhaps not all of them, but a great number would have to take action, so that there could be no help under that approach until the legislatures met and until it was decided to establish such a program in which the Federal Government could participate. The whole thing might be over and these people not aided. I do not know what would happen to them.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. MILLS. Mr. Chairman, I yield myself 3 additional minutes.

Mr. HALLECK. Mr. Chairman, will the gentleman yield for one further question?

Mr. MILLS. I yield.

Mr. HALLECK. Certainly, in my time in this Congress, I have been called back in special session time after time after time; sometimes to deal with problems of depression, sometimes with problems of national security. As far as I am concerned I think that if this situation in any State is as bad as it is here presented to us I see no reason why the governor of the State could not reconvene the legislature and take whatever action is necessary to be taken.

I, for one, do not believe that every time we have any trouble in the country we must rush down to Congress and the Federal Government in Washington for a solution, and I am sure the gentleman from Arkansas feels the same way.

Mr. MILLS. I do exactly, I do exactly, but there is no telling that the States would take care of the situation. If we put this on a relief basis he has not been able to give me the assurance I feel the gentleman ought to give the Congress, if the Congress turns down this feature, assurance that the legislatures will act in time to assist these people.

Mr. HALLECK. I think if it were necessary in my State or if it were deemed desirable in my State to have a session of the legislature to deal with this problem, our Governor would not hesitate to call it and take whatever action is necessary.

Mr. MILLS. Let me tell you this, my friend, I do not believe you can satisfy my people about this situation by merely saying that we are going to take care of the problem of our more fortunate people who have become unemployable—more fortunate because they have had the benefit of some unemployment compensation. We have not done the job we should do when we have Congress take care of 65 percent of the total number

who are unemployed and leave it to the determination of the State as to what is to be done for the rest.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. MILLS. I see that it will not do any good for the gentleman and I to continue this colloquy, for apparently neither is going to convince the other.

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

Mr. MILLS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Indiana charged that the benefits provided by this bill were in the nature of a dole. Cannot the same thing be said of the President's bill?

Mr. MILLS. Surely.

Mr. McCORMACK. Furthermore, the gentleman said this was not a relief measure but that its purpose was to try to stimulate our national economy which has been moving downward.

Mr. MILLS. I said it was necessary as a backlog, or whatever you want to call it, an effort on the part of the Congress and the administration to get employment opportunities available for those people when their benefits under State programs ceased.

Mr. McCORMACK. We passed the housing bill making opportunity for employment open to hundreds of people.

Mr. MILLS. Certainly.

Mr. McCORMACK. And we put through an emergency road bill which changed the formula and stepped up the availability of funds, trying to end the recession and get people to work.

Mr. MILLS. Absolutely, but until those programs begin to move some help must be made available for those who are presently unemployed and who are exhausting their State benefits.

Mr. McCORMACK. And the passage of this bill would be a powerful contribution to change the direction of the economy.

Mr. MILLS. It certainly would, and it is a program we must support. Now for the information of Members I will proceed to a more technical discussion of the bill.

The bill contains three titles. Title I provides benefits for individuals who have exhausted benefits under State and Federal unemployment insurance programs. Title II provides benefits for persons who are not covered under any State or Federal unemployment insurance program. Title III contains certain general administrative provisions applicable to both cases.

First. Title I, extension of benefits to exhaustees under State and Federal unemployment insurance programs.

Eligibility: Title I provides for temporary unemployment compensation payments, during the period described below, to be made to persons who have exhausted their rights under present State and Federal unemployment insurance programs, but only in States which choose to enter into an agreement with the Secretary of Labor for the payment of these benefits. In an agreement State, the bill provides specifically for the temporary payment to persons who are still unemployed after having exhausted all right under either, first, the unemployment compensation laws of the States, the District of Columbia, Alaska, or Hawaii; second, the benefit program for unemployed Federal workers; or, third, the benefit program for unemployed Korean veterans. If the proposed insurance program for unemployed ex-servicemen is adopted, this bill will also provide additional benefits for persons who exhaust their rights under that program.

To receive benefits for a week of unemployment, a person must meet the requirements of the various State laws that require that he be ready, willing, and able to work. Generally, he must remain registered with the local employment service; he must do whatever would be expected of a reasonable person in his situation who wanted a job, and he must not refuse a reasonable job offer. The terms and conditions of the various State programs, other than those relating to duration, will apply during the period of the extended Federal benefits.

Generally, a person may exhaust his rights under a program by using up all of the benefits to which he was entitled during a benefit year, before the end of that year, or by running out of a benefit year without being able to establish entitlement to a new unemployment-compensation payment. The precise definition of an exhaustee is to be provided by regulations to be issued by the Secretary of Labor.

Benefits and duration: During the period of additional Federal payments, the individual will be entitled to receive 16 times the benefit that he was receiving for a week of total unemployment immediately prior to the time at which he exhausted the State benefits before making his first claim under this bill. If an individual had been receiving State benefits at the rate of $30 a week, he would be entitled to receive a total of Federal benefits of $480, or $30 a week over 16 weeks, provided that he remained unemployed and met the State conditions for registering at the unemployment service and seeking a new job. If a worker should pick up a part-time job that would, under the State law, reduce his weekly benefit to $15, then he would be entitled to receive this reduced benefit under the Federal program for 32 weeks if he remains partially unemployed, or until he had received the full $480. The total entitlement under the Federal program will be established at the benefit level provided for total unemployment under the State program immediately prior to the first exhaustion, even though the particular worker may exhaust his State benefits twice during the effective period of this law.

Effective dates: The bill provides payments for weeks of unemployment beginning on or after the 15th day after the date of enactment but only if the State has entered into an agreement by that time. Title I will only apply to persons who exhaust their State benefits after June 30, 1957, and make a claim under this bill before July 1, 1959. Continuing payments are provided after July 1, 1959, until November 1, 1959, for those persons who have established a valid claim under the bill and who remain unemployed. No payments may be made for any week of unemployment which begins after October 31, 1959. No retroactive payments are provided. Thus no payments can be paid in a State before the State has entered an agreement. A person exhausting his State benefits prior to the effective date of the bill and after June 30, 1957, will be paid only for unemployment after the date of enactment and before November 1, 1959.

Miscellaneous: The States will be paid, by either advance or reimbursement for the amounts of benefits paid and for any related administrative costs incurred. The procedures for agreements with the States and for reimbursement generally follow the procedures established for payments under the programs for unemployment insurance for Federal workers and for Korean war veterans except that administrative costs of these programs will not come out of the 0.3 percent Federal unemployment tax. Both of these programs are federally financed. Agreements will provide the terms under which they may be amended or terminated. Agreements may also be entered into with the appropriate agency in Puerto Rico and the Virgin Islands for the payment of additional benefits to individuals in those jurisdictions who have exhausted their benefits under the programs for unemployed Federal workers and for Korean veterans.

Second. Title II, benefits for unemployed workers not covered by any State or Federal unemployment insurance system.

Eligibility: As in the case of title I, title II will provide payments only in a State which has entered into an agreement with the Secretary of Labor. In an agreement State, the program will apply to persons who would meet the State's minimum wage experience requirements except for the fact that some or all of their base-period wages were not earned while employed by a firm covered by the State's unemployment-compensation law.

Some indication of the groups that would be entitled to benefits under title II of this bill may be obtained by the following estimates received from the Department of Labor. These estimates show the average monthly number of eligible unemployed workers for the period July 1958 to June 1959 consistent with the Labor Department estimates of total unemployment.

Employees of small firms in covered employment	140,000
Employees of State and local governments	70,000
Agricultural employees	160,000
Employees in nonprofit organizations and domestic service	120,000
Employees ineligible under State laws with noncovered wages	110,000
Total	600,000

This figure does not, of course, indicate the total number of beneficiaries under this part of the program since many of the people in this area presently unemployed will find new jobs, and people presently employed will become unemployed.

A person not covered under any State or Federal unemployment insurance program may establish his claim under this title by filing a claim with the em-

ployment service in his State and establishing that he is available for work. He will have to establish the wages that he earned during the base period provided under that State's law, and these wages must be adequate to meet the minimum eligibility requirement provided in that State. To illustrate, the Missouri law specifies that the base period shall be the first 4 of the last 5 quarters preceding the claim for benefits, and it further requires that the individual must have at least $200 of wages in one quarter and at least $300 in the base year.

Benefits and duration: The weekly benefit amount will be computed according to the formula provided under the appropriate State law in the case of covered wages. Thus, an uncovered unemployed worker applying in Missouri for benefits who established only a minimum wage experience of $200 in 1 base quarter would be entitled to a weekly benefit of one twenty-fifth of this amount, or $8 a week. As in the case of title I, the State law dealing with partial unemployment will apply so that a particular worker may be entitled to a smaller weekly benefit for more than 16 weeks. It is intended that in the case of total unemployment, the benefit will be paid for 16 weeks provided that the individual continues to meet the various State requirements of availability and other current eligibility requirements.

Effective date: The bill provides that payments may be made for weeks of unemployment beginning on or after the 45th day after enactment, but only if the State has entered into an agreement under this title by that time. The 45-day delay is necessary in this case because of the administrative problems that will be encountered by the Department of Labor and the various State unemployment insurance agencies in setting up this new program. Payments will only be made to individuals who have established a claim under this title before July 1, 1959, but any individual who meets this test and remains unemployed may continue to receive payments for weeks of unemployment up to November 1, 1959.

Coverage: In general, the wages that an individual may take into account for purposes of computing the benefits under this title include—in addition to those wages earned in covered employment—the following:

Wages earned in employ of an employer of less than four persons;

Agricultural labor, except contract service in the United States performed by foreign agricultural workers;

Domestic service;

Casual labor not in the course of the employer's trade or business;

Service performed for a Federal, State, or local government or an instrumentality thereof;

Service performed for certain tax-exempt organizations described in section 501 (c) (3);

Service performed for a foreign government or an instrumentality thereof, or for an international organization; and

Service performed in the fishing industries.

Benefits will not be paid under this provision on the basis of wages earned by an individual who is not a citizen of the United States in the employ of a Communist or Communist-dominated government. Benefits will not be paid on the basis of wage experience during the base period in the employ of any organization which is required to be registered under the Subversive Activities Control Act.

Third. General provisions: Title III of the bill contains certain general provisions dealing with the operation of the benefit program for both exhaustees and uncovered workers. These provisions are substantially the same as those dealing with other Federal grant programs in the unemployment insurance area such as the program for unemployment benefits for Federal workers where the cost is borne by the Federal Government. Generally, these provisions assure that individuals will be entitled to the State review procedures and that penalties will be imposed for fraud. Title III also provides procedures for the payment, either in advance or on a reimbursable basis, to the States. These payments will cover both the cost of benefits and the related administrative cost.

Section 307 of this title provides that the Secretary shall have authority to make appropriate regulations for the operation of this act, and also that the Secretary shall adopt regulations dealing with the nature and extent of proofs and evidence and the method of taking and furnishing the same, in order to establish claims to benefits under the act.

Section 307 is designed to give maximum leeway to the administrators to develop the most satisfactory method of operation on the basis of the available wage information. The State in which an unemployed uncovered worker applies for benefits will initially establish and verify the individual's wage claims. This could, for example, be done by sending a postcard to the indicated employer, asking him for an affirmation or a revision of the wage claim. There is reason to expect that on the whole there will be good compliance from former employers under such a program. Several States, including New York and Michigan, at the present time operate their own unemployment-insurance system without central wage records and entirely on the basis of requests to employers for wage information on any employee who has applied for benefits. Even where there is no compliance from the former employer, there will be various types of evidence that may be useful in a particular case, such as social security wage withholding records. The statute does impose severe penalty provisions, including fines up to $1,000 and imprisonment for up to 1 year, or both, for the making of false statements in order to obtain or to increase a person's benefits under this act. The committee realizes that this whole enforcement system is not as good as the system that is possible under the present unemployment-insurance system where the wage records are provided. The practical choice, however, is whether to operate as best we can on the basis of the available information, or to deny the equitable claims of several million persons.

Fourth. Summary of State law provisions: Since the actual benefits under this bill will be paid out under the benefit provisions of the various State laws, there is provided a table containing certain summary provisions of the State provisions and certain related information concerning the State unemployment situations.

Data re State unemployment compensation programs [1]

	Alabama	Alaska	Arizona	Arkansas	California
Benefits:					
Duration	11.7 to 20 weeks	15 to 26 weeks	10 to 26 weeks	10 to 18 weeks	15 to 26 weeks.
Formula	1/26 of high quarter wage.	1.8 to 1.1 of annual wage plus dependency allowance.	1/25 of high quarter wage.	1/21 to 1/27 of high quarter wage.	1/17 to 1/21 of high quarter wage.
Average benefit, 1957 [2]	$23	$37	$27	$21	$33.
Maximum:					
Without dependents' allowances	$28	$45	$35	$26	$40.
With dependents' allowances [3]	$28	$70 with limitations	$35	$26	$40.
Maximum as percent of average State wage.	43 percent	32.6 percent	43.2 percent	47 percent	44.7 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957.	57 percent	58.5 percent	71.6 percent	37 percent	45.2 percent.
Qualification:					
Earnings in base year of	$210	$500	$150	$210	$600.
Plus minimum in highest quarter of [4]	$112		$37.50	$52.50	$150.
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	46,000	7,255, month of March 1958.	14,000	25,000	325,000.
Week of Apr. 12, 1957	23,000	6,046, month of March 1957.	6,000	18,000	127,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	8 percent	Not available	6.9 percent	9.6 percent	8.7 percent.
Average weekly rate, 1954	6.5 percent	do	3.8 percent	7 percent	4.4 percent.
Average weekly rate, 1949	6.9 percent	do	5.7 percent	6 percent	10 percent.

See footnotes at end of table.

Data re State unemployment compensation programs [1]—Continued

	Alabama	Alaska	Arizona	Arkansas	California
Number of exhaustees, January through March 1958.	11,565	848	1,534	5,064	26,626.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	42 percent	31.9 percent	20.3 percent	37 percent	14.4 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$88,000,000	$1,000,000 [7]	$59,000,000	$45,000,000	$99,000,000.
Ratio of reserves to highest annual cost rate since 1948.	2.7		6.9	4.3	2.2.
Present average employers' tax rate	1.1 percent		1.4 percent	1.3 percent	1.8 percent.

	Colorado	Connecticut	Delaware	District of Columbia	Florida
Benefits:					
Duration	10 to 26 weeks	8.6 to 26 weeks	11 to 26 weeks	11.5 to 26 weeks	5 to 16 weeks.
Formula	1/25 of high quarter wage.	1/26 of high quarter wage plus dependency allowance.	1/25 of high quarter wage.	1/23 of high quarter wage plus dependency allowance.	1/22 to 1/26 of high quarter wage.
Average benefit, 1957 [2]	$32	$34	$30	$27	$24.
Maximum:					
Without dependents' allowance	$35 to $44	$40	$40	$30	$30.
With dependents' allowances [3]		$60	$40	$30	$30.
Maximum as percent of average State wage.	44 percent	46.7 percent	49.9 percent	38.8 percent	44.5 percent.
Percentage of claimants receiving maximum benefits in the 4th quarter of 1957.	66.1 percent	42.4 percent	57 percent	59.3 percent	47 percent.
Qualification:					
Earnings in base year of	$420	$300	$210	$276	$200.
Plus minimum in highest quarter of [4]	$105	$75	$52.50	$130	$50.
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	15,000	60,000	7,000	9,000	34,000.
Week of Apr. 12, 1957	6,000	20,000	3,000	5,000	13,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	4.6 percent	7.7 percent	5.6 percent	2.0 percent	4.3 percent.
Average weekly rate, 1954	2.3 percent	4.2 percent	3.1 percent	2.6 percent	3.4 percent.
Average weekly rate, 1949	2.0 percent	8.0 percent	3.0 percent	2.1 percent	5.7 percent.
Number of exhaustees, January through March 1958.	2,297	10,391	1,771	2,169	7,636.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	25.6 percent	28.7 percent	30.3 percent	37.2 percent	43.5 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$77,000,000	$248,000,000	$15,000,000	$59,000,000	$94,000,000.
Ratio of reserves to highest annual cost rate since 1948.	10.4	3.4	2.8	12	3.3.
Present average employers' tax rate	0.7 percent	1.2 percent	0.6 percent	0.6 percent	0.8 percent.

	Georgia	Hawaii	Idaho	Illinois	Indiana
Benefits:					
Duration	20 weeks	20 weeks	10 to 26 weeks	10 to 26 weeks	5.6 to 20 weeks.
Formula	1/25 of high quarter wage.	1/25 of high quarter wage.	1/22 to 1/26 of high quarter wage.	1/20 of high quarter wage plus dependency allowance.	1/23 of high quarter wage.
Average benefit, 1957 [2]	$24	$27	$35	$31	$29.
Maximum:					
Without dependents' allowances	$30	$35	$40	$30	$33.
With dependents' allowances [3]	$30	$35	$40	$45	$33.
Maximum as percent of average State wage.	47.8 percent	56.8 percent	54.9 percent	33.2 percent	33.9 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957:	43.7 percent	30.7 percent	59.3 percent	84.4 percent	66.9 percent.
Qualification:					
Earnings in base year of	$280	$150	$472	$600	$250.
Plus minimum in highest quarter of [4]	$150	$37.50	$300	$150	$75.
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	49,000	5,130, month of March 1958.	9,000	172,000	84,000.
Week of Apr. 12, 1957	26,000	2,960, month of March 1957.	7,000	68,000	32,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	6.3 percent	Not available	7.8 percent	6.2 percent	7.4 percent.
Average weekly rate 1954	5.0 percent	do	5.6 percent	5.3 percent	5.2 percent.
Average weekly rate 1949	4.6 percent	do	4.3 percent	5.9 percent	4.2 percent.
Number of exhaustees, January through March 1958.	11,362	610	3,183	23,966	25,304.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	36.2 percent	17 percent	28.7 percent	25.5 percent	42.6 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$152,000,000	$23,000,000	$37,000,000	$501,000,000	$212,000,000.
Ratio of reserves to highest annual cost rate since 1948.	5	3.9	6	3.2	2.9.
Present average employers' tax rate	1.2 percent	1 percent	1.8 percent	0.9 percent	0.9 percent.

	Iowa	Kansas	Kentucky	Louisiana	Maine
Benefits:					
Duration	6.7 to 24 weeks	8.4 to 20 weeks	Lesser of 26 weeks or 1/3 base-period wages.	10 to 20 weeks	26 weeks.
Formula	1/20 of high-quarter wage.	1/25 of high-quarter wage.	1/25 of high-quarter wage.	1/20 of high-quarter wage.	2.2 to 1.1 of annual wage.
Average benefit, 1957 [2]	$27	$29	$26	$23	$23.
Maximum:					
Without dependents' allowances	$30	$34	$34	$25	$33.
With dependents' allowances [3]	$30	$34	$34	$25	$33.
Maximum as percent of average State wage.	40.5 percent	44.7 percent	47.8 percent	34.8 percent	49.7 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957.	75.7 percent	58.5 percent	41 percent	80.4 percent	32.9 percent.

See footnotes at end of table.

Data re State unemployment compensation programs [1]—Continued

	Iowa	Kansas	Kentucky	Louisiana	Maine
Qualification:					
Earnings in base year of	$100	$200	1¾ times high-quarter wage with $250 in high quarter and 8 times weekly benefit allowance.	$150	$300.
Plus minimum in highest quarter of [4]	$25	$100		$37.50	
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	18,000	21,000	63,000	28,000	31,000.
Week of Apr. 12, 1957	10,000	11,000	36,000	16,000	14,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	4.1 percent	5.5 percent	13.2 percent	4.8 percent	14.8 percent.
Average weekly rate, 1954	2.7 percent	3.2 percent	10.7 percent	4.1 percent	7.1 percent.
Average weekly rate, 1949	2.4 percent	2.9 percent	6.7 percent	5.0 percent	10 percent.
Number of exhaustees, January through March 1958.	5,610	4,386	7,079	5,295	4,806.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	35.6 percent	28 percent	26.2 percent	40.4 percent	18.7 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$114,000,000	$86,000,000	$121,000,000	$153,000,000	$46,000,000.
Ratio of reserves to highest annual cost rate since 1948.	10.3	6.2	2.6	5	2.8.
Present average employers' tax rate	0.7 percent	1.1 percent	1.7 percent	1.5 percent	1.6 percent.

	Maryland	Massachusetts	Michigan	Mississippi	Missouri
Benefits:					
Duration	26 weeks	7.1 to 26 weeks	9.5 to 26 weeks	20 weeks	12.5 to 26 weeks.
Formula	1/24 of high quarter wage plus dependency allowance.	1/19 to 1/30 high quarter wage plus dependency allowance.	63 to 41 of weekly wage plus dependency allowance.	1/26 of high quarter wage.	1/25 of high quarter wage.
Average benefit, 1957 [2]	$31	$32	$36	$21	$26.
Maximum:					
Without dependents' allowances	$35	$35	$30	$30	$33.
With dependents' allowances [3]	$43	$35 plus amount for number of dependents.	$55	$30	$33.
Maximum as percent of average State wage.	47.3	46.9 percent	30.8 percent	54.4 percent	42.4 percent.
Percentage of claimants receiving maximum benefits in the 4th quarter of 1957.	56.7	28 percent	Not available	21.4 percent	56.5 percent.
Qualification:					
Earnings in base year of	$360	$500	$210.14	$90	$300.
Plus minimum in highest quarter of [4]	$192.01	$125		$22.50	$200.
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	46,000	125,000	286,000	24,000	62,000.
Week of Apr. 12, 1957	13,000	59,000	88,000	17,000	31,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	6.2 percent	7.9 percent	14.6 percent	9.2 percent	6.2 percent.
Average weekly rate, 1954	4.3 percent	4.7 percent	6.5 percent	8.1 percent	4.9 percent.
Average weekly rate, 1949	5.6 percent	8.3 percent	5.6 percent	4.6 percent	4.6 percent.
Number of exhaustees, January through March 1958.	6,251	17,986	37,398	4,688	8,064.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	12.1 percent	22 percent	27 percent	31.7 percent	20.2 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$117,000,000	$318,000,000	$295,000,000	$35,000,000	$227,000,000.
Ratio of reserves to highest annual cost rate since 1948.	2.5	2.1	1.8	2.4	5.3.
Present average employers' tax rate	1 percent	2 percent	1.5 percent	1.4 percent	1 percent.

	Montana	Nebraska	Nevada	New Hampshire	New Jersey
Benefits:					
Duration	22 weeks	9 to 20 weeks	10 to 26 weeks	26 weeks	13 to 26 weeks.
Formula	1/18 to 1/22 of high quarter wage.	1/21 to 1/23 of high quarter wage.	1/25 of high quarter wage plus dependency allowance.	2.0 to 1.2 of annual wage.	2/3 of weekly wage up to $45 and 2/3 above $45.
Average benefit, 1957 [2]	$28	$28	$39	$25	$32.
Maximum:					
Without dependents' allowances	$32	$32	$37.50	$32	$35.
With dependents' allowances [3]	$32	$32	$57.50	$32	$35.
Maximum as percent of average State wage.	42.5 percent	45.4 percent	43.5 percent	47.9 percent	40.1 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957.	58.8 percent	59.9 percent	66.9 percent	48.1 percent	67.4 percent.
Qualification:					
Earnings in base year of	$255	$400	$240	$400	$255.
Plus minimum in highest quarter of [4]	$170	$200	$60		
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	14,000	10,000	6,000	15,000	151,000.
Week of Apr. 12, 1957	8,000	8,000	2,000	6,000	79,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	11.5 percent	4.6 percent	9.1 percent	10.5 percent	9.6 percent.
Average weekly rate, 1954	3.7 percent	2.4 percent	4.1 percent	7.6 percent	5.8 percent.
Average weekly rate, 1949	3.8 percent	1.7 percent	6.2 percent	11.1 percent	6.9 percent.
Number of exhaustees, January through March 1958.	2,925	2,329	1,268	1,285	29,492.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	24.7 percent	34.4 percent	21.8 percent	13.9 percent	29.4 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$44,000,000	$38,000,000	$20,000,000	$25,000,000	$440,000,000.
Ratio of reserves to highest annual cost rate since 1948.	5.8	6.5	3.5	1.6	3.3.
Present average employers' tax rate	1.5 percent	0.7 percent	1.8 percent	1.7 percent	1.5 percent.

See footnotes at end of table.

Data re State unemployment compensation programs [1]—Continued

	New Mexico	New York	North Carolina	North Dakota	Ohio
Benefits:					
Duration	12 to 24 weeks	26 weeks	26 weeks	20 weeks	9.2 to 26 weeks.
Formula	1/26 of high-quarter wage.	67 to 51 of weekly wage	2.0 to 1.1 of annual wage.	1/24 of high-quarter wage plus dependency allowance.	1/17 to 1/25 of high-quarter wage plus dependency allowance.
Average benefit, 1957 [2]	$26	$31	$20	$28	$33.
Maximum:					
Without dependents' allowances	$30	$45	$32	$26	$33.
With dependents' allowances [3]	$30	$45	$32	$35	$39.
Maximum as percent of average State wage.	40.7 percent	50.6 percent	53.6 percent	38.1 percent	37.1 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957.	59.3 percent	48.1 percent	13.7 percent	74.9 percent	78.6 percent.
Qualification:					
Earnings in base year of	$300	20 weeks at average of $15 or more in preceding 52 weeks or 15 weeks at average of $15 or more in preceding 52 weeks; or 40 weeks at average of $15 or more in preceding 104 weeks.	$500	$252	$240.
Plus minimum in highest quarter of.[4]	$156			$63	$60.
Number in insured unemployment:[5]					
Week of Apr. 12, 1958	8,000	393,000	72,000	6,000	217,000.
Week of Apr. 12, 1957	4,000	210,000	47,000	4,000	162,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	4.9 percent	7.7 percent	8.3 percent	9.3 percent	8.2 percent.
Average weekly rate, 1954	3.8 percent	5.3 percent	6.4 percent	4.3 percent	4.0 percent.
Average weekly rate, 1949	2.7 percent	8.3 percent	5.5 percent	2.1 percent	4.9 percent.
Number of exhaustees, January through March 1958.	1,104	29,730	10,121	679	17,443.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	23.7 percent	12.6 percent	19.6 percent	22.8 percent	17.8 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$41,000,000	$1,356,000,000	$182,000,000	$10,000,000	$619,000,000.
Ratio of reserves to highest annual cost rate since 1948.	6.6	2.8	3.8	2.6	4.4.
Present average employers' tax rate	1.5 percent	1.9 percent	1.4 percent	1.6 percent	0.9 percent.

	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina
Benefits:					
Duration	6.7 to 26 weeks	12.9 to 26 weeks	30 weeks	7.9 to 26 weeks	10 to 22 weeks.
Formula	1/20 of high quarter wage.	1/26 of high quarter wage.	1/25 of high quarter wage on 50 percent of full-time weekly wage, if greater.	1/20 of high quarter wage	1/21 to 1/26 of high quarter wage.
Average benefit, 1957 [2]	$25	$35	$30	$28	$22.
Maximum:					
Without dependents allowances	$28	$40	$35	$39	$26.
With dependents allowances [3]	$28	$40	$35	$30	$26.
Maximum as percent of average State wage.	37 percent	47.9 percent	44.7 percent	43.1 percent	44.7 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957.	71.5 percent	61.8 percent	56.4 percent	74.9 percent	36.7 percent.
Qualification:					
Earnings in base year of	$200	$700	$320	$300	$240.
Plus minimum in highest quarter of [4]	$50	$175	$120	$75	$120.
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	28,000	36,000	343,000	28,000	23,000.
Week of Apr. 12, 1957	15,000	26,000	158,000	20,000	15,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	6.8 percent	9.6 percent	10.5 percent	10.8 percent	5.5 percent.
Average weekly rate, 1954	4.5 percent	7.2 percent	7.3 percent	9.6 percent	5.2 percent.
Average weekly rate, 1949	4.9 percent	7.9 percent	5.5 percent	13.9 percent	5.5 percent.
Number of exhaustees, January through March 1958.	5,377	11,062	31,211	7,275	6,024.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	38.3 percent	24.1 percent	18.6 percent	33.3 percent	36.2 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$54,000,000	$42,000,000	$347,000,000	$31,000,000	$75,000,000.
Ratio of reserves to highest annual cost rate since 1948.	3.7	1.3	1.2	0.7	3.8.
Present average employers' tax rate	1 percent	1.4 percent	1.2 percent	2.5 percent	1.3 percent.

	South Dakota	Tennessee	Texas	Utah	Vermont
Benefits:					
Duration	5.7 to 20 weeks	22 weeks	8 to 24 weeks	15 to 26 weeks	26 weeks.
Formula	1/22 to 1/24 of high quarter wage.	1/24 to 1/26 of high quarter wage.	1/26 of high quarter wage.	1/26 of high quarter wage.	1/22 to 1/26 of high quarter wage.
Average benefit, 1957 [2]	$26	$24	$24	$32	$25.
Maximum:					
Without dependents allowances	$28	$30	$28	$37	$28.
With dependents allowances [3]	$28	$30	$28	$37	$28.
Maximum as percent of average State wage.	41.8 percent	45.3 percent	37.2 percent	50.1 percent	41.1 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957.	71.7 percent	41.6 percent	61.8 percent	61.1 percen	55.1 percent.
Qualification:					
Earnings in base year of	$600	$320	$450	$400	$300.
Plus minimum in highest quarter of [4]	$250	$182	$112.50	$100	$200.
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	3,000	62,000	78,000	12,000	6,000.
Week of Apr. 12, 1957	2,000	43,000	34,000	6,000	2,000.

See footnotes at end of table.

Data re State unemployment compensation programs [1]—Continued

	South Dakota	Tennessee	Texas	Utah	Vermont
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	4.7 percent	9.3 percent	4.3 percent	6.2 percent	8.6 percent.
Average weekly rate, 1954	2.5 percent	8.8 percent	2.3 percent	4.1 percent	5.6 percent.
Average weekly rate, 1949	1.8 percent	8.6 percent	1.9 percent	4.1 percent	7.9 percent.
Number of exhaustees, January through March 1958.	1,095	12,892	17,338	1,075	871.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	37.1 percent	38.8 percent	38.5 percent	20 percent	21.9 percent.
Reserves in State unemployment fund as of Dec. 31, 1957.[6]	$14,000,000	$92,000,000	$301,000,000	$40,000,000	$17,000,000.
Ratio of reserves to highest annual cost rate since 1948.	8.8	2	9	4.9	2.9.
Present average employers' tax rate	0.9 percent	1.5 percent	0.6 percent	1.1 percent	1.4 percent.

	Virginia	Washington	West Virginia	Wisconsin	Wyoming
Benefits:					
Duration	8 to 18 weeks	12 to 26 weeks	24 weeks	10 to 26½ weeks	12 to 26 weeks.
Formula	1/25 of high quarter wage.	2.0 to 1.1 of annual wage.	1.8 to 1.0 of annual wage.	63 to 51 of weekly wage.	1/25 of high quarter wage plus dependency allowance.
Average benefit, 1957 [2]	$23	$30.33	$24	$32	$34.
Maximum:					
Without dependents allowances	$28	$35	$30	$38	$41.
With dependents allowances [3]	$28	$35	$30	$38	$47.
Maximum as percent of average State wage.	42.3 percent	41.6 percent	36.7 percent	45.6 percent	55.2 percent.
Percentage of claimants receiving maximum benefits in 4th quarter of 1957.	49.1 percent	51.6 percent	56.1 percent	46.7 percent [8]	46.7 percent.
Qualification:					
Earnings in base year of	$250	$800	$500	$224	$375.
Plus minimum in highest quarter of [4]	$62.50				$250.
Number in insured unemployment: [5]					
Week of Apr. 12, 1958	32,000	51,000	49,000	56,000	4,000.
Week of Apr. 12, 1957	12,000	30,000	12,000	25,000	2,000.
Insured unemployment as a percent of covered workers:					
Week of Apr. 12, 1958	4.4 percent	8.0 percent	13.0 percent	6.5 percent	6.3 percent.
Average weekly rate, 1954	3.7 percent	6.6 percent	11.6 percent	4.1 percent	3.2 percent.
Average weekly rate, 1949	4.1 percent	8.0 percent	6.2 percent	3.5 percent	1.8 percent.
Number of exhaustees, January through March 1958.	10,017	14,700	4,494	19,600	708.
Percentage of claimants exhausting benefits, April 1957 through March 1958.	38.8 percent	21 percent	17.9 percent	42.5 percent	26.3 percent.
Reserves in State unemployment fund as of Dec. 31, 1957. [6]	$93,000,000	$204,000,000	$67,000,000	$259,000,000	$16,000,000.
Ratio of reserves to highest annual cost rate since 1948.	3.9	4.3	1.6	5.7	5.7.
Present average employers' tax rate	0.7 percent	2.1 percent	1.1 percent	0.9 percent	1.1 percent.

[1] Compiled from U. S. Government sources.
[2] Rounded to the nearest dollar.
[3] Where dollar amount is the same as dollar amount for maximum without dependents allowance, there is no dependents allowance in this State.
[4] No figure will appear on this line where benefit formula is based on a weekly or annual basis, except as indicated.
[5] Figure rounded to nearest thousand.
[6] Rounded to the nearest million dollars.
[7] Includes $263,000,000 loan received January 1957.
[8] Represents data on a per-employer basis and is not strictly comparable.

The CHAIRMAN. The gentleman from Arkansas has consumed 50 minutes.

Mr. REED. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. HALLECK. Mr. Chairman, before the gentleman from New York begins will he yield to me that I may further reply to the gentleman from Arkansas [Mr. MILLS]?

Mr. REED. I yield to the gentleman.

Mr. HALLECK. The gentleman again tried to point out that there is a seeming disparity in our suggested substitute as between people covered who are unemployed and those not covered. My response is that if there is discrimination it grows out of the development of the unemployment compensation system from the beginning. When the program was started, it included only people covered under unemployment compensation; it did not undertake to cover anybody else. So the gentleman clearly is departing from the original intent.

With respect to the needs clause, Governor Williams of Michigan testified that he would be willing to suggest a 50-50 participation. Then he went ahead to say that he would administer it under the welfare fund because, "I think this should be on a need basis rather than on a particular number of dollars."

It may well stimulate the economy by spending a couple of billion dollars more money out of Washington under this program, I do not know, but, in any event, certainly these considerations ought to be before us.

Mr. REED. Mr. Chairman, I might mention at the outset that I sponsored legislation for the appropriation of $200 million for the States to take care of situations which confront them at the present time on unemployment.

Mr. Chairman, I am opposed to the legislation, H. R. 12065, in the form that it is now before this distinguished body.

The proposal is unsound in principle in that it purports to make Federal funds available from the general account of the Treasury to be paid under a program that will for all effective purposes be subject to the exclusive administration of the States. The legislation is devoid of any inducement for frugality and is without incentive for scrupulous and efficient administration. This feature of the bill is unsound in its inception and would bode dangerous potentialities with respect to the future. If these funds are made available by the Federal Government and the States in administering the program through inadvertence permit abuse to occur, we can expect that there will soon follow an insistence that the Federal Government be given legislative authority to intervene in State administration. Therefore, it is not unwarranted to say that this legislation has as one of its principal evils the seeds of federalization of the various State unemployment compensation programs.

The proposal submitted by the majority is an abandonment of the insurance principles that exist under the existing Federal-State unemployment compensation program. The bill proposes to make Federal funds available to States so that benefit payments could be extended as a matter of statutory right to individuals regardless of whether or not such individuals are covered under the State program. It may be represented today that H. R. 12065 is a liberalization of the unemployment compensation law based on compassion for anyone who is unfortunate enough to be unemployed. This is not liberalization; it is unrestrained reactionary legislation. A vote for this bill is a vote against the effective continuation of the unemployment compensation program. By making benefit payments available

to virtually everyone we will be creating a dole that will fall into the same disrepute that attached to the ill-fated English dole in the 1920's. With the abuses and maladministration that will inevitably become a part of this majority proposal, we will find the indignation of our American taxpayers advanced toward the entire unemployment compensation program. The consequence will be public demand for the abolition of the entire program. It is for that reason that I denounce this legislative proposal as being reactionary in character by virtue of the threat it poses to the destruction of the present Federal-State unemployment compensation relationship.

If the majority considers that a public dole—a program of national relief—is the desirable system, they would be acting in a more responsible and forthright manner if they were to propose legislation of that character as such rather than proposing it under the fallacious guise of being an improvement in the existing unemployment-insurance system.

Congress in the past has consistently recognized the need for preserving the integrity of the Federal-State unemployment-compensation program by refusing to enact legislative proposals that would federalize the system or that would provide Federal supplemental benefits. The proponents of this legislation endeavor to justify it with gloomy descriptions of the vast number of destitute American citizens who have exhausted their benefit entitlement. Those prophets of catastrophe are men of very little faith in our American economy. Perhaps they are also men who have too great a regard for political expediency. They are men who saw little calamity in the recession of 1949–50 when unemployment was higher in a relative sense than it is today; when the number of individuals not able to claim benefits under any public program stood at 1.9 million in March 1950 compared to 1.7 million in March 1958. They are men who would legislate for supposed political advantage to put our citizens on a public dole and as a consequence provide them with a dole under Government enterprise rather than jobs in private enterprise.

Secretary of Labor Mitchell and several of the State officials responsible for the administration of the unemployment compensation program have termed the majority bill unworkable and impractical. They have stated that the proposal will seriously delay if not destroy efforts to deal effectively with the problem of benefit exhaustion.

It is significant to note that H. R. 12065 purports to give unemployment compensation benefits to occupational groups that the States have found it necessary to exclude specifically from coverage under the State program because of the administrative impossibility of securing adequate wage records and imposing effective reporting requirements with respect to the employment of individuals in these job classifications. The committee, during its deliberations on this legislation, has received no testimony that the proposal is administratively feasible. We have received information that it is administratively infeasible. In callous disregard of this admonition the majority of the committee acted to report this legislation to the House.

Mr. Chairman, I will not take further time to expose this legislative political gimmick for what it is. The committee report is available to the membership. The separate and minority views of those members of the Committee on Ways and Means who are responsibly concerned over the implications of this legislation are set forth beginning on page 30 of that report. I call these views to the attention of my colleagues so that they may study the information set forth therein prior to the time they are called upon to vote.

Mr. Chairman, it will be the purpose of the minority membership of the Committee on Ways and Means to join with certain of the majority members of our great committee to offer an amendment to this bill in the nature of a substitute. That amendment will provide for temporary supplemental unemployment compensation benefits on a repayable basis through a program of advances to the respective States subject to the election to participate in such a program by each individual State. This substitute will not threaten to impair or destroy the existing Federal-State unemployment insurance relationship. The details of that amendment are set forth in the CONGRESSIONAL RECORD for April 29, 1958, on page 7666. The details are also set forth in bills introduced by my distinguished committee colleagues, the gentleman from Pennsylvania [Mr. SIMPSON], H. R. 12245; the gentleman from Virginia [Mr. HARRISON], H. R. 12243; and the gentleman from Florida [Mr. HERLONG], H. R. 12244.

Mr. Chairman, at the time of the committee action on H. R. 12065, I issued a press release condemning the legislative proposal of the majority. As a part of my remarks, I will read that release at this point:

The Honorable DANIEL A. REED, ranking Republican member of the House Committee on Ways and Means, today issued the following statement with respect to action taken by the committee on legislation purporting to provide temporary unemployment compensation benefits:

"Based on action taken today by the Democrat majority of the House Committee on Ways and Means with respect to an unworkable so-called formula to provide temporary supplemental unemployment compensation benefits the conclusion is inescapable that the Democrat Party has placed itself in orbit in the miasma of panicky political irresponsibility. The apogee and the perigee of the Democrat orbit have not yet been determined but the proposal is expected to exceed the wildest dreams ever visualized by either the New Deal or Fair Deal social planners of the Roosevelt-Truman era.

"The Democrat proposal is heedless of the cost to the American taxpayers and demonstrates a calloused indifference to the proposal's administrative infeasibility. The consequence is that supplementary benefits under the unemployment compensation program have become less certain that at any time since the President's message on this subject was sent to the Congress on March 25, 1958. The Democrat Party has established itself as the architect of a system of American dole that will perpetuate high taxes, stifle individual initiative, and make more remote job opportunities in private enterprise.

"The Democrat majority has presented a hastily conceived dole system expressed in terms of vague principles without statutory definition. The plan is discriminatory in its application and is administratively infeasible in that it purports to give unemployment compensation benefits to persons who have not been in the labor market since the end of 1955. Implementation of this proposal will constitute a raid on the general funds of the Treasury and will make inevitable consideration of a further increase in the statutory debt limit. It is a crass demonstration of politics as usual in which the Democrats excel. This proposal embodies proposed amendments to our unemployment compensation program that have in other years been vigorously opposed by Democrat members of the committee who now support the proposal.

"It is my hope that in the interest of developing a workable program of promptly helping those American citizens who are experiencing temporary unemployment in the current economic downturn the committee will act responsibly to reconsider the action it has taken today."

I close by urging my colleagues in the House of Representatives to vote in favor of the amendment I shall offer in the nature of a substitute. The difference between the amendment I propose and the legislation offered by a majority of the Committee on Ways and Means is the difference between effective action to do something to give help to those covered individuals who have exhausted their benefit entitlement and doing something that will deny such help to these individuals.

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

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

There was no objection.

Mr. FINO. Mr. Chairman, the economic outlook for those currently unemployed is sufficiently bad to warrant drastic emergency action by this Congress.

In my opinion, there should be no distinction in our laws between a so-called covered and uncovered jobless worker. Both workers, once unemployed, need help and it is our responsibility to furnish it. Justice demands such action on our part.

I agree with President Eisenhower when, in recommending prompt action on his unemployment benefits proposal, he said:

This is not a matter of statistics or economic theory. It concerns people, human beings, who need, and should have the assistance of their government.

This present recession has hit the pockets and stomachs of our unemployed people and this type of remedial legislation is needed to help them—no matter what we call it.

We must remember that hunger makes no distinction between one type of jobless worker and another—hunger strikes without a conscience.

Mr. FORAND. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, I read from the morning paper of today:

A drop of 78,000 in unemployed for April—but not as much as normal—was announced yesterday by the Commerce Department.

Government economists agreed that the new figures showed no strengthening in the economy and at best reflected a temporary leveling-off.

The jobless total for April was put at 5,120,000 compared to 5,198,000 in March. A normal decline between the 2 months would have been from 200,000 to 300,000.

The figures which we had for March likewise showed that there had been no upturn in our economy. As a matter of fact, just as the April figures have failed to respond seasonally, March did likewise. It is probable, unfortunately, that these figures will continue to increase because of two factors. One is that the rate of expansion is down tremendously. No. 2, within the next 4 to 5 to 6 weeks we will be graduating from the high schools and colleges about one and one-half million young men and women, all of whom will be seeking employment. They can obtain that employment either as the result of new jobs being created in an expanding economy, which is not happening, or by displacing people who normally enter the retirement forces. Obviously, as many people as possible are going to continue to keep their jobs, and it is quite obvious that by June there will be over six million people unemployed in the United States.

Mr. Chairman, I will read from an article by Mr. Nate White, who I think all will consider a conservative writer, in the Christian Science Monitor for Saturday last. This is under a New York dateline. I quote:

By every careful analysis, the trend of the United States economy is still down.

This writer would prefer to report cheerfully, but when the looked-for upturn does not exist, the continuance of the downslide must be recorded.

Following is the considered judgment of thoughtful students of the economy in business, banking, and university circles in Boston and New York with whom this writer has talked.

The Nation is recording the most unprecedented sharp drop in its national output of goods and services in history.

Let me repeat that. These are not my words:

The Nation is recording the most unprecedented sharp drop in its national output of goods and services in history. None of the policies put into effect in Washington has affected this drop and none of the policies now in effect is likely to do much about it this year.

History will show that the great danger in 1957, 1958, 1959 recession was that the hard lessons would not be learned to prevent the recession from gaining momentum.

The tools and the knowledge to have slowed this recession existed. They have not been fully applied. Ever since the great depression of the 1930's thoughtful businessmen, Government officials, university specialists have been at work, nonpolitically, searching out and developing the tools to use in both periods of boom and bust.

The American people have been told that the "built-in stabilizers" would "never again" let them suffer from extreme depression or inflation. This statement about the economy is true, but it requires applicators.

What has gone wrong?

Essentially, what the United States is struggling with is a clash between the old and the new school of economic thought. The old school most symbolized by George Humphrey, former Secretary of the Treasury, demands a balanced budget, high interest, and high taxes. To a very large degree, it is the classical laissez faire approach to the economic problem, let nature take its course. In other words, let business, labor, agriculture and Government suffer for their excesses and learn the hard way.

The new school best symbolized by Dr. Arthur F. Burns, president of the National Bureau of Research and former chairman of the President's Council of Economic Advisors—

And that is President Eisenhower, of course—

would utilize budget deficits to serve the economy constructively and the tax, monetary, and debt-management powers of the Government to counteract depression and inflation. The Eisenhower Administration today is still following the Humphrey economic philosophy. Certainly, what "built-in stabilizers" the country has have served well.

I call the attention of my colleagues especially to this part:

Unemployment insurance and better credit policy are the two principal instruments which are being used.

Now, what Mr. White is saying is that there has been no use of public works; there has been no use of tax flexibility; there has been no stimulation of the economy and that the only weapons that have been employed are unemployment compensation and some degree of flexibility in the credit policy. Let me tell you how accurate he is particularly with reference to the alleged public-works program. Let me show you what is bound to happen if they now abandon the only thing they have been using; namely, unemployment compensation. If we do not pass this bill we will have abandoned the one weapon that has had some degree of effectiveness in this period of recession.

You hear about public works. Well, let us try to analyze what we have done so far. I do this in as objective a vein as I know how, because I think we are all to blame. I do not think we can go around and pat ourselves on the back. I am talking about those on our side of the aisle now. Take public works. Talk about the highway program. I pride myself in knowing a little something about the highway program, because I helped to write it. The highway program is way, way behind schedule, and it is going to go further behind schedule by the reason of these multiplier effects of this continuing recession. Despite the fact that the States must put up only 10 percent, they will find it very difficult to do so, because most municipalities and most of the States today are in serious fiscal difficulties because of the economic downturn. In addition to that, even though it were possible to get up with this matching formula, the problem of the acquisition of rights-of-way, the determination of routes, the making of engineering studies would in itself occasion a great deal more delay.

Let us look at some of the other subjects. They talk about the $1,800,000,000 housing program. According to the figures published by Mr. Cole, the Housing Administrator, not more than three or four hundred million dollars of that $1,800,000,000 can be employed in the program this year. There was much conversation about the rivers and harbors bill which was vetoed by the President and which may yet be overridden. But certainly that could have no immediate effect. At best, it is just an authorization. It does not appropriate one nickel in public funds for projects.

There is some talk about this proposal which has been pending in the other body which would finance loans to the municipalities for public works. But again, you come back to the fundamental proposition that in this business downturn the municipalities are likewise experiencing difficulties. I know that mine is, and as far as I can ascertain the same situation prevails elsewhere, particularly in the large centers where heavy unemployment is involved.

Well, we have increasing unemployment. We are about to have a million and a half young people enter the labor force. We find an unprecedented downturn in expansion. As a matter of fact, I saw some quotations in a paper the other day which quoted Mr. Allen Dulles, head of our Central Intelligence Agency, as saying that for the first time in the history of the world the Russians exceeded us in steel production in the first quarter of 1958. Why? Because our steel production is down to less than 50 percent capacity, and the Russians are operating at full capacity, as are the satellite nations all over Europe and in China. So, here the Soviet bloc exceeds us for the first time.

Now, take a further look at the economy and see what may haunt our dreams at night if you want to get into a lather about title II of this bill. There is about $45 billion in consumer credit in the United States. When I say "consumer credit," I don't mean houses and farms. I mean credit for refrigerators, automobiles, stoves, radios, television sets, and appliances generally.

The latest figures I have seen show that more than 50 percent of the people who must pay these bills, are dependent upon their jobs to pay them off. By that I mean that if Mr. X loses his job tomorrow, come the first of May, tomorrow, he is going to have no source of revenue with which to pay the installment on the electrical equipment that he has bought, the automobile he has bought, and so on.

What is happening in those industries? Automobiles are backed up everywhere. What do you think is going to happen if, all of a sudden, people start turning them in instead of continuing their payments on them? What is going to happen if they keep turning in their washing machines, their refrigerators, and other equipment instead of paying them off? It just means more loss of confidence. Do you think that is going to get us out of the recession? Quite the contrary, people are going to become frightened and scared, and those who could carry on will not carry on, and despite all the admonitions coming out of the White House they are not going to buy, because they

are not going to have confidence in the system.

I think that is the only type of background against which you can consider this legislation. If you do not consider it against this background then you would not vote for it. But by the same token you would not vote for a lot of other bills, you would not vote for a farm program if you did not think it was essential to the United States to keep the farmers on the farms to continue to produce enough food and fiber to feed us. You would not vote $50 billion for national defense if you did not realize that we had an enemy who might strike us at any time. You would not vote to subsidize the merchant marine and the aircraft industry and countless other business enterprises in America if you did not recognize that they were essential to our free enterprise system. That is why you do it.

I am somewhat disturbed about arguments to the effect that this would do great violence to the whole unemployment compensation system. I say if we do not do it we will have done a violence to the free enterprise system that may take us many years to recover from. Why do I say that? We cannot afford to have another real depression in this country. I do not say this in any partisan sense. God knows we as Democrats cannot get any mileage out of a depression. A depression means hardship, it means suffering, it means poverty, it means loss of confidence in government at a time when the free nations of the world look to us for leadership. So it is incumbent upon us as Americans to prevent a depression in this country.

Suppose we keep all these people completely out of the market as consumers and purchasers. Suppose we decide there is no way for them to pay off their installment debts. Suppose we say to them, we will hand you a loaf of bread, we will let you get in a bread line the next time your unemployment period expires. Is this going to preserve the free-enterprise system? Is this going to make us strong? Of course not. That will not preserve the free enterprise system by any stretch of the imagination. When did you have more communism, more screwballism in this country than you had back in the depression years?

The only way you can approach this bill is on this basis. I remember when I was growing up my mother told me one day that when somebody called me a name not to pay any attention to him. She said: "Son, you know bricks and stones may break your bones, but names will never hurt you." That was very consoling to me then, but it is not very consoling to me now, because, unfortunately, in the adult world it is not true. Bricks and stones may break your bones, but time will heal them for you.

Give something a bad name, and you kill it. So, what do you do? You call this a dole. We have been using this tactic for a long time, sometimes to our detriment. Back here in some recent campaigns we called everybody who was liberal, who could read and write, an egghead, and if a kid studied his lessons pretty hard they called him a grind. This implied that there was something wrong with these people. It was not good to be an egghead or to be a grind. So all of a sudden we wake up and find out that Russia is full of eggheads and grinds and we have to figure out how to get enough eggheads and grinds. I remember some fellow said to me: "You talk like a do-gooder," I said, "Well, maybe so, I do not know, but as far as I am concerned, I would rather be a do-gooder than a do-bader." So maybe this is a dole.

But, as my distinguished chairman so ably said a few moments ago, if our program is a dole, President Eisenhower's is a dole too, just as sure as we stand here in this Chamber. If any man can vote for Mr. Eisenhower's program on the theory it is not a dole and vote against this one on the theory it is a dole, he is either kidding himself or deliberately being a hyprocrite pure and simple.

As a matter of fact, we have had to have emergency legislation over the years for all sorts of situations. This old idea that you must hand this all back to the States. It just is not true from an academic point of view, and I am talking from the economic effect of it. We argued all this over back in the depression days. This is like a movie. This is like where you came in. But thank God, a lot of people have learned.

Let me give you an example.

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

Mr. KARSTEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOGGS. Mr. Chairman, some may remember around 1932 or 1931 when you saw great big headlines in the newspapers about John D. Rockefeller buying X hundred thousand shares of stock to bolster the market and about the time he would buy that stock, President Hoover would issue a new statement about prosperity being right around the corner again. A descendant of that same Rockefeller issued a statement just a few days ago. He put it on television, on "Meet the Press." He knew you could not beat the recession that way. He knew you had to maintain the basic purchasing power in the American people. He did this in a very courageous, well-thought-out economic approach to these problems, without any politics. He said he was a Republican, and I take it he was telling the truth. He advocated the extension of unemployment compensation and he said he would not quibble about its form, that it had to be done from a national point of view. Is he in company all by himself? Not at all. As a matter of fact, the Board of Governors of the Federal Reserve System, which I would not think you would call exactly radical, went to some length to talk about it in its recent report of a few days ago. Mr. Burns, who has already been cited here today, who was first chairman of President Eisenhower's Board of Economic Advisers—not President Truman's but President Eisenhower's Board—stated that this must be done and he stated that this is only one step, that we must have tax adjustment as well. A moment ago I saw on the floor, my distinguished friend, the gentleman from Pennsylvania [Mr. SIMPSON], for whom I have a profound respect. The gentleman from Pennsylvania [Mr. SIMPSON] has a bill pending before our committee which, if enacted into law, would provide a tax reduction of four, five, six, or seven billion dollars, I do not know the exact figure. In any event, he recognizes that the economy is in a position where it needs a stimulant and it must have a stimulant. He is not the only one. Countless others on that side of the aisle have similar bills as do members of my party.

I could mention the Committee on Economic Development, made up of prominent, outstanding American businessmen, heads of great American corporations, not radicals but men who are devoted to the private enterprise system, who understand that this system cannot function unless you maintain the consuming power of the American people. They, too, have endorsed this program.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I wonder if the gentleman could furnish, as part of his remarks, the exact statement of this group where they endorsed this bill that is before us today.

Mr. BOGGS. No, I cannot; because I think I told the gentleman that I did not attribute exact endorsement of this bill to these gentlemen.

Mr. BYRNES of Wisconsin. The gentleman is saying they are for this program. I would like to have him name the individuals whom he says endorse this bill.

Mr. BOGGS. I say that they recognize the program of unemployment compensation is vital to the economy of our country. Now, if the gentleman wants to quibble about title I and title II, as the gentleman has been doing for the last 2 weeks, that is perfectly all right with me.

Mr. REED. Mr. Chairman, I yield 25 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, we always enjoy listening to the gentleman from Louisiana [Mr. BOGGS]. Certainly he has painted a picture which, if completely true, would give all of us some very, very restless nights. I am not going to underestimate any problems that we have in the economic field, because we certainly have them. But, I think we do a disservice to our people if we attempt to overestimate and enlarge whatever difficulties we may have.

Mr. Chairman, from some of the speeches that have been made this afternoon about this particular piece of legislation, I must frankly admit confusion. It was my impression in the beginning that this problem was being presented and the proposed bills were being presented first by the President and then by the gentleman from Arkansas [Mr. MILLS], the gentleman from Massachusetts [Mr. MCCORMACK], and other Members as a matter of relief to individuals;

that the purpose was to avoid distress on the part of the people that were unemployed. Now the emphasis seems to have shifted somewhat and now this seems to have become an antirecession matter. It is not the need of the individual, but a matter of trying to get some method of bringing increased purchasing power into the economy.

Mr. Chairman, I would suggest that before we go further, we had better make up our mind what our objective is as far as this legislation is concerned. And may I suggest to the gentleman from Arkansas, the chairman of our committee, and the gentleman from Louisiana [Mr. BOGGS], who have suggested this as an antirecession measure that much more could be accomplished with the $1½ billion this bill will cost toward assisting in any antirecession measure by a tax-reduction bill of that amount.

I think there are other methods that could be advanced which would create jobs, not just keep people unemployed and encourage further unemployment.

I am not suggesting that they pass a tax reduction bill, but I am saying that if this situation that they paint requires a bill of this kind, then it would seem that this committee might do a much better job by reporting out at this time something in the field of its basic jurisdiction, namely, revision of our tax laws, which certainly can stand revision.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman from Rhode Island.

Mr. FORAND. Mr. Chairman, I wonder if the gentleman has read the majority report with respect to the idea of helping the economic situation as well as trying to relieve human suffering, which is set out here. This is nothing new. These speeches on the floor have not brought out anything new. In the very first part I call the gentleman's attention to this. Under the title "Purpose and Summary of Bill" we find:

> The purpose of H. R. 12065 is to help offset the loss of purchasing power by unemployed individuals and to help relieve the toll in human misery and deprivation which the loss of purchasing power entails for such people while at the same time to help bolster our sagging economy.

Mr. BYRNES of Wisconsin. Yes, as an incidental proposition, but the gentleman from Louisiana [Mr. BOGGS] places his whole emphasis on the matter of antirecession as did in large part the gentleman from Arkansas, the chairman of our committee.

Mr. Chairman, let me say this. As I view the whole proposition, and as it was originally proposed by the President, it was to relieve need and suffering on the part of individuals who are unemployed. It was a relief proposition.

I am sure we are all concerned over the plight of any unemployed individual. His situation is tragic, particularly if that person is attempting to and desirous of getting back into employment, as I am sure the great majority of them are. But I think we in this Congress as we look at legislation and look at proposals that come before us must in addition to trying to locate areas where there is need for some action, discharge our responsibility of determining how that need should best be met. If it demands governmental action, what area of Government should step in to meet that need? Why is it that when we get to Washington and when we become Members of Congress we seem to forget that there is such a thing as a State government, we seem to forget that there is such a thing as a county government, that there is such a thing as a local government.

For some reason or other, arrival on the banks of the Potomac apparently makes everybody feel that all wisdom rests in this city. Well, I do not subscribe to that philosophy. There has been no evidence whatsoever presented to the Committee on Ways and Means and there was no evidence submitted to the Committee on Rules as to the need for Federal action in this matter. There has been no showing at any point where this matter has been discussed that the States either generally or the States specifically cannot meet the problem. The States have unemployment compensation systems. The unemployment compensation program is basically a State system. We recognized that when it was established generally in 1936. Many States had unemployment compensation systems even before then, and we have always said that the unemployment compensation program should remain a State program. The State programs are working today. The State legislatures have full control over them, as to the benefits that shall be provided and as to their duration. The States have reserve funds to take care of the claims that are presented. In the aggregate our States have in reserve funds $8 billion to take care either of their present benefits or any liberalized benefits that they might see fit to impose on their system. Also, let it be recognized that under the tax system which is provided in the various States, they have available a potential tax source under the excise tax on employers. One would assume that that tax which is set up in the laws is being imposed to its maximum today and that even with the maximum tax and the maximum revenue coming in that the State systems were going bankrupt and they were unable to meet the demands upon them. Let me call your attention to this fact as far as the status and the soundness of State systems is concerned. In the first place, I have already mentioned they have an $8 billion reserve. But they also have a presently unused source of revenue. Five States today, and only 5 States, are taxing between 2 percent and 2.7 percent. The basic State tax is 2.7 percent. There are only 5 States that are taxing to the extent of either 2 percent or somewhere between 2 percent and upward to 2.7 percent; 34 of the States, even though the law provides that if their funds are in difficulty the tax rate shall go up, are only taxing between 1 percent and 1.9 percent. There are 9 States of the Union where there is either no employer tax because the fund is sufficient and ample; or the tax only ranges up to nine-tenths of 1 percent. How under these circumstances can you get the impression that the States are incapable of taking care of their unemployment compensation problems.

Mr. Chairman, the facts are just to the contrary. The facts are that they have ample ability in reserves and taxing authority to take care of their problems.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. CURTIS of Missouri. I wonder if the gentleman would comment on the Reed fund and whether any State has requested the privilege of borrowing from that fund.

Mr. BYRNES of Wisconsin. I am glad that the gentleman brought that up. It is certainly most pertinent. Even if the States today had no reserves, even if they were taxing their employers up to the 2.7 percent provided under the laws and they were still in difficulties, remember that we have made available a fund here in Washington from which we have authorized these various systems to borrow in the event that they have difficulty in meeting the demands upon their unemployment-compensation system.

We have $200 million in that fund, ready and available to any State that says: We would like to borrow some of this $200 million in order to take care of our unemployment compensation program. There is available to them, as part of the Federal program, an opportunity to borrow in case they are in need.

I have heard, and I think all of you have heard, the idea expressed, "Well, we should avoid going to the States because it takes the States too long to put a program into effect. What is needed is prompt action."

I do not know where it got its start but the misconception has grown up that the State legislatures and the State procedures are so encumbered with problems and restrictions that it takes them so much longer to act than it does the Federal Government. Frankly, because I have heard that said not just with respect to this legislation but with respect to other legislation, as a justification for Federal action, I, too, assumed that there must be some inhibition on the States which prevented them from acting promptly. But the other day when this problem came up and the same argument was presented, I thought perhaps it might not be such a bad idea to do a little checking and find out whether this is a correct assumption and how many States would have difficulty. So I asked the American Law Section of the Library of Congress to make a check and to run through the State constitutions of our 48 States and to go through the State statutes to see what limitations there were on the calling of special sessions, and whether there was any limitation on the time that was required for the State legislatures to convene after being called by the governor.

They went through all the 48 constitutions and all the 48 State statutes, and the report back was that there was no limitation on any State; that any governor of any State, under their constitution and statutes, can issue a call in the

morning, and if he feels they can practically do so, ask them to meet in special session that evening. The only limitation is the practicality of what the governor believes is a reasonable time for them to convene at the seat of the State government.

Let me point this out to you: This matter was first presented to us the early part of March. In fact, we held hearings in March on this subject. Bills were introduced in the Congress the early part of March. Here it is practically the 1st of May, and it will be after the 1st of May before we get it through this House. How long is it going to take in the other body and how long will it be before it is sent to the President?

If he decides that this is a problem of such severity that he thinks a special session should be called for the purpose of extending or expanding unemployment compensation, the governor of any State can call a special session of his legislature at any time. All of them could call special sessions tomorrow and have such legislation passed as might be needed to place a revised program in operation even before this bill has cleared the Senate committee. Certainly, if they had all done it last March, or those States that had an emergency situation, they could have put a revised program into operation long before now.

The inability of States to act might just as well be dismissed once and for all. Since the States have the financial capacity and the means for taking prompt action, I cannot for the life of me see why the people have to run to the Congress and the Federal Government to deal with this matter which is basically within the jurisdiction of the States and which we have always said was a problem properly for State action. But let me suggest that the bill that is presented to you by the committee goes beyond the matter of unemployment compensation; in fact, I would suggest to the Members that the general title of the bill, the general references to the bill are extremely misleading. Even the committee report says it is a report to accompany the Temporary Unemployment Compensation Act of 1958.

This is not an unemployment compensation act, it is an unemployment relief act, and let us recognize the distinction so we know what we are talking about. Let us not call a program that is a relief program a compensation program. When we refer to compensation programs what we are speaking of are programs that really have in them some aspects of the insurance principle, some aspect of payment as a matter of right under a specially financed system.

This is not an unemployment compensation program in spite of what it has been labeled; it is an unemployment relief program, and where I differ with the numerical majority of my committee is that as a relief program it takes the long step that this Nation has always avoided; namely, payment of relief out of the General Treasury without a needs test of any kind. There is a dole. The gentleman from Louisiana said we should not call things names, and he objected to the fact that some of us call this a dole; but I would ask the gentleman what in the world he considers a dole if it is not the opening up of the Treasury, the general funds of the Treasury, to pay out funds to individuals without a needs test of any kind?

Mr. Chairman, I suggest that there are some very inherent evils in the idea, too, of imposing this relief or dole system on your unemployment compensation system. If you do not like the idea of having a program such as we have had and which we call our unemployment compensation program, if you do not want that, if you do not think it serves a useful purpose and that it should be destroyed, why do you not come right out and repeal it? But why burden it down with a program such as this and in such way that you lead to its eventual destruction?

You can say that I am just seeing ghosts under the bed, or pointing out dire consequences that may never happen.

Mr. Chairman, this is what happened in England in the early twenties. They opened up the General Treasury to pay extended unemployment compensation benefits under their unemployment compensation system. They turned their unemployment compensation system into a dole and it was only a few short years before they had no unemployment compensation whatever. They went broke. Then they had to revert to a program of basic relief on the basis of need. You are inviting the same consequences here today. It is fine to suggest that this is a temporary program, that it is going to be discontinued, but if the theory on which it is presented is a sound theory, what justification will we have in letting the program lapse if there is even one man unemployed and unable to find work? Once you start the program how can you justify stopping it as long as there is unemployment in the country? It has always been recognized that we have a constant base of unemployed people seeking work in this country. Two and one-half or three million people is not an unusual situation; in fact, we had a higher percentage of unemployment back in 1949 than we have today. You can say that you are not worried about a precedent, but I am worried about precedents because when Congress takes action under a given set of circumstances, when there is a repetition of those circumstances, this Congress is obligated to do what it did in the previous event because we have invited and encouraged people to expect that we are going to treat one generation or one group of people the same as another. Do not think for a moment that if there is any unemployment in 1959 or 1960 that you are going to have any justification for coming in and closing the Treasury's doors to those people who are then unemployed after you have taken care of the unemployed with this additional relief in 1958. May I suggest, too, that if you are going to have a relief program it would seem to me you would give the most relief to those in need; yet this program, by using the formula of benefits provided under an unemployment compensation system which is based on insurance principles, does just the reverse, and I think my good friend, the chairman of the Committee on Ways and Means, will admit that. It gives a bigger check from the Federal Treasury to those people who have had the highest earnings in the past, who have had the longest wage record in the past, and gives the smaller relief check, to that person who has not been in as good a position to put something aside for a rainy day or whose credit may not be so good.

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

Mr. REED. Mr. Chairman, I yield the gentleman 5 additional minutes.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. What the gentleman says is, of course, true, not only as I understand under the bill of the committee but it is also true under any program or any bill that proposes to use the State's method of making payments, including the administration bill.

Mr. BYRNES of Wisconsin. Right, and would therefore be the same formula that would apply to the substitute bill or to the original administration bill but those proposals are extensions of unemployment compensation. But your proposal is a program not of compensation but of relief. As a relief measure, the gentleman must admit, you give the least relief to those people most in need and the most relief to those least in need. That is not my idea of a proper approach to a relief program.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman from Rhode Island.

Mr. FORAND. Would the gentleman be in favor of paying everybody the same amount?

Mr. BYRNES of Wisconsin. I suggest that if you are going to have a program of relief, you should pay those most in need more than you pay those that are less in need, which certainly does not suggest that it should be a flat amount. And, you have no right to dip into the Federal Treasury and pay the money helter-skelter whether they need it or not. I am suggesting that, as a relief program, benefits should be based on need.

Mr. FORAND. The gentleman still has not answered my question.

Mr. BYRNES of Wisconsin. Yes; I have.

Mr. FORAND. Not to my satisfaction.

Mr. BYRNES of Wisconsin. That may be true. I can never guarantee completely satisfying the gentleman. All I can do, Mr. Chairman, is to make the effort.

Let me make one further comment about title II of the bill. I think the chairman would grant also that if you struck out only a couple of words in title II, you could then eliminate completely title I. In other words, title II says that this shall be available to any person who is not covered under a State or Federal unemployment compensation program. Under title II he gives the same benefits as he gives under title I

to those who are covered under unemployment compensation, State or Federal, so really the heart of this bill is title II. You could knock out title I if you just struck out those few words which limit title II to those not under an unemployment compensation system, and you would end up giving the same benefits to the same people. You really do not need title I. The heart of the bill is title II, which says to anybody who is unemployed and has a work record that would have entitled him, if it were not for certain exclusions based on occupation—would have entitled him to State unemployment compensation, "come in and get your check for the next 16 weeks or for so long as you are unemployed up to 16 weeks." I am going to suggest, Mr. Chairman, that it will not be long when the time will come when the question will be asked, "Well, what is wrong with paying another 16 weeks as long as we have people still unemployed?"

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. BYRNES of Wisconsin. I yield.

Mr. MILLS. Is it not true that that same complaint could be made with respect to any temporary extension of unemployment compensation, even that which was envisioned in the President's program or that which is envisioned in any amendment that will be offered here?

Mr. BYRNES of Wisconsin. To a much more limited degree.

Mr. MILLS. In other words, the President's program says a maximum of 13 weeks. If at the end of that period of time the Congress did not feel that that was sufficient, the Congress could extend it; just as the gentleman says, the program in the bill could be extended for 16 weeks if the Congress wanted it done.

Mr. BYRNES of Wisconsin. Well, only to a very limited degree, because I think there is a big difference, based on the financing, and when you pay for it out of the General Treasury you have an entirely different situation than when you gear it into an insurance system and if you also gear it to the idea that the State says "We want this as a part of our program." Then, I think you have an entirely different situation.

Mr. MILLS. Would not my friend agree that if you once dip into the State fund as is proposed in the substitute that you can dip in again to extend the program under the substitute?

Mr. BYRNES of Wisconsin. Sure, I will agree to that.

Mr. MILLS. So the argument would lie against either approach.

Mr. BYRNES of Wisconsin. But not with the same force, because I think there is much more of a restriction on the extent you can go when you identify who must pay the bill. Under your bill, you cloud it over with the idea that it is a grant out of the Treasury even though there is no money in the Treasury. What you are really saying to the people is, "We will borrow the money. Let our children pay for it." Under those circumstances, when you are not going to levy taxes to pay the additional cost, and with no provision for any back payment, the invitation is wide open to come in and say, "Let us extend it; borrow some more money."

Let me call the gentleman's attention to the fact, and put some emphasis on the point, that title II is absolutely administratively impractical and unfeasible. That is the evidence that was presented to the committee. We had no evidence from anybody to the effect that this program was administratively practical or feasible—not one person. And the gentleman admitted this when he was addressing the House today. But he said, would that be a justifiable excuse for our not doing something? To me it is irresponsible to come in here and say that we shall do this even though we know that it cannot work. To me that is fooling the American people.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. MILLS. Does the gentleman remember when we were in executive session the questions I asked of the representatives of the Department of Labor with respect to the time that would be required to put each of these two titles into effect?

Mr. BYRNES of Wisconsin. I do.

Mr. MILLS. I asked then, Could you put title I into effect in 15 days? And they said "Yes." I asked, Could you put title II into effect in 45 days after the enactment of this legislation?

Mr. BYRNES of Wisconsin. Yes. I remember the answer. They said that they thought they could in 45 days with the qualification that they presented to us at all times, in answer to every question that was asked, concerning the administrative difficulties; in effect what they said was, "If you say so, we will have to try to do it," but at no time did any witness before the committee say that it was practical or feasible administratively. They all said that the problems were so vast and multitudinous that they could not even enumerate them for us much less suggest solutions.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I think the answer was that it would take them that long to get the program set up.

Mr. MILLS. That is true.

Mr. CURTIS of Missouri. But whether they could administer it properly was a question.

Mr. MILLS. Mr. Chairman, will the gentleman yield to me?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. MILLS. Actually all of us must admit that there will be many people in all probability who will make application under the provisions of title II who will not be able to establish actual entitlement to benefits under it, because they will not be able to show a word record in 1957 or a wage record or anything of that sort. So as far as they are concerned it would be completely and wholly impossible to make it available to them.

Mr. BYRNES of Wisconsin. Mr. Chairman, I am glad the gentleman has mentioned that point, because I meant to say at least a word about it and I might have overlooked it. Now these gentlemen come and tell us that title II does not cover all the people whom they suggest it might cover and therefore the bill is not quite so bad; they suggest that some of these people are not going to be able to establish to the satisfaction of the administrators a work record such as would be required. But may I say this to the gentleman and to those who favor the program: You also say, "How can you discriminate?" May I suggest to you that under your program you are going to discriminate, because what about those unemployed who cannot furnish that information or for some other reason do not qualify even though they are unemployed?

Mr. MILLS. The point that I was trying to cover earlier with respect to this matter was this——

Mr. BYRNES of Wisconsin. That is the point that I am trying to cover now, which is the point that the gentleman is making.

Mr. MILLS. No.

Mr. BYRNES of Wisconsin. You suggest that we are arguing against this program because title II goes too far and that we have gone to extremes. But if you are going to contract the effectiveness of title II then you are definitely leaving out people who are today unemployed. And may I suggest, even if they are left out as a matter of administration, or because of a contraction of philosophy, there are people who are going to be in the labor market this summer and this fall and who will be unemployed and seeking employment, people whom we should be concerned about, if we are concerned about anybody. Yet you are not going to give any aid under your program, even though you are throwing wide open the Treasury doors. What about the young men who are coming into the labor market this June? You are not covering them. And yet you have a relief program here that is supposed to take care of all people who are unemployed. That is what you have said. Is not this discrimination?

You say, How can you discriminate, how can you take care of one group without taking care of another group that is unemployed? May I suggest to the gentleman that you do extend the program to take up a broader area, but you still are going to be discriminating and I do not suggest that there is any way that you can avoid it.

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

Mr. BYRNES of Wisconsin. Will the gentleman from Arkansas yield me 5 minutes of his time in view of my reasonableness in yielding to him?

Mr. MILLS. I am sorry I cannot oblige the gentleman since the time on this side is fully allotted.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Chairman, I am afraid under those circumstances I will have to refuse to yield further. With 6 hours provided for

general debate, I am really quite amazed that the majority side has already such demands upon its time, but I am glad to know that we will have a full discussion of the legislation under these circumstances.

May I suggest, Mr. Chairman, as to one of the reasons why there is an administrative impossibility in carrying out title II, that the benefits are going to be based upon a work record. Under the unemployment compensation systems in the States, the employers report to a central agency as to the people working and the amount of money they have earned and a record is kept of the covered employees. All they have to do when an employee comes in who is unemployed and applies for benefits is to go to that individual record, and from the record they can calculate the benefit to which the person is entitled. But, under the bill you pick up the seasonal employees and the people who have worked first for one employer and then another employer, you pick up the domestics and so on, people for whom there is no wage record. There is no basis upon which you can administratively determine the check to which a particular individual is entitled unless you are willing to say, "I will take your word for it. You just tell me how long you worked and how much you earned during the last year." And then, on that basis, you say, "We will make out a check to you and we will pay you for 16 weeks on that basis." If that is the way to handle the taxpayers' money, Mr. Chairman, we have come to a very sorry state of affairs in this country and we have adopted an attitude of reckless irresponsibility with reference to the trust that is imposed upon us to see that the American taxpayers' money is properly spent and not squandered away.

Mr. Chairman, I yield back the balance of my time.

Mr. MILLS. Mr. Chairman, I yield 15 minutes to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, we have heard a great deal so far this afternoon—much of which is false. We have had a lot of misrepresentation and it would be necessary to take the remarks of the different individuals who have spoken and to analyze them and put your finger on them, but one cannot be expected to remember all of these statements because there have been too many such statements made.

The bill before us has two purposes. One purpose is to put money in circulation as the administration has said repeatedly was needed and the other purpose is to relieve human suffering. I am speaking to you now as one who was here long ago not as a Member of the Congress but as a secretary to a Member. I sat in the gallery of this Chamber in the middle thirties and I heard practically the same arguments then as I am hearing today against bills for the welfare and for the good of the people. Yes, I was here during the Hoover administration and I was here during the early days of the Roosevelt administration, and I stood on the west steps of the Capitol Building, and from that spot I could see five breadlines. Those breadlines resulted from what? From inaction by the administration formerly in power—and this administration now in power is following down the very same path that the Hoover administration followed. They are using the same arguments and the same slogans, with the one exception you have not heard yet but you probably will hear it soon, that "prosperity is just around the corner." It is time the slogan writers get busy.

To my mind we ought to be practical. We ought to approach the present crisis in its true light. It is all right to say we are going through a readjustment of the economy. So far the administration has gone reluctantly to using the word "recession"; but I say to you ladies and gentlemen that the unemployed of this country, the man who is attempting to support a family and has no income at the present moment, to him it is not a readjustment. It is not a recession. It is depression. It has gotten so bad that I have received reports from various parts of this country where men are holding up grocery stores to get food for their families instead of getting cash. Whether you want to call this bill a dole or a relief bill, or what have you, I say to you it is in the interest of America, the average working man and woman, that we see to it that money is put into circulation and that money is made available to feed these hungry children.

This bill is not the result of hasty action, as one speaker has told this House. This bill was given very, very serious consideration in the Ways and Means Committee. Hearings that were held on the several bills, and on the several ideas, will reveal that even the question of taking care of the unemployed who were not covered by unemployment insurance was discussed and was covered in the hearings. I invite your attention to that portion of the hearings where I brought up the question when Secretary Mitchell was before us. I invite you to look at the hearings about half way down page 16, where I repeated the question in 5 or 6 different ways. I asked Mr. Mitchell what, if any, consideration had been given by the administration to the plight of those people who were unemployed but who happened to be in noncovered employment. He beat around the bush, and I never was able to get a final definite answer from him. I threw up my hands, and the hearings will prove my point.

To me, whether a man is fortunate enough to be employed where he was eligible for unemployment compensation, or whether he happened to be working for a little businessman who did not employ enough people to come within the coverage, makes no difference. He was one in the working force. He was supporting his family. He is out of work. He needs a job. The Federal Government says we have got to put money into circulation. We have got to buy. Those people do not have the money to buy with. Here is one way to do 2 jobs at 1 time, put money into circulation and relieve human suffering.

Under the bill before you the particular benefits would be paid to those people in all States where an agreement was made with the Secretary of Labor. If a States does not want to take the benefits of title II, that is their responsibility. We are at least trying to get the money to those people. If they want the benefits of title I, they can have it. If they want the benefits of title II, they can have it. If they want the benefits of either one, they can take it.

Something has been said about any difficulty of the legislatures being called together. I invite your attention to page 154 of the hearings, when Governor Williams was testifying. I am going to read a part of his testimony. He said:

> My statement is based on the fact that we have an overwhelming need. This need is particularly because the States in the past have not lived up to their responsibility, but the problem today is one which cannot be met very readily by the States, most of whose legislatures are not in session, and could only with difficulty get back in session, and if they did, they probably would not have the funds with which to act.
>
> It is true that many of them have not responded properly and I think one thing you will find, unfortunately, among the State legislatures which is not true in the Congress is that there has not been any adequate redistricting in many years and as a consequence most of the legislatures do not have proper representation of those communities where the unemployment occurs.

He goes on further here to say:

> Our States have refused in many instances to respond to the very apparent needs of our people and I do think it is a very severe indictment; I think that in part is true because of maldistribution.

There are several States that cannot hastily take action; there are some that will not take action even if they have the opportunity. But that is not our responsibility; our responsibility is to take care of the needs that are not being taken care of.

Someone has said that anybody can walk in and just simply say, "I want a check," and is going to get it. But as our chairman explained during his remarks, under title II of this bill, in order for one to be eligible for benefits he must have been in the labor market, he must have a labor record; in addition to that, he must also be registered for employment and be available for employment, and if he refuses suitable employment he does not get any benefits.

Mr. Chairman, it seems as though someone has misconstrued, or misunderstood my statement that appears on page 29 of the committee report. They tried to interpret that, as well as the supplemental view of some 5 members of our committee, to mean that we were not in favor of the bill and, therefore, the bill was reported favorably by only 10 members of the committee. I can assure you that the vote was 16 to 9 in our committee, and that 3 Republicans refused to sign the Republican minority views in this report.

As to my supplemental views, I was seeking to make clear the fact that while I do not believe that this bill should contain anything with reference to Federal standards because I feared this would prevent its passage, still I am a firm believer in Federal standards.

The best proof of that is that since 1946 I have offered bills in this House for the very purpose of providing standards, increasing the benefits, and increasing the duration of the benefits, and I shall continue to do so when I think the appropriate time comes for the consideration of such legislation. It is my hope that sometime during the next month when our committee is scheduled to begin hearings on the Social Security Act that additional unemployment benefits will be voted out.

Mr. Chairman, the chairman of our Committee on Ways and Means has ably presented the data on the nationwide unemployment situation. I would call attention to these statistics and say that they are not the result of a bad situation in only 1 or 2 States, but that the situation is nationwide. The Department of Labor in classifying local unemployment situations generally describes as a substantial labor-surplus area any area that has 6 percent unemployment. In early April of this year 35 States would have met this criterion of being substantial labor-surplus areas; in other words, there were shortage areas in 26 States with the unemployment percentage up over 7 percent. To cite only a few of the critical State situations I would call your attention to the fact that during the week of April 12, 13 percent of the workers in West Virginia covered by unemployment insurance were receiving unemployment compensation benefits. This figure was 14.8 percent for Maine, 14.6 for Michigan, 11.5 for Montana, and as of yesterday 14 percent for my own State of Rhode Island. I tell you, Mr. Chairman, 50,000 Rhode Islanders today are without jobs.

Some of the previous speakers who are opposing this bill seem to forget that in Virginia the number of insured unemployed for the week of April 12, 1957, was 12,000, but on April 12, 1958, it was 32,000. That, if I figure correctly, is an increase of nearly 200 percent. The number of exhaustees between January and March 1958, in Virginia, was 10,017. Let us go to Illinois. The number of insured unemployed in Illinois during the week of April 12, 1957, was 68,000. On April 12 of this year it was not 68,000, it was 172,000, and the number of exhaustees in the State of Illinois from January to March 1958 was 23,966. To my mind these figures emphasize the fact that throughout the country the job-market situations are such that the unemployed workers are encountering far greater than normal difficulty in finding jobs. It is grossly unfair to describe a long-continued period of unemployment as deliberate loafing, as has been done by some opponents of the Ways and Means bill.

It is clear, I think, that strong measures have to be taken. I believe that in a fundamental sense the difficulty lies with the fact that the absence of Federal standards for State unemployment-compensation programs is largely responsible for the inadequacies of these programs, as presently constituted, to deal with this level of unemployment. I do not see, however, that we can honestly deal with the present emergency situation through the route of now imposing Federal standards that should have been imposed years ago. A Federal standards bill possibly would require extended analysis and debate in the Congress, and it would involve, undoubtedly, conforming action at the level of State legislatures. The present situation does not admit of delays of this sort.

Another possibility for action was the bill presented by the administration which would have provided a temporary extension of benefits for persons who had exhausted their unemployment compensation, but which would have been financed ultimately by the States themselves. As was pointed out by the chairman, we know that in 1963 when these loans, so-called, would have to be repaid, instead of being repaid they would have been forgiven, with the result those States who are now able to take advantage of a loan from the Federal Government would benefit, but those States like mine that cannot do so would be the double loser. In my State the constitution prevents the borrowing of more than $50,000 without a referendum. I was talking with the Governor this morning, and he informed me that it would be necessary to have the legislature authorize a referendum and a referendum had to be held before any loan could be accepted.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. Would that prevent your State from borrowing from the Reed fund?

Mr. FORAND. Definitely.

Mr. CURTIS of Missouri. Yet the Reed fund was set up to meet Rhode Island's situation?

Mr. FORAND. No; not just Rhode Island.

Mr. CURTIS of Missouri. I mean, that was the situation before.

Mr. FORAND. I argued at that time against it and the record will prove I did. I pointed out then, as I am pointing out now, that under our constitution we could not take advantage of those funds because if we were to borrow from that fund we would of necessity have to get more than $50,000 and the constitution says we cannot do it.

Mr. CURTIS of Missouri. I appreciate the gentleman's clarification.

Mr. FORAND. Now, in the first place the unemployment insurance programs of the States have not geared themselves to finance an additional benefit of this sort. In many States the reserve position of the unemployment fund is critical—we have heard a lot about that today—while we are still at the beginning of what may prove to be a protracted unemployment situation. A good test of the condition of a State fund is the ratio of the reserves to the highest annual cost rate since 1948. In my own State of Rhode Island, reserves have been reduced to 0.7 of this highest recent cost; in Pennsylvania this ratio is only 1.2; in West Virginia, 1.7; in New Hampshire 1.6, and in Michigan 1.8. It is clear that many of the States most critically affected with unemployment are not now in a position to finance the cost of extended benefits.

The administration plan does, in fact, imply for the States that sometime in the future, presumably 1963, they will have to raise the States' tax on employers in order to repay the Federal loan that financed benefits in 1958. This is not insurance financing at all. What kind of life insurance company would raise benefits for policyholders in 1958, to be financed by higher premiums on policyholders in 1963? In other words, we would be placing a tax on employers in 1963 who perhaps are not even employers today.

The fact is that if we are to take action to improve unemployment compensation payments in a period of high unemployment, there is no possible way to finance this program by taxes on the current beneficiaries. The period in which taxes were paid with respect to these employees which established their insurance claims is now long past. New benefits to this group would have to be financed in a way different from the normal insurance financing of this unemployment program.

The situation for workers not covered by unemployment compensation is equally grave. The general shortage of jobs makes it increasingly difficult for this group to find new work before their savings are exhausted. In fact, it was repeatedly pointed out to us in the hearings of the Committee on Ways and Means by various chambers of commerce that the position of noncovered, unemployed workers was more serious than that of the unemployed worker who was already entitled to State benefits. Several of the chamber of commerce groups suggested that the situation called for a program of relief payments based upon need that would be available to both covered and noncovered workers. The Committee on Ways and Means properly regarded this possibility as totally unrealistic. In the first place the establishment of a relief program of this type would certainly require implementing legislation in the various State legislatures and this would entail serious delays in dealing with the immediate problem. A more serious difficulty is the relief payment needs-test approach, in that the needs tests presently applied under the various State relief programs are designed for a situation completely different from temporary unemployment. These needs tests have been applied for programs of benefit to the aged and the permanently and totally disabled. They require that the beneficiary must have disposed of substantially all of his property as well as being without other sources of income. This is essentially a test to be applied to a person in the last extremity of need with no future income prospects. It is a completely unrealistic test for a person facing a period of temporary unemployment, even if that unemployment should last as long as a year. I am sure that every Member of this House is familiar with locations in

his own District where it would be impossible for a worker to get a job if he did not have a car to provide transportation to work. What kind of sense would it make to suggest that this unemployed worker be required to dispose of his car in order to establish the need for unemployment benefits?

The decision of the Committee on Ways and Means to take the approach of this bill to our unemployment problem was the result of a careful examination of alternative possibilities. This examination made it clear that in the present situation additional unemployment benefits were required. These could not realistically be financed by the States. The benefits would have to be made available to both covered and noncovered workers, and these benefits could not be conditioned upon a needs test. These four conclusions make it clear that the committee bill is the only sound approach to the problem.

I sincerely hope that the Members of this House in their wisdom will realize this and vote for the bill on final passage.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, first I would like to get the record straightened out in the light of the remarks that the gentleman from Rhode Island [Mr. FORAND] just made about Secretary Mitchell not having an answer to the question of what he would do about the people who are not taken care of under the administrations' proposal. If the gentleman will refer to page 18 of the hearings he will see the Secretary's answer which is as follows:

> If the Congress were to act quickly on this bill, as I hope they will, it will take care of the major part of the problem and perhaps enable the States, being relieved of any public assistance in this field of people who have exhausted their benefits, to help the others.

I might suggest that is exactly the problem in certain areas in Michigan where the county welfare rolls are being loaded now. His answer, in other words, was that if we take care of this larger segment then the present welfare program in the States will be able to handle the balance adequately.

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

Mr. CURTIS of Missouri. I yield.

Mr. FORAND. That is still not an answer to my question. My question was, Has the administration or has the gentleman given any thought to some legislation to take care of the unemployed who are in noncovered employment?

Mr. CURTIS of Missouri. The answer is this. It is felt that this legislation, in that fashion, would take care of it. I know the gentleman is not satisfied with the answer, but the point is that it is an answer and it satisfies many people.

Mr. FORAND. It did not satisfy the person who asked the question. Finally, Mr. Mitchell said, as shown in the hearings at the top of page 19:

> I am telling you, sir, that I have no recommendations at the moment.

Mr. CURTIS of Missouri. Other than what he had previously stated, that is right. But the point is that he did have some basic recommendations and I think any analysis of the program would indicate that these people would be taken care of.

Mr. Chairman, secondly, inasmuch as the gentleman from Rhode Island referred to Governor Williams' testimony, I think it is very important to realize that Governor Williams in his testimony did not advocate this particular bill. I refer to the testimony on pages 162 and 163. He points out that he would favor a 50–50 matching basis between the State government and the Federal Government through the State welfare channels and apply the needs test, because he recognized this for what it really is, a welfare program, if we adopt the bill before us right now.

Mr. Chairman, I want to go back, if I may, to the statements made by the chairman of the committee, the gentleman from Arkansas [Mr. MILLS] when he was making his original presentation. There seemed to be some dispute between his statement and that made by the gentleman from Virginia, Judge SMITH, when he was speaking on the rule. Judge SMITH said that these hearings did not cover the substance of the bill before us. The gentleman from Arkansas [Mr. MILLS] made the point that on the basis of the notice for the hearings, that they did cover it. Well, it so happens I think both gentlemen are correct. The notice for the hearings certainly would have been broad enough to have included the legislation that is before us. However, the testimony was really confined to the administration bill and the bill that the gentleman from Arkansas [Mr. MILLS] himself had introduced which had nothing to do with section 2. There were no hearings at all held on the subject matter of section 2. As I go along in my remarks, I am going to point out the significance of the fact that there was no testimony on section 2 nor did we call before us in executive session of the Committee on Ways and Means people who could have given us the vital and necessary information if we really wanted to carefully consider the adoption of section 2.

I am going to pick up as I go along the various points that have been made in this debate. The gentleman from Arkansas [Mr. MILLS] raised the question that there was no difference so far as he could see once you had a grant program between employees of an employer with 4 or less employees and employees of an employer who employed more than 4. In other words, he queried, how could you possibly distinguish between individuals, Mr. Smith and Mr. Jones, which were his examples, how could you distinguish between them and grant aid to one and not grant aid to the other. The fact of the matter is there has been a distinction made between them for some time and it is not based upon fiction but it is based upon facts. One of the facts of the matter is that when an employer employs four or less employees, a personal relationship exists between that employer and his employees. Just as a matter of course when you have this established relationship between individuals, there is a great deal of what we would call fringe benefits and other considerations that constantly pass between the employer and the employee when you are able to maintain that personal relationship. That is a very basic distinction. There are many other basic distinctions between people who are not in covered employment and those who are in covered employment that allow for different treatment. Let me illustrate one of them. It is an administrative problem and it is a very difficult one and indicates the real difference. We have in our labor force a great many people who could be called itinerant workers, and I do not mean by that hoboes, but I mean people who have working habits so that they are constantly moving from job to job and doing different types of work. That is particularly true of certain farm labor where these people every year will follow a harvest and actually will follow the harvest season even going from one State to another State. It has been a very difficult thing from a practical administrative standpoint to include these people under covered employment. Incidentally, I might say, many of these people can be under covered employment for part of the time of the year because their working habits have them working in the cities during the winter and during the off-harvest season and then by their working habits, out of choice because that is what they prefer to do, they will leave their employment in the city and go out in the rural areas. Under this legislation you have a situation where those people could be fully covered under this program that has been presented here. There would be no way of checking on them to find out whether they had actually gone out to get employment which is of a different kind. Actually, you would be paying them to remain idle and it is questionable whether under those circumstances they would follow their normal pursuit of going into other areas of employment. The reason for this is clear. Because under our State unemployment insurance programs, it is not sufficient just to find a job for a person. It has to be a suitable job and it has to be a job that is in line with his line of work, and if it is not a job of that sort the person can refuse to take it and still collect unemployment insurance.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. BYRNES of Wisconsin. While the gentleman is talking about agricultural workers and itinerant workers, the gentleman should include domestic workers. The reason they are exempt under the law today is because of the administrative problems and the impracticability of covering them under the unemployment compensation system. If that is true, how can you administratively take care of them under this particular bill?

Mr. CURTIS of Missouri. Of course the answer is, I do not believe you can. It is not the wish not to do it. The desire would be there. It is the admin-

istrative difficulties that we have experienced in this program in this area, and that alone. That has prevented us from actually making a permanent program in such fashion that they would be covered.

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

Mr. CURTIS of Missouri. I yield.

Mr. KARSTEN. It is true there will be great administrative difficulties, but is it not a fact that the majority of those people in uncovered employment are covered under social security, and the administrative problems exist there also?

Mr. CURTIS of Missouri. No. The administrative problems are of a different nature.

Mr. KARSTEN. But nevertheless they are brought in under social security. You will find the selfsame administrative difficulties. We have solved them there and I believe we can do so here.

Mr. CURTIS of Missouri. It is not a question whether we have solved them, but I think the gentleman is right in saying that the reason we are so long in covering the agricultural workers under social security was because of the administrative problems. We have gone a long way to meet them. I do suggest that there are added problems under the unemployment insurance that do not exist when they are covered under social security. Mind you, we are talking about emergency legislation, and that is one of the points I raised in executive session. With all the difficult problems we had in social security in trying to cover those people, how could we possibly expect to do an even bigger job, possibly an insurmountable job, in this area? But even beyond that, it is a dangerous thing to present to the House something that remains unstudied. The gentleman from Arkansas [Mr. MILLS] made the remark that we should not fail to include these people because we have certain administrative difficulties, but I want to say to the gentleman we did not even call the people before us, who would be confronted with the administrative difficulties, to ask them how great and of what nature these difficulties would be or whether they would be insurmountable, whether they could handle them or whether we could do something that would meet the problems that would be presented to them.

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

Mr. CURTIS of Missouri. I yield.

Mr. MILLS. It is true we did not call anybody from the State offices who will have the actual responsibility, but the gentleman will be interested in knowing that during the Easter recess I took occasion to talk to the people in the field who operate these unemployment offices in the field. They told me that they could handle these administrative problems that arise; but they told me also, and Mr. BYRNES of Wisconsin, when we were going out that there would be some people who were not under the State programs that still would not be under this, because they did not prove to the satisfaction of the State office that they had been engaged in working.

Mr. CURTIS of Missouri. If that is true, I would have thought the gentleman would have introduced a bill immediately after the Easter recess, which would have included title II, so we could have had testimony on it; and, furthermore, brought those people from Arkansas and brought in the other State officers before the committee to testify because many have said this is unworkable—title II. After this legislation was passed out of the Ways and Means Committee, I know the administrator of the State of Florida publicly stated it would be impossible to administer title II.

Mr. MILLS. What would the gentleman suggest we do to the people who are unemployed and not covered by any State programs?

Mr. CURTIS of Missouri. I think the suggestion made by Secretary Mitchell is very good. In other words, if we relieve the State welfare rolls of the bulk of these exhaustees, which we would be doing under title I, or, rather, the President's proposal, then the others could be handled adequately and would be handled on the basis that we want to have a showing of need as far as their particular problem is concerned.

Mr. MILLS. Could the gentleman's State of Missouri take care of these people on a needs basis without any Federal funds?

Mr. CURTIS of Missouri. Yes; I am satisfied the State of Missouri could.

Mr. MILLS. How much would you pay in the State of Missouri? In Arkansas—I am merely inquiring, because in Arkansas I think we would pay about $12 a month, maybe $15.

Mr. CURTIS of Missouri. I would say to the gentleman, then, that if Arkansas is one of the States that is in this unemployment picture, and you have a lot of exhaustees, then I think the State legislature should go ahead and do something about it.

Mr. MILLS. I am not talking about the exhaustees, I am talking about people who have never come under this program.

Mr. CURTIS of Missouri. That is what I am talking about, too.

Mr. MILLS. That is not under title I.

Mr. CURTIS of Missouri. But we are also talking about their meeting a needs test. I think we are both talking about the same group.

Mr. MILLS. The gentleman would leave them to the States or a needs basis?

Mr. CURTIS of Missouri. Yes; because they would then be confined to a sufficiently small number that I think it could be handled. Michigan is one place that is most keenly hit.

Mr. MILLS. That is with respect to where relief is needed.

Mr. CURTIS of Missouri. I think Michigan would probably find that title I, or the President's bill, if it were enacted, would take care of the situation.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. BYRNES of Wisconsin. In other words, we would do what we never before attempted, provide unemployment income to the uncovered groups. We have a peculiar problem here with respect to them. May I suggest to the gentleman the fact that when this program was instituted from the Federal standpoint in 1936 we discriminated at that time and said certain people were not included. That being so why are we doing such great violence today if we simply continue the program that has been in existence all the time and has had these differentials over the last 20 years?

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

Mr. CURTIS of Missouri. I yield.

Mr. MILLS. The gentleman has raised the point that he raised in his earlier statement on the floor, that since we started off on a discriminatory basis let us continue to discriminate.

The problem before us today is to try to give purchasing power to people who have lost purchasing power because they are unemployed. If that is our purpose, can we continue to discriminate between people merely on the basis of the job they have?

Mr. CURTIS of Missouri. Again, my answer is that the principal discrimination applies to something else. What has happened is that one group is taken care of under the unemployment-insurance program; the other group is taken care of under the welfare program, so both groups are taken care of. There would be discrimination, I suggest, only if there were a group that was not being taken care of in any fashion at all. This is not the case.

Now, I want to go on regarding the question of possible abuse, and I am very much disturbed about this. The gentleman from Arkansas [Mr. MILLS] has made the point that we have penalties in the bill. The fact is that we have learned over a period of many years that a penalty is the last resort and that the real way to enforce a program, the better way, is the incentive basis; so in all of our Federal-State welfare programs we have set up a matching-fund basis so that the States who administer the program have some sort of financial stake in the program. Then they have an incentive, and that is not to impugn the motives of the people, but it is only natural that when there is an incentive they will do more to see that the enforcement is carried out.

I know the gentleman from Arkansas is in favor of that incentive principle in other aspects of social security and supports this principle.

The second thing about welfare programs, and a very important thing that has already been pointed out, is the needs test.

I would like to call special attention to a direct experience we all can remember where we had a situation of unemployment insurance in which there was actually a hundred percent Federal fund administered by the States.

What happened? It was after World War II when we told the veterans we were going to give them, in effect, a certain number of weeks to find jobs and

we would pay them unemployment insurance for a certain period of time. Everyone in this room and throughout the country remembers what became the 52–20 Club, because the program became, I hate to say, in a lot of ways a racket. These boys, instead of looking for jobs, just waited until their unemployment insurance expired, because there was not the incentive to enforce it and, at best, it was a very difficult program to enforce. So we have here a very difficult thing to enforce administratively. People who are experienced in this field tell us it is impossible to enforce, and then, on top of that, we have withdrawn the incentive to administer it very carefully, by removing the matching-fund principle and the needs test.

I want to come now to an area which I think really is the crux of the argument that the gentleman from Arkansas [Mr. MILLS] used in support of this particular program in contrast with the administration's.

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

Mr. REED. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CURTIS of Missouri. Mr. Chairman, the gentleman has said that either program, whether it is the pending bill or the administration's bill, amounts to a grant. He has pointed out that, if this thing is paid for through taxes in 1963 or thereabouts, in effect we are fooling the people because that probably would never come about. He pointed out some practical reasons as to why it might not. The gentleman, however, in his syllogism has skipped the very basic proposition that this will be paid for by the States immediately, and can be, because they are not levying—and the gentleman from Wisconsin put the figures in the RECORD—a tax of 2.7 percent, which they could do. I think only 5 States are between 2 percent and 2.7 percent. The rest of them are below that. Furthermore, I may say, as the gentleman well knows, the three-tenths of 1 percent that the Federal Government gets after we have built up the Reed fund of $200 million will go back to the States for whatever purpose they want to use it. We are accumulating more money than we can possibly put in the Reed fund. It is overflowing. So there is another source of repayment. The point is, the payment will come under the same formula of tax on employers where their experience record plays into this thing; so we do not destroy our basic unemployment-insurance program as I am quite fearful the gentleman's program might do.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. BYRNES of Wisconsin. It occurs to me the gentleman might like to add the figure for fiscal year 1957 of the amount of excess that was credited to the States from the three-tenths of 1 percent. That was $77,195,220 for fiscal year 1957 that went to the credit of the States that can also be used to pay this unemployment insurance.

Mr. CURTIS of Missouri. The tax provided in the administration's bill is only sort of a stopgap. We would never have to resort to it because the funds would be paid out of the employers' taxes.

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

Mr. CURTIS of Missouri. I yield to the gentleman from Arkansas.

Mr. MILLS. Does the gentleman agree that the Federal Government should create a situation wherein States are required to dip into their funds to pay the Federal Government or else the taxes will be increased upon the people of the State?

Mr. CURTIS of Missouri. No.

Mr. MILLS. Is that in keeping with the gentleman's concept of States rights?

Mr. CURTIS of Missouri. No. That is exactly why I did not introduce the Reed bill. I introduced the President's bill, the Reed bill with one modification which provided that any State could veto this if it did not want the program.

Mr. MILLS. That is the biggest objection in the gentleman's mind to the proposal?

Mr. CURTIS of Missouri. Yes, very much so; and I think there would be considerable improvement to the President's bill if the Harrison amendment or any other amendment were adopted which would make the program voluntary. And, I would go so far as to say frankly I would like to see this compromise worked out. I would prefer to have the States take affirmative action before they adopt it; but, because some people argued that certain States might not be able to assume the responsibility, I put the voluntary provision in the negative fashion: unless the State vetoes it.

I want to make a final point. I think it is important to realize that there are five, I believe it is, groups of people that are not included in the bill before us. Of course, they are not included in the administration substitute. But, it is important to realize that there are these groups. One is the railroad employees, and there are others. Therefore, it does not do the complete justice that is claimed for it.

But, essentially I think I will conclude my remarks by saying that the President's proposal will take care of both groups. The first group will be taken care of by not doing damage to the unemployment insurance program, but by continuing it and strengthening it. By taking the exhaustees off of the relief rolls the States will be enabled to adequately handle this second group through the regular relief programs that have been set up.

Mr. MILLS. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON of Virginia. Mr. Chairman, I oppose this measure in its present form. Title I of this bill provides for payment out of the Federal Treasury of an estimated $950 million for 16 weeks extension of unemployment compensation to those now in covered employments.

Title II of this bill provides for the expenditure of an estimated $625 million for payments out of the Federal Treasury to those unemployed who have not been earning their living in employments now covered by unemployment insurance.

It is claimed that it is necessary to spend this estimated total of $1,575,000,000 to relieve the distress of those now unemployed. I have introduced two bills that would give relief at the State level, through existing programs established under State laws, to those actually in want as a result of current high unemployment in some areas, but this bill will do no such thing.

In the first place, the present language of this bill lays it wide open to wholesale fraud, abuse and extravagance. There is no language in this bill to protect the Government of the United States against fraud in the distribution of this money. There is no protection against abuse, extravagance, and duplication. The States distributing this money under title II will have no incentive whatsoever to protect the fund from dishonesty or from fraud or duplication. The Federal Government, which will advance the money, will have no machinery and no rights whereby to protect this money, distributed through State agencies.

There is no proof of need required by any applicant under title II. He goes into the State office of any State in which he may happen to be—Michigan, New York, or any other State—and he says, "I want the money." And, unless the State chooses to put some requirement on him as to proof that he is out of work or that he is not drawing some money elsewhere, there is nothing the Federal Government can do to protect itself from having that money paid out willy-nilly to anybody who comes or goes, with no wage record requirement under which an individual payment may be justified.

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

Mr. HARRISON of Virginia. I yield to my chairman, the gentleman from Arkansas.

Mr. MILLS. I hesitate to impose on the gentleman, but the gentleman overlooks the fact, I fear, that under the existing machinery the Department of Labor exercises supervision over the administration of this program, anyway, and that the States must conduct the program in a way that is in accord with the regulations of the Department of Labor, or they are out of compliance. The gentleman knows that about existing programs.

Mr. HARRISON of Virginia. That has reference to covered employment. I ask the gentleman to tell me what is in this bill that would enable the Federal Government to protect itself from having one man being paid 4 or 5 times in 4 or 5 different States?

Mr. MILLS. Just as much as there is in the internal revenue law. The Government is protected against a fraudulent taxpayer. The entire system is predicated on the voluntary assessment of a tax, and that system has worked. I cannot go along with the gentleman's conclusion.

Mr. HARRISON of Virginia. Under the internal revenue law you say that we

accept the taxpayer's statement when he makes his return and that we do the same thing under this program?

Mr. MILLS. No; I did not say that.

Mr. HARRISON of Virginia. Well, I am trying to get what the gentleman did say. In connection with tax returns, tax payments are made to the Federal Government under the internal revenue laws. We have the Internal Revenue Service. We police those returns. We have a Department that can go out and investigate them and audit them. Under this bill there is nothing like that.

Mr. MILLS. Only about 3 percent in any 1 year are ever audited or checked.

Mr. HARRISON of Virginia. There is no limitation on the Federal Government as to which 3 percent it will take. It can and does exercise police supervision and has a police force. But under this bill there is nothing like that.

Mr. MILLS. The gentleman must be proceeding on the basis that with respect to title II we are just dealing with a bunch of crooks who are going to cheat the Government. I do not proceed on that basis.

Mr. HARRISON of Virginia. I do not proceed on any such basis, but I think we would do just as well if we just put the money in a barrel in front of the county courthouse and said, "Put your hands in and we leave it to you to take out no more than you are entitled to." You have no more protection than that.

Mr. MILLS. Would the gentleman support such a proposition?

Mr. HARRISON of Virginia. No, sir; and that is the reason I am not for this proposal. There are no wage records provided; no proof is required that the man is out of a job, or that he cannot get a job, or that he needs a job, or that he wants a job. That being the case, I move into the next proposition and that is that the estimate of cost for this bill is fantastic. There was an estimate of $1½ billion which was based on two assumptions. The first, that unemployment will not increase; and, second, that State administrations, with an unlimited pile of Federal money at their disposal in an election year, are going to see to it that no one gets any more than he is entitled to. There may be some State administrations we might rely on to do that. I think some references were made to the Commonwealth of Virginia which were erroneous. For the gentleman's information there are not 10,000 individuals whose benefits are exhausted in Virginia at this time, but 4,582. Unemployment in Virginia is considerably less than the national average.

I think we can rely on some States, but where an election is pretty hot and there is money coming in from Uncle Sam unsupervised, rolling in as the election gets warm, the temptation not to investigate too carefully could be considerable.

The question comes again as to the need for general application of this legislation. The Secretary of Labor, in addressing the CIO convention, said:

> Because our heavy manufacturing itself is concentrated geographically we find that certain places such as steel, automobile machinery and aircraft centers have borne the brunt of the business downturn while others have been affected hardly at all.

Although that may be true, we are opening up the Federal Treasury to any State government that wants to come in and raid it to its heart's content. We are covering employments in this field where there is no unemployment. It was admitted, as I understood a few moments ago, that in the case of domestic workers there is no shortage. The farm labor situation was covered here.

With respect to my chairman's statement about the notice given of these hearings, I would like to point out that there is nothing in the notice that even squinted at the idea that farm labor would be brought in under the measure. Therefore, the farmers throughout the country for whom so many people are expressing so much concern at this moment are subjected to payments under this bill without having been given any notice that a bill might be reported that would cover them, or any opportunity to be heard, through their organizations, with respect to it.

Another objection to this bill is that it relieves the States of any incentive to do anything for themselves for their own unemployed. With reference to the title I program, there is available to the States in their reserve funds some $8 billion. Under this bill, although they have the money to their credit, they are relieved of doing anything toward using it in the solution of their current problems. Title II extends to the States large lump sums for distribution among uncovered workers with no need to match, and no requirement or opportunity to police.

Mr. Chairman, I just want to ask one question. There has been a great deal said here today about what the President said and what this other Republican said and what these prominent businessmen have said. I would like to point out that the members of the Democratic Party in this Congress a year ago were very much concerned about, and were bringing to the attention of this country, the extravagance and the profligacy of this administration, which had promised economy. Under the President's budget, submitted to the Congress last year, this Congress reduced the recommended appropriations by something over $5 billion. Had those economies been carried out by the Executive, the economy of the Nation would be in a great deal better condition. I think what we should do on both sides of the aisle is to give some thought to what we are doing by this extravagant type of legislation to the economy of this country. The Government of the United States is spending $10 billion a year more than in any year under the administration of President Truman, even during time of war. The threatened deficit for the next fiscal year may be larger than the entire spending under any year of the New Deal under President Roosevelt. The national debt has reached a high of $10 billion over anything that it has ever reached before. The only question is how much are we going to raise it the next time and when we are going to raise it. The value of the dollar and the purchasing power of the dollar has decreased in the past 10 years by some 20 percent, and in the past year something over 3½ percent. Each month brings a new alltime high in the cost of living for the American people. I ask this question: What duty do we have to the millions of Americans who bought the bonds of this Government only to see them—month by month and year by year—depreciate in value because of the lack of confidence in the American dollar which is brought about by the extravagance here in this Hall and in the Government generally? What responsibility do we have to the millions of American citizens whose savings are in bank deposits and who day by day and month by month and year by year—see their savings stolen as a result of the inflation and as a result of the extravagance here in Washington? What responsibility do we have to the millions of Americans whose savings are in life-insurance policies and who look forward to having those policies providing for their families, only to see those savings dissipated as confidence in the American dollar goes down? What responsibility do we have to the wage earners, the men and women who buy bread, but who see in the course of 10 years the cost of food rise 16 percent, the cost of transportation rise 38 percent, the cost of medical care rise 41 percent, and the cost of housing rise 25 percent? Have we not any responsibility to so manage the affairs of this Government and to control the extravagance of those who sit here and legislate, to protect our fellow citizens from inflation and loss of their savings that come about through extravagant legislation and wasteful expenditure of their money such as is provided in this bill?

The CHAIRMAN. The time of the gentleman from Virginia [Mr. HARRISON] has expired.

Mr. MILLS. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. Chairman, I wish to express my support of this legislation. I compliment the committee on the very able work it has performed in bringing the legislation to the floor.

Mr. Chairman, in West Virginia, as elsewhere over the country, coal production is down, business activity has been slowed considerably, industry production is down, business failures are shooting upward, and unemployment continues to grow. Railroad workers, steel workers, coal miners, and other workers are being laid off increasingly.

Many West Virginia communities are stagnating economically today because of the twin evils of unemployment and exhausted unemployment insurance payments. This same situation exists in many areas throughout the United States. During the Easter recess, I conducted a survey in many areas of West Virginia in the process of which I talked with businessmen, professional men, and other individuals, both employed and unemployed. I found that small business has been seriously affected by unemployment and in many instances, unemployment compensation checks and social-security checks provide virtually

the only means of payment for commodities. Collections on accounts are down, and now that we are about to be faced with termination of unemployment compensation benefits on an increased scale, many grocery store owners and other small-business men are viewing the immediate future with considerable pessimism and alarm. Unemployed men and women all over West Virginia are likewise confronted with discouraging prospects not only because their unemployment benefits are rapidly being exhausted but also because their chances of becoming reemployed seem to be diminishing in view of the continuing decline being evidenced in the Nation's economy. Mines are continuing to close down, increasing numbers of railroad workers are being cut off, glass plants are cutting back on production, pottery plants are suffering increasingly, and small business is being pinched more and more.

I submit, therefore, Mr. Chairman, that these conditions graphically illustrate the need for extending the period for unemployment coverage if even a small measure of purchasing power is to be restored to the channels of trade and the jobless are to have at least a subsistence standard of living. I urge that the House act favorably and quickly upon the legislation before us. Its objectives are timely at this particular moment.

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

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

There was no objection.

Mr. SANTANGELO. Mr. Chairman, I rise in support of H. R. 12065. The Nation demands the enactment of this bill. Five million two hundred thousand people have lost their jobs. More than 500,000 persons have exhausted their unemployment insurance since the beginning of the year. More than 50,000 per week are exhausting their benefits. The Secretary of Labor testified that he estimates 2.3 million workers will exhaust their benefits in calendar year 1958. Under the present depressed economic conditions, we can safely assume that most of those who have exhausted their unemployment insurance have not succeeded in securing new jobs.

Unless we extend immediately the duration of unemployment insurance and extend coverage of unemployment benefits, as proposed in H. R. 12065, it will mean that hundreds of thousands of people throughout the Nation may face deprivation and want. Hundreds of thousands await our action. Upon the outcome of our deliberations will depend whether these hundreds of thousands of Americans can look forward to some meager subsistence for an additional 16 weeks or whether they and their families will be facing want or dependence upon charity. We must act now.

Our failure to act now will not only deprive those who have exhausted their unemployment insurance with a minimum of subsistence, but will also affect the total progress of our economy. We have read with shock about isolated cases of bread lines in American cities. Unless we provide the unemployed with some means of subsistence, such incidents may become widespread, and there is nothing more devastating to the morale of the country and to the state of confidence of the people than to see this reminder of the deep dark days of the great depression of the thirties.

We must not let this happen.

In the early days of this winter, when the seriousness of the present recession became evident many farsighted Democratic leaders here in Congress and outside started the clamor for action. The administration refused to heed these demands and termed those who showed concern for the needs of the people as prophets of gloom and doom. The President promised on February 12 of this year that action would be taken if the economic data for March did not show an upturn. March has come and gone and April is nearly gone and no upturn and no action.

We know now that the much hoped for spring upturn has not been realized. The gross national product for the first quarter of 1958 is estimated to have been $424 billion—annual rate. This figure is $16 billion below that of the third quarter of 1957, and $9 billion below that of the fourth quarter annual rate.

Industrial production in March stood at 128, a drop of 12 percent. This is a deeper drop than we have experienced in the earlier two recessions since World War II. Personal income has dropped at the average rate of almost a billion a year during the past 6 months.

I would go on to cite many more statistics. The evidence is conclusive that our economic downturn is still continuing and that mere wishing is not going to return us on the road to prosperity. Unemployment is rising despite the usual seasonal spring upturn. During the past month the total insured unemployment in the Nation has increased by another 500,000 and more than 3½ million people are now drawing unemployment insurance. Of the total unemployed 1,400,000 are not receiving any benefits whatever. This means that 1 out of every 12 insured persons is now drawing unemployment insurance.

But despite this grave recession the cost of living is continuing to rise. It was a great shock to me to read last week that the Department of Labor Consumers Price Index has risen by another eight-tenths of a point.

These dry statistics barely begin to suggest the story of suffering and misery. To me the unemployed are not mere numbers: to me they are neighbors and friends. As a Congressman from New York, I have the privilege of going home on weekends. I represent an area which consists merely of workers, laborers, and toilers. I interview from 50 to 100 people per week in my New York Congressional office. I have seen 59-year-old men without a job and no hope for work. Because they are physically able to work, and are not 65 years old, they are not eligible for social security. I have seen 25-year-old boys with rippling muscles and no place to expand them. I have seen dress operators with nimble fingers, but with no machines to work on. I have seen mothers with trailing children ask for menial jobs to bring in food and bread while their husbands are unemployed. I have seen men against whom deficiency judgments have been obtained because they lost their jobs and chattels. A look of fear is in the eyes of some of them. In others, a glassy stare. I am not so young that I do not remember the conditions in the 1930's. I have not seen such forlorn gazes since those depression years of 1930. I have watched over the last few months the rising fear of unemployment and want. We cannot let these people down today. We must act now.

Unemployment insurance was designed as a cushion to withstand recessions and to give the consumer some purchasing power in times of unemployment. It was intended as a generator so that the wheels of commerce would turn and so that the unemployed would continue to get some means of subsistence to support their families and themselves when they are laid off.

It was the Democratic Party which had the vision to provide for the victims of a recession—the unemployed—and to provide for a built-in stabilizer which would counteract the ravages of a recession. But the unfortunate tight-money and high-interest policies of the administration and its continued refusal to face the facts during these last few months has brought about a deeper recession than we have thus far experienced since the end of World War II. It is, therefore, the duty of Congress now to step in to try to reverse the trend.

We must first provide for those who have suffered most from unemployment. The unemployed cannot eat "chins-up" speeches. They cannot eat press releases. Their confidence will not be restored by chasing prosperity which once again lies around the corner. Their confidence will be restored if we give them action and not vetoes.

Action will be necessary to restore prosperity and to bolster our faltering economy which is now suffering from the follies of the economic policies of the administration.

Enactment of H. R. 12065 will provide an important foundation in the achievement of our aims. We do not want our fellow citizens to ask us, "Brother, can you spare a dime?" Let us give them food and quarters, not speeches and dimes.

Pass this bill.

Mr. DAWSON of Utah. Mr. Chairman, this is tragic legislation. Under the guise of granting assistance to our unemployed working people, this bill wipes out one of their most valuable rights—their contractual right to receive unemployment compensation during temporary periods when, through no fault of their own, they are out of work.

In its place is substituted what is essentially a dole. We are today asked to approve legislation that takes the taxes of our working people, many of them making just a marginal living, and redistribute it to people not working, regardless of whether they need the money or not. I challenge anyone sponsoring this legislation to contradict the statement that this legislation will make it

possible for a person with a million dollars in assets and an income of $100,000 per year to apply for and get weekly payments as a right from the Federal Treasury.

Never before in the history of this country has such a long stride toward out and out socialization been taken as we are asked to take today.

Let there be no mistake here. We who are opposing this bill are not doing so because we are not sympathetic with these unemployed in need. We are doing it because we are sympathetic to them. We do not think that the assets of our Government set aside to help those in need should be shared with others who do not need help. That is precisely what this bill does.

Mr. Chairman, what excuse is there for this legislation? Why are we setting up an entire new program to distribute Federal funds to the unemployed when we already have the program in operation through our State welfare commissions? My governor has assured me that any unemployed wage earner in Utah who is in need and not now eligible for unemployment compensation will be provided for and that the State has ample funds and machinery to do this for the foreseeable future.

Yet we are now asked to junk this program that has operated so nicely in the past. In its place we are asked to substitute a new program with the only basic difference being that under the new program, Federal funds can be paid out to individuals not working regardless of need. And in addition, this new program presents real administration difficulties. Even the proponents of this measure anticipate that this new program will cost $25 millions to administer. This means that it will cost 5.5 cents to distribute every dollar appropriated.

I said in the beginning that if this extension proposal becomes law it will mean an end of our unemployment insurance program as such. We cannot give free to everybody the same benefits our other workers and employers have earned and paid for without destroying the entire program.

I for one will do all I can to protect the rights of our working people to a benefit they have earned and paid for—unemployment insurance. For those who have not earned this right, I will also work—if they need help. But I cannot support legislation like this which grants them help whether they need it or not and by so doing kills a program that has meant so much to our working people.

Mr. MILLS. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD on this bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MILLS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 12065) to authorize temporary unemployment benefits for individuals who exhaust their benefit rights under existing unemployment compensation laws, and for individuals who were employed in noncovered employment, directed him to report it had come to no resolution thereon.

HON. THOMAS J. O'BRIEN

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for 1 minutes and to revise and extend my remarks.

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

There was no objection.

Mr. YATES. Mr. Speaker, I take this time in order to pay tribute to the able dean of our Illinois delegation. Today Congressman TOM O'BRIEN, of Illinois, is 80 years old. Today marks the anniversary of a political career which began 52 years ago—a career which has been written as a lustrous record across the pages of the history of his city, his country, his State, and his Nation.

Certainly there is no person more beloved in this House, nor is there one who carries a greater respect among his colleagues. Certainly there is not one who is more effective.

Today with the wisdom of mature experience, with the courage and wit of his heritage, with the zeal which still lingers after decades of intense activity, he is the embodiment of the truth of Rabbi Ben Ezra's declaration in the poem by Robert Browning when he said, "advanced years can be a burden or a blessing." In the case of TOM O'BRIEN he carries his maturity with dignity, with pride, with effectiveness in the high service of his fellow man.

I wish him continued health so that he may carry on the great work he has performed for so many years.

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

Mr. YATES. I yield.

Mr. McCORMACK. Mr. Speaker, TOM O'BRIEN is one of the most beloved Members of the Congress. I entertain for him not only a strong feeling of friendship but a deep feeling of respect. When you think of TOM O'BRIEN you always think of Mrs. O'Brien. They are a wonderful couple. Mrs. O'Brien has been his guide and inspiration throughout the years.

I am very glad to join with my friend from Illinois and the other friends of TOM O'BRIEN in congratulating him on his birthday anniversary. I hope God will bless TOM and Mrs. O'Brien for countless years to come.

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

Mr. YATES. I yield to the gentleman from Arkansas.

Mr. MILLS. I desire to associate myself with the remarks complimenting my distinguished friend from Illinois, Mr. O'BRIEN, on his 80th birthday, and also to join with the majority leader in paying tribute to the other half of this wonderful team, Mrs. O'Brien. There is no more valuable member of the Committee on Ways and Means, and certainly there is no more influential or effective Member of the House of Representatives than our distinguished friend from Illinois.

Mr. YATES. I thank the gentleman.

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

Mr. YATES. I yield.

Mr. KEOGH. Mr. Speaker, it affords me great pleasure to join in the many fine tributes which are being paid today to our distinguished and beloved colleague, Representative THOMAS J. O'BRIEN of Illinois, on the occasion of his 80th birthday.

It was my privilege to serve with TOM O'BRIEN in the 75th Congress prior to his election as sheriff of Cook County, and I was delighted when the forces of fate brought him back to rejoin us in the 78th Congress. I have been honored to serve with my good friend on the Committee on Ways and Means and have valued most highly his wise counsel and friendship. The people of Illinois, whom he has served so well, may be proud of the diligent and constructive manner in which he has discharged his duties. TOM O'BRIEN has won the respect and high regard of every Member of this House irrespective of party affiliation, and it is fitting that we should join in expressing our esteem and affection for him on this happy occasion. My hope is that we will have the benefit of his sound judgment and keen mind for many more years to come and that all the good things of life will continue to be his and Mrs. O'Brien's.

Mr. YATES. I thank the gentleman.

Mr. BYRNE of Illinois. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. BYRNE of Illinois. I, too, would like to be associated with the remarks of my good friend from Illinois.

I knew TOM O'BRIEN when I was a boy back in the old days at Paw Paw Lake; and I knew another fine Democratic leader, Pat Nash, who, I believe, originally sponsored my colleague TOM O'BRIEN. It is a pleasure for me to wish him a happy birthday.

Mr. YATES. I thank the gentleman.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. DORN of South Carolina. I want to compliment the people of Illinois on sending so distinguished a Member as TOM O'BRIEN to this Congress along with the other fine Members from that great State. I wish to join my colleagues in wishing for TOM a happy birthday and for him and Mrs. O'Brien many, many more happy birthdays together and years of service to our country.

Mr. YATES. I thank the gentleman and yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I wish to join in congratulating our colleague THOMAS J. O'BRIEN, of Illinois, on the celebration of his 80th birthday.

Very few Americans can enjoy the satisfaction of attaining that milestone in their life's career and possess the physical vigor, good health and mental capacity which has been bestowed upon our good friend TOM O'BRIEN. No person

in the Congress, with the possible exception of Speaker RAYBURN has been in public service longer than TOM O'BRIEN. He was first elected to the Illinois Legislature in 1905 and has served in public office in one capacity or another consecutively 53 years. No American can attain this extraordinary accomplishment in public life and especially in the keen competition of metropolitan politics in Chicago, Ill., without possessing outstanding character, honesty and industry. Officials in the city of Chicago who were serving in public life with TOM O'BRIEN 40 and 50 years ago have long since gone to their eternal reward. TOM, his good wife, and his numerous friends can indeed be proud of his record as a public official for over one-half a century.

I wish to join his numerous friends in the House by extending to him heartiest congratulations on his 80th birthday and wish him many more years of good health, happiness, and service to his country.

Mr. YATES. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Speaker, I know of no finer Member of the House than TOM O'BRIEN. The more you know Tom, the more you love him. I pray God that He may bless Tom and his good wife with good health so that Tom can remain with us for a long, long time to come.

Mr. YATES. I thank the gentleman.

GENERAL LEAVE TO EXTEND

Mr. YATES. Mr. Speaker, I ask unanimous consent that Members who have spoken may have permission to revise and extend their remarks and that all Members may have the privilege of extending their remarks at this point in the RECORD on this subject.

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

There was no objection.

Mr. RAYBURN. Mr. Speaker, God never made a better, a more loyal man than TOM O'BRIEN. May he live long and be happy and healthy.

Mr. GORDON. Mr. Speaker, I wish to pay tribute to our distinguished colleague, Honorable THOMAS J. O'BRIEN, dean of the Illinois delegation, who is 80 years young today.

TOM O'BRIEN has given 50 years to public service in the Illinois Legislature, as sheriff of Cook County, and as a Member of the United States Congress. His enviable record of 11 terms in the House of Representatives was interrupted in 1946 when he was elected sheriff of Cook County.

During his entire career as a public servant, his devotion to duty and loyalty to the constituency of Illinois and our country has been consistent and outstanding.

I join in wishing him many years of continued good health and many more years of service.

Mr. KLUCZYNSKI. Mr. Speaker, today, April 30, marks the 80th birthday of the venerable dean of the Illinois Congressional delegation, THOMAS J. O'BRIEN.

For over a half century he has been serving the public interests, nearly a quarter of a century in these Halls. Perseverance and a profound sense of dedication mark this man. His cardinal virtue is integrity.

There are some among you more eloquent, some with greater flare—but none excel in loyalty and sincerity.

I have been raised in one of the most exacting schools of politics and have had occasion to observe all kinds of people. None have generated so intense a feeling of loyalty, so generous a response of love and respect as TOM O'BRIEN.

All the genius of all the lawyers in this Congress could not draft a contract which would be more binding, more secure than the word of TOM O'BRIEN.

His 50 years of public service, his record with colleague and constituent serve as a sterling example to all of us. The entire membership of this House together with his friends of Illinois wish him good health and many, many more years of service.

Mr. O'HARA of Illinois. Mr. Speaker, no Member of this body is more beloved than TOM O'BRIEN. We in the Chicago delegation have a transcending pride in our dean. In Chicago, TOM O'BRIEN is respected and beloved by those in offices of high authority and by the humble men and women in the ordinary walks of life. He is an institution of integrity, of faithfulness and of loyalty, the like of which there are few in any generation. The friendship of TOM O'BRIEN has given to more than half a century of my life an enrichment beyond measure. Of him it truly is remarked by everyone that he never broke his word, he never failed a friend, he never compromised with what he thought to be wrong. I join with my colleagues and with all the people of Chicago in heartiest congratulations on this 80th birthday to "Mr. Chicago" and to the charming and noble woman who has shared with her husband the happiness of years of devotion and joint doing of good deeds.

Mr. GRAY. Mr. Speaker, it is a real pleasure for me to join with members of the Illinois delegation and my other colleagues in Congress in extending best wishes for a most happy birthday to our beloved dean of the Illinois delegation, Hon. TOM O'BRIEN, of the Sixth Illinois District in Chicago. His warm heart and kind devotion to the interests of others has won for him great admiration and respect by both Democrats and Republicans. He has set a splendid pattern for new Members of Congress to follow and I hope we will be able to contribute as much to our constituency and the country due to his inspiration. My fondest wish is that he will enjoy many more happy birthdays.

Mr. SHEEHAN. Mr. Speaker, it gives me great pleasure to join with my other colleagues from the State of Illinois in wishing happy birthday greetings to Congressman TOM O'BRIEN.

I am sure there are a great many of us who hope and pray that, when we reach the age of fourscore years, we will be in as good condition, both mentally and physically, as TOM O'BRIEN.

Having heard of the name and reputation of TOM O'BRIEN for a great many years before I came to Congress in 1951, it has been a privilege for me to know him personally and to be associated with him. On many projects for the benefit of the State of Illinois and the city of Chicago, Mr. O'BRIEN has been most helpful in working for a bipartisan solidarity of both Democrats and Republicans for such projects.

Here's hoping that Congressman TOM O'BRIEN enjoys as many more years in Congress and in this world as he desires.

Happy birthday.

Mrs. CHURCH. Mr. Speaker, in kindness and consideration, as well as in sound guidance, no dean of any delegation equals our own senior gentleman from Illinois. His years of signal devotion to his city, his State, and his country have built a record of far-reaching and constructive service that cannot easily be equaled. Happy birthday, Mr. O'BRIEN—and with our affection goes every good wish that the future will bring to you and Mrs. O'Brien long years still of a beautiful, happy, and active life together.

Mr. PRICE. Mr. Speaker, not only members of the Illinois delegation in the House of Representatives regard today as an important anniversary but I am certain all Members of the House join us in this feeling. It is the 80th birthday anniversary of our beloved colleague, the Honorable THOMAS J. O'BRIEN.

It is fitting that the House take this time this afternoon to say "Happy birthday," to the distinguished Illinois legislator and to congratulate him on the occasion.

TOM O'BRIEN is an institution in his home community of Chicago—respected and honored not only by his own constituents in the Sixth District, but by the citizens of the entire city and metropolitan area, whom he has so ably served over 40 years in county, State, and Federal elective positions.

In Washington, he is recognized as the most effective of legislators. Diligent in the performance of his duties, he has so captured the admiration of his colleagues that his judgment, advice, and counsel is sought on the most important of legislative matters. Can any Member of the House forget the response to his pleas in behalf of legislation so vital to his native Chicago area? It must be a source of great satisfaction to TOM O'BRIEN to have the opportunity to witness the high esteem in which he is held by his fellow legislators as expressed in their support of any measure bearing his name.

TOM O'BRIEN is dean of the Illinois Democratic delegation in the House, but his leadership in matters pertaining to Illinois transcends party lines. It is not unusual for the entire Illinois groups, Democrats and Republicans, to assemble in TOM's office for guidance on important legislation which means so much to the development of the Chicago area and to the welfare of the people of Illinois.

His interests, however, are not limited to his own District, nor his own State. He is forever in the forefront of progressive legislation in the national interest, and his vast reservoir of knowledge gained through his many years of public

service is readily made available by him to others.

So, this afternoon, it is a distinct pleasure to join my colleagues in saying, "Happy birthday" to TOM O'BRIEN. My sincere best wishes go with the greeting, as I express the hope I may have the good fortune to look to this distinguished leader for many years for advice and counsel.

Mr. BOYLE. Mr. Speaker, both as a personal friend of long standing and as a member of the Illinois delegation, it is my distinct honor to take the floor and salute, congratulate, and compliment the great dean of the Illinois delegation, THOMAS J. O'BRIEN, on the occasion of his 80th birthday.

Starting his career of public service as a constable in 1906, he has spent a lifetime in serving his fellow men. Through the years he has devoted his time and energy in rendering an honorable account of his stewardship.

With God on his side and the winds of good health in his sails, may a kindly providence reward our dean for his many accomplishments and favor him with many more years in which to continue his fine leadership of the Illinois delegation. We wish him many happy returns of the day.

Mr. COLLIER. Mr. Speaker, it is a real privilege to join my colleagues in paying tribute today to the distinguished dean of the Illinois congressional delegation, Hon. THOMAS J. O'BRIEN, on his 80th birthday.

TOM, as he is affectionately known to his multitude of friends—a host of whom live in my District—has served the people of Illinois and particularly Cook County faithfully and with real devotion to duty during his long career of public service. He is truly a great American.

I know that the people of his District join with his many friends in this Congress in wishing him the very best and many years abundant in good health and happiness.

Mr. LIBONATI. Mr. Speaker, today, Wednesday, April 30, the sun peeks out of the heavens to wink at us, for there are sweet, soft complimentary murmurings about the halls of the Capitol and everyone is whispering about the happy event—for this day, Mr. THOMAS O'BRIEN, of Illinois, the dean of the Illinois delegation, and the natural leader, celebrates his 80th birthday.

His colleagues of the House respect and venerate this humble man, gentle by disposition and fiery by nature. In his long career—25 years—in this House, he has never forsaken a friend and always kept his word. The sagacity of his mind being trained by experiences among those men who ever struggled against the raw problems of a tough life, both economically and socially, had prepared him for his important work here. As a true leader, he always gives the other fellow a friendly word of advice, a pat on the back, the strength of his support. Mr. O'BRIEN fights for one out in the open. He is unafraid. He values the rules of friendship. He never lets one down. The many friends here testify to this indomitable leader's complete acceptance as a great man, true American and loyal leader. Mr. O'BRIEN champions the cause of the little fellow, the person who needs a friend. He has great love and respect for the distinguished Speaker, SAM RAYBURN, and the versatile, brilliant majority leader, JOHN MCCORMACK. There is not a Member of the House of Representatives that Mr. THOMAS O'BRIEN need ask a second time for anything—for services he has given to others over the years need not be repeated for him.

His early career started 52 years ago, serving in the Illinois Assembly, as sheriff of Cook County and as a Congressman. His training on the West Side gave him a keen sense of "knowing a man when he saw one"—and to evaluate character. Mr. O'BRIEN never crossed a person in his life. And, further, he has never misled anyone at any time. He does not mince words about what he thinks, and is forthright about any position that he takes on a question, whether you like it or not. He tells you to your face—you get it straight from him.

He does not hedge or squirm about hurting your feelings if it is the truth you must know. He served under the fine leadership of a great Democrat, Honorable Patrick Nash, and all his life being taught that a man who can give an order can take an order. This philosophy of life is to accord to another the fair treatment that you would expect to receive yourself. His practical knowledge of men and things is tremendous. He is trustworthy and reliable—a man of few words; but when he talks he really says something and means it—no double talk from our friend who is affectionately called the sheriff.

In my personal tribute to him, may I thank him for the many kind acts of friendship shown to me, as well as the invaluable aid, advice and guidance received through his good offices. It is a privilege to have enjoyed this degree of intimacy through years of my life, beginning with our service in the Illinois Assembly in 1931. He has always been at my side, for which I am ever grateful.

Mr. O'BRIEN, on this day sacred to your memory, we, the Members of the House of Representatives salute you and your popular mate, Mrs. O'Brien, who is revered by everyone throughout the Washington area, especially the working girls, clerks, and waitresses for her many kindnesses. It is for your help, patience and powerful leadership that we join you and your wife in this happy celebration, asking God's blessing.

Mr. VURSELL. Mr. Speaker, with leave to extend my remarks, I want to take this opportunity to salute and congratulate my colleague and warm personal friend, TOM O'BRIEN of Illinois, on his 80th birthday. Because of his fine character, genial and friendly disposition, he counts his friends by his acquaintances, and knows no enemies.

Mr. Speaker, I have had the pleasure of knowing him for many years, as many Members of the House have, and have found him always a gentleman of the highest type, always willing to be helpful if one's cause is worthy, and a man whose word, when given, is always as good as the soundest bond.

Educated in business law and and accounting, for years he was associated in the accounting business with John S. Weisbach & Co., Chicago, and for a time served as State bank examiner under auditors Brady, Russel & Nelson. Before coming to Congress, he served as a State representative in the 45th, 46th, and 57th General Assemblies of Illinois. He was first elected to the 73d Congress; reelected to the 74th, and 75th Congresses; elected sheriff of Cook County for the term 1938 to 1942. Was afterward elected to the 78th, the 80th, 81st, 82d, 83d, 84th, and 85th Congresses, and for many years has been a member of the great Committee on Ways and Means.

His many friends wish him continued good health, happiness, and service in this body.

Mr. MCVEY. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to associate myself with those who are congratulating our colleague, Congressman TOM O'BRIEN, on the occasion of his 80th birthday. I have known Mr. O'BRIEN since the first day I came to the Congress, and over the years I have grown to respect him most highly and to place great confidence in his judgment.

He is a good American who fills his position, not only to the satisfaction of his constituents, but to the country generally. Not all of us are permitted to live out a life as full and complete as his has been. It is, therefore, fitting that we express our unusual interest in his age attainment and wish for him a continuation of his good health and activity.

Mr. SPRINGER. Mr. Speaker, I am happy to join with my colleagues in the House in congratulations upon the birthday of our friend, TOM O'BRIEN.

No one in the House has been more thoughtful or more kindly in his everyday contacts with Members than the gentleman from Illinois. There has never been anything too much to do for him in his way for any other Member. He always has time for a friendly chat and to do a good deed for those he values as his friends.

I hope that he will enjoy many more years in this House and that they will be as happy and as fruitful as the ones that have preceded it.

Mr. HAYS of Arkansas. Mr. Speaker, I am glad that our friend the gentleman from Illinois [Mr. YATES] has called attention to the fact that this is the 80th birthday of our beloved colleague, the Honorable THOMAS J. O'BRIEN. His is a unique career and such a notable one that we should not let this milestone pass without expressing our profound appreciation for his friendship and for his contribution to the public service. In his quiet, but remarkably effective, way he has served his District, his city, his State, and his Nation over a long period, and we, his friends, are happy that his health and vigor have been preserved. Paraphrasing an old saying, TOM O'BRIEN can't grow old; time only decorates him.

SOUND SCHOOL-AID LEGISLATION

Mr. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. UDALL. Mr. Speaker, one of the most troublesome problems which has confronted recent Congresses is the question of devising sound school-aid legislation. This search has been intensified by the challenge, implicit in the sputniks, that the race for intellectual supremacy may be the decisive arena in our conflict with the Communist world.

To date major Federal aid to education bills have failed to win majority support largely for the reason that particular features of each bill have aroused widespread opposition. For example, fear of Federal control of education has been a dominant stumbling block for many of our colleagues. Others have pointed a critical finger at the bureaucratic pyramiding involved in most proposals and its attendant expense; and still others have objected to various bills on the ground that they were not addressed to the total problem of education.

Today I have introduced a bill which, I believe, will meet the real needs of education, and simultaneously satisfy these objections. This legislation is simplicity itself; it has no Federal controls whatsoever; not a single additional Federal employee need be hired to supervise its operation; it will provide for an even-handed distribution of Federal funds; and lastly it will permit each State to further its major educational objectives by distributing these funds through existing State aid pipelines.

More important, it puts to use the machinery and experience of our oldest Federal aid to education—the 68-year-old grant college assistance program.

In addition, it embodies the merits contained in the Scrivner amendment, and rejects the bad features of that proposal.

Likewise it embraces the soundest applicable provisions of the Kelley bill, without incorporating elements in that proposal which were unacceptable to many members.

Following the guidelines laid down by the second Morrill Act of 1890, as amended, this legislation would function as follows:

First. Funds would be appropriated annually by Congress—as a starting point I have suggested that the first year's appropriation should be $500 million.

Second. These funds would be allocated to the States under a flat-grant formula based on the school age population of each State.

Third. Payments would be made directly to the States quarterly by the Secretary of the Treasury under this objective formula and without the intervention of any Federal discretion.

Fourth. Each State would distribute the funds to local school districts for teachers' salaries, school facilities, and equipment in accordance with current State-aid programs.

Fifth. Again following the pattern of the land-grant college program, at the close of every fiscal year each State educational agency would make a report to the United States Commissioner of Education on how the funds have been used. In turn, these reports would be transmitted to the Congress by the Commissioner together with his recommendations.

There would be no Federal administrative control whatsoever of education under this act. The States would administer the grants under the Federal statute and the Congress itself would evaluate the results with the assistance of the Commissioner. I am informed this system has worked flawlessly under the Morrill Act.

Mr. Speaker, the local real property tax base is no longer a reliable indicator of income or ability to pay taxes. Neither is it adequate since in 1956 the locally assessed valuation totaled only $210 billion for all States combined. This tax base is inadequate to bear most of the annual school tax load of approximately $7 billion in addition to a major share of the cost of other necessary local public services, and is so unevenly distributed in every State that school districts find adequate public-school financing increasingly difficult.

The States now supply nearly $5 billion annually to school districts from State tax sources. In 1958, approximately 50 percent of these State funds are being distributed to local school districts under grants varied according to need. Even so, the States have not succeeded in providing enough funds to finance adequate programs of education in all districts. Additional State funds are increasingly difficult to obtain, partly because the financial incentives offered by the Federal Government to State legislatures through matching grants for welfare, health, highways, and other services give them priorities on State appropriations. My proposal would tend to provide some equity for education without placing it in direct competition with other public services through Federal matching funds.

The basic purpose is the overdue recognition of education as an extremely important long-term determiner of the national security. Our potential enemies have said they can excel the United States in world influence through superior education and without resort to arms. The challenge is clear and realistic. It is unthinkable that the National Government shall look the other way while creating conditions by its own actions which make impossible an educational system of the quality the national interest requires.

CHEMICALS IN OUR FOOD CAN CAUSE CANCER

Mr. DELANEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. DELANEY. Mr. Speaker, for many years I have been pressing for the enactment of legislation to prohibit the use of chemical additives in foods unless adequate tests have first demonstrated that they are safe for use.

A recent ruling proposed by the Food and Drug Administration points up the necessity for this legislation.

This is a ruling against a pesticide called Aramite, which is known to induce cancer in test animals.

For over 2 years, cancer experts have been warning that this pesticide is not safe for human consumption in any amount.

Nevertheless, FDA has permitted its use on apples, blueberries, cantaloups, celery, cucumbers, grapefruit, grapes, green beans, lemons, muskmelons, oranges, peaches, pears, plums, raspberries, strawberries, sweet corn, tomatoes, and watermelons.

My food additive bill, H. R. 7798, in addition to requiring the pretesting of chemical additives to prove safety, would specifically ban the introduction into food of any cancer-inducing chemical.

There has been strong opposition to this provision, but the aramite story shows why it is needed.

Back in February 1955, as required by Public Law 83-518—the pesticide amendment to the Federal Food, Drug, and Cosmetic Act—the United States Rubber Co. filed with FDA a petition requesting the establishment of tolerances of 2 parts per million for residues of aramite, in or on certain fruits and vegetables, and tolerances of 5 parts per million on certain other raw agricultural commodities.

After consideration of the test data submitted, which included evidence that the chemical induced malignant tumors in test animals, FDA concluded that the safety of aramite was questionable, and published a zero tolerance.

Thereupon, the United States Rubber Co. withdrew its original petition and submitted a new petition requesting tolerances for aramite of 1 part per million in or on the same commodities. In conformance with a certain provision of the pesticide amendment, the company also requested that the new petition be referred to an advisory committee of experts for study and recommendations.

This committee met in Washington on July 27, 1955, and following a morning and an afternoon session, issued three recommendations:

1. That a residue tolerance of 1 part per million be established for aramite under the provisions of Public Law 518, 83d Congress.

However, the committee apparently was not convinced that aramite was harmless, because it also recommended:

2. That the petitioner be advised to secure acceptable data on the chronic toxicity and carcinogenicity of aramite at feeding levels between zero and 500 parts per million in the mouse, rat, and dog.

3. That the entire problem be reviewed by this or another committee in 1957, when further laboratory and other data are available.

These, surely, were strange recommendations for scientists to make. They admitted that they felt that the data

which they reviewed were insufficient and incomplete, and, in particular, suggested that more information be secured regarding the cancer inducing propensities of aramite. Yet, at the same time, they were perfectly willing that the public be exposed to a certain amount of it.

It is all the more strange when we consider that the committee had before it reports of tests which showed that aramite, when fed in certain concentrations, produced liver injury and malignant tumors in test animals.

The Food and Drug Administration accepted the recommendations of the advisory committee, withdrew its previous ruling, and published a tolerance of 1 part per million of aramite. Once again, as so often in the past, the public became a guinea pig.

Now, over two and a half years later, additional tests show that aramite, fed at a significantly lower concentration than that considered by the advisory committee, tended to cause liver tumors in rats, and produced liver damage and malignant tumors in the livers and bile ducts of dogs.

Here, it seems to me, is a perfect example of the apparent willingness of Government to accommodate big business and let the public take the risk.

At the time of its original ruling, the Food and Drug Administration had on hand evidence to show that aramite, so far as the public health was concerned, was at least a suspicious product. Under the law, FDA was not required to accept the recommendations of the advisory committee and grant any tolerance of the chemical.

The Food and Drug Administration is to be commended on admitting its mistake and publishing its present proposed ruling. However, that does not remove the possible effect that aramite may have had on the public during the period in which its residues have been permitted.

Mr. Speaker, the significance of FDA's former ruling on aramite was that for the first time a precedent was set that might give legal sanction to the introduction of so-called "safe" quantities of cancer-inciting additives into food.

I first brought this to the attention of the Congress on February 21, 1957, when I placed in the CONGRESSIONAL RECORD a letter written to me by a noted cancer researcher, Dr. William E. Smith.

Dr. Smith has had a brilliant research career and at various times has been on the staffs of the Harvard Medical School, the Rockefeller Institute for Medical Research, the Sloan-Kettering Institute for Cancer Research, and was at one time an associate professor of industrial medicine at New York University. At present, he is doing research at the Fairleigh Dickinson University and is secretary of the Cancer Prevention Committee. Dr. Smith is a dedicated scientist, and a courageous man who has not hesitated to tangle with the industries in attacking practices which he has felt might endanger the public health.

It was after several discussions and much correspondence with Dr. Smith that I revised my earlier food additive bill, H. R. 4014, and introduced H. R. 7798, which contains the carcinogen prohibition, and is the only additive bill which does so, except for an identical bill, H. R. 7938, introduced by the distinguished gentlewomen from Missouri [Mrs. SULLIVAN].

Here I should like to pause a moment to express my appreciation for the strong support that our much admired colleague from St. Louis has given in this food additive issue. She has spoken eloquently on the floor of the House on this subject, has given radio talks, has conferred with women's groups and consumer organizations. Her interest and concern have been a most valuable contribution.

The carcinogen provision, which I have mentioned, follows the unanimous recommendation of the International Union Against Cancer at its symposium in Rome in August 1956. This symposium was attended by over 40 cancer experts from some 20 countries.

The recommendation stated:

> The conference recommends that, as a basis for active cancer prevention, the proper authorities of various countries promulgate and enact adequate rules and regulations prohibiting the addition to food of substances having potential carcinogenicity.

The two following recommendations were also unanimously approved:

> 1. Food additives should be permitted only if, after long-term administration to at least two species of animals (one preferably a nonrodent), orally and parenterally, in amounts which must be considerably higher than would be present in food, and, after observation of the animals over their lifetime, and through at least two generations in at least one suitable species, they have no toxic effect.
>
> 2. Any substance which causes cancer in man or which, when tested under these conditions, is shown conclusively to be a carcinogen at any dosage level, for any species of animal, following administration by any route, should not be considered innocuous for human consumption.

The original tests showed that aramite did not meet these criteria of safety. The later tests were even more conclusive regarding its potentiality for harm. Of course, the International Union Against Cancer is not an American organization, although some distinguished Americans are members of it, but it does represent the advanced thinking of a world group of cancer authorities.

H. R. 7798 not only follows the recommendations of the International Union Against Cancer but also conforms with recommendations of the American Cancer Society.

A letter sent to the Subcommittee on Health and Science on July 22, 1957, by Mr. James S. Adams, chairman of the legislative committee of the American Cancer Society, states as follows:

> We strongly urge that your committee recommend legislation to the Congress to strengthen the Food and Drug Administration and that this legislation embrace the following principles:
>
> 1. That the proponent of any proposed chemical additive be required to conduct tests which will demonstrate that the additive is safe for human consumption in the manner in which it will be used, and that these tests include one to determine whether the additive may be carcinogenic to experimental animals. The adequacy of these tests should be determined by the Food and Drug Administration.
>
> 2. That permission to use the additive be withheld until its safety has been demonstrated to the satisfaction of the Food and Drug Administration by the proponent.
>
> 3. That no substance shall be approved found to induce cancer in man, or after tests provided in No. 1 above, found to induce cancer in animals.

H. R. 7798 is supported by such authorities as Dr. William C. Hueper, the distinguished head of the Environmental Cancer Section of the National Cancer Institute, who testified before the committee in an unofficial capacity; Dr. Francis E. Ray, director of the cancer research laboratory of the University of Florida; Dr. Alton Ochsner, head of the Ochsner Clinic of New Orleans, and a famous cancer surgeon; and Dr. W. Coda Martin, president of the American Academy of Nutrition. It is also supported by a very large number of consumer organizations and labor unions, members of which have a direct interest as consumers.

Mr. Speaker, it is appalling to think that one out of every four persons in this country will at some time or another suffer from cancer. While we may not yet completely understand the part that chemical additives play in the cancer picture, enough is known to put us on our guard.

In my last appearance before the Health and Science Subcommittee on the 15th of this month, prior to the new FDA ruling, I stated:

> The precedent established by the aramite decision has opened the door, even if only a little, to the use of carcinogens in our foods. That door should be slammed shut and locked.

It is my firm purpose to do just that.

Surely there is nothing of greater importance to any nation than the health of its people.

We have a serious responsibility in this field. It is urgent that we meet it as soon as possible, and as completely as possible.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have introduced today a bill to amend title X of the Social Security Act to provide that, without an increase in the Federal participating funds, a State plan for aid to the blind may utilize a more liberal needs test than that presently specified in such title. This bill is consonant with the spirit and avowed purposes of title X wherein enabling legislation was enacted to encourage each State "to furnish financial assistance as far as practicable under the conditions of such State, to needy individuals who are blind, and of encouraging each State,

as far as practicable under such conditions, to help such individuals attain self-support or self-care."

Title X of the Social Security Act provides grants to States for aid to the blind. The grants cover four-fifths of blind-aid payments up to $30 per month and one-half above $30 not to exceed $60 per month. Accordingly, under a State plan for aid to the blind that qualifies for a title X grant, the Federal Government pays out $39 out of a $60 per month blind-aid payment.

Title X has been in effect since 1935. Since 1950, all 48 States have had plans which qualify for Federal reimbursement. Prior to 1950, however, Missouri and Pennsylvania had in effect laid plans for the blind which had failed to conform to the Federal interpretation of the so-called needs test amendment of 1939. That amendment provided: "A State agency shall, in determining need, take into consideration any other income and resources of an individual claiming aid to the blind"—section 1002 (a) (8). From 1937 to 1950 the blind people of Missouri and Pennsylvania and their State legislatures consistently refused to accept Federal matching funds if it meant scrapping their more liberal State blind pension and enacting in lieu thereof a more restrictive law which would conform to Federal requirements.

In 1950 Congress approved special legislation which permitted Missouri and Pennsylvania to retain their more liberal aid to the blind programs and still receive Federal participating funds. Under this special provision, the Federal Government provides participating funds only for those individuals who meet the strict requirements of the Federal law. The remaining eligible blind people of Missouri and Pennsylvania are paid entirely from State money. The exact language of the amendment reads:

> In the case of any State * * * which did not have on January 1, 1949, a State plan for aid to the blind approved under title X, * * * the Administrator shall approve a plan of such State for aid to the blind for the purposes of this title X, even though it does not meet the requirements of clause (8) of subsection (a), if it meets all other requirements of title X for an approved plan for aid to the blind; but payments under section 1003 shall be made, in the case of any such plan, only with respect to expenditures thereunder which would be included as expenditures for the purposes of section 1003 under a plan approved under title X without regard to the provisions of this section.

The amendment to the Social Security Act was originally enacted to terminate on June 30, 1955. Its life has since been twice extended, first to June 30, 1957, and now to June 30, 1959. The bill which I have just introduced proposes a solution that will put to rest, once and for all, the issues presented by the Missouri and Pennsylvania plans. Accordingly, this bill is proposed to take effect on July 1, 1959.

The Missouri and Pennsylvania programs are primarily more liberal than Federal requirements in the following regards:

One. Missouri has two separate plans, one plan which is supported entirely by State funds, provides for those blind persons who meet the eligibility requirements of the State law, but do not meet the more restrictive requirements of the Federal law. The other plan is supported by Federal and State participating funds and provides only for those persons who meet the more strict Federal definition of need. Pennsylvania has only one plan but the Federal eligible and ineligible recipients are separated as a bookkeeping transaction.

Second. In Missouri and Pennsylvania a flat fixed amount of $60 is paid to each recipient each month. This is in contrast to the variable individual payments of the Federal law.

Third. In Missouri a blind person is allowed to earn $175 a month and still qualify for the full amount of the pension while under present Federal law only $50 per month is allowed as exempt earnings. In Pennsylvania a blind person is allowed to earn $148.33 and still qualify for the full amount of the grant.

Fourth. In Missouri and Pennsylvania the amount of cash and property that a blind person may have and still qualify for the full pension is more liberal than under the Federal provisions.

A study of the Missouri and Pennsylvania plans discloses, I think, quite well how far these two States have gone in their efforts to encourage the rehabilitation of its nonsighted citizens. They have enlarged their economic opportunities to the end that they may render themselves independent of public assistance and become entirely self-supporting. These programs have proved highly successful and have paved the way for more enlightened socio-economic legislation in the other 46 States. I have long been impressed with the wisdom of the words of Justice Brandeis who said "it is one of the happy incidents of the Federal system that a single courageous State may, if its citizens choose, serve as a laboratory; and try novel and economic experiments without risk to the rest of the country." The value of this thesis is demonstrated by the Missouri and Pennsylvania plans. Our aid to the blind program should be directed to the ends of rehabilitation and helping our nonsighted people to become useful and productive citizens. The above described needs test tends to hurt our efforts at rehabilitation. Its effect is to destroy initiative and desire to make the most of the blind's productive years. The bill which I have introduced today is intended to preserve the minimum standards of clause (8) but it still allows the States to develop their programs in accordance with modern thinking and to encourage more liberal provisions provided that the States are willing to finance their expanded programs out of State funds.

This bill, then, would resolve the following Federal-State issues which have been raised by the present title X of the Social Security Act, to wit:

First. It would preserve to the States their right to provide improved social-welfare programs for the blind wholly financed out of State funds.

Second. It makes it possible for Missouri and Pennsylvania to retain permanently, and for other States to adopt, if they wish to do so, any or all of the distinctive features of the Missouri-Pennsylvania plan of aid to the blind.

Third. The amount of each State's Federal grant would continue to be measured by the present standards and on like terms to all States. The definition of the means test that is contained in clause (8) of section 1002 (a) would apply to all States for the purpose of determining the part of any State's expenditures that will be covered by the Federal grant.

Fourth. No limitation or requirement on the allowable exceptions from the means test in the direction of greater liberality would be imposed upon any State plan in order to retain a title X Federal grant for federally eligible cases. In order to prevent the States from circumventing the minimum standards of the Federal program by transferring recipients to a drastically less adequate State program, the States are permitted to increase, but not decrease the extent to which the recipients' earnings, or income, or other resources will be accepted from the means test.

Fifth. It would eliminate the forced conformance to the antiquated needs test and would certainly encourage the other 46 States to develop plans that are consonant with this desirable thesis of rehabilitation and self-help. It would further bring Federal public assistance policy into conformity with the new Congressional and general emphasis on rehabilitation of the disabled. As one step in this direction, Congress required the States in 1950 to exempt $50 of earned income of blind aid recipients from consideration in determining the amount of the grant. As a second step, Congress in 1956 proclaimed self-care and self-support to be one of the purposes of the public assistance provisions of the Social Security Act.

Sixth. This bill, if enacted into law, would simply restore an important States right—the right to provide at State expense, a more liberal program of aid to the blind than the Federal Government chooses to allow. Since under the provisions of this legislation, the Federal Government would only provide participating funds for those individuals who would qualify under the present strict Federal definition of need, the plan could not possibly increase the cost to the Federal Government. It would in fact in time provide a real financial benefit to the Federal Government. Through more liberal State financed welfare programs geared to rehabilitation and self-support, more blind people will make their way off of the relief rolls and will encourage our nonsighted citizens to make the most of their productive years, and by so doing, to become more useful citizens.

The text of the bill is as follows:

> A bill to amend title X of the Social Security Act to provide that, without an increase of Federal participating funds, a State plan for aid to the blind may utilize a more liberal needs test than that presently specified in such title
>
> *Be it enacted, etc.*, That (a) clause (8) of section 1002 (a) of the Social Security Act is amended by inserting after "provide" the following: "(unless this clause is inappli-

cable by reason of the last sentence of this subsection)."

(b) Section 1002 (a) of such act is further amended by adding at the end thereof the following new sentence: "A State plan for aid to the blind shall not be required to meet the requirements of clause (8) if in lieu thereof it provides that the State agency, in determining need, shall take into consideration less of the other income and resources of the individual claiming aid to the blind than would be required to be considered under clause (8) or shall disregard more than the first $50 per month of earned income, or that the State agency shall pay a fixed sum to all individuals eligible for aid to the blind; but payments under section 1003 shall be made, in the case of any such plan, only with respect to expenditures thereunder which would be included as expenditures for the purposes of section 1003 if the plan met the requirements of clause (8)."

SEC. 2. (a) The amendments made by this act shall be effective on and after July 1, 1959.

(b) Effective July 1, 1959, section 344 of the Social Security Act Amendments of 1950 is repealed.

NATIONAL RADIO MONTH AND THE FIRST AMENDMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, radio was undreamed of when this country was founded. Yet today it holds major meaning and may be said to be the very breath of life in the first amendment to the Constitution of the United States. When the Constitution enjoins the Congress from making any law abridging the freedom of speech it extends the infinite blessings of this prohibition by the very nature of things to the electronic miracles of communication. Without electronic communication, as we live today, it is almost impossible to think either of the democratic process or modern civilization in the Free World.

It is for these reasons that I attach such great importance to National Radio Month during May. I say "great importance" because the dignity of man is interwoven profoundly in the relationship of a people and their Government. Government—Federal, State, local—has been brought into such intimate contact with the people that the thongs of freedom, of government by consent, and government by participation of the citizen in the decisions of government, have been strengthened as much by radio, as formerly they were strengthened by the invention of the printing press.

Radio stands out as a phenomenon unparalleled in its time, unless it is by TV, in the acceleration of modern industrial progress. All mankind benefited from an enlightened conspiracy among science, invention, capitalism, and free enterprise. Under democratic government these combined in the United States to bring the impact of this instrument we call radio to such fruition that in a matter of a few decades hardly an ear among 172 millions of Americans is not—at the turn of a dial—within hearing of some broadcasting station, some network, some sound carrying with it news or entertainment, information or instruction, edification or the advertising that helps to keep our economy dynamic.

A self-governed people can never in the future say that inadequate communication was responsible for any of its ills.

Of course in the diversity of projects so all-enveloping as radio there are flaws. The burden now is upon those who manage and manipulate communications. It is in this connection that I would like to take this opportunity to congratulate the radio industry proper and the National Association of Broadcasters for a job that is on the whole commendable. I know they join me in the hope of even greater improvement in the future. The slow but constantly advancing character of betterment in their management indicates their awareness of the problems involved in the monumental responsibility that falls upon them with compelling directness.

Statistically emphasis, even repetition, should be given to the fact that 97 percent of all homes in America are radio equipped. There are 150 million radio sets in the United States distributed among our people. In fact in the rural areas practically every home has its radio. I am reliably informed that 66 million people listen daily to the radio. In 1 month this durable, tireless, relatively inexpensive device, in its way over a period of time even less expensive than our newspapers, reaches no less than almost 90 percent of the total adult population of our country. Radio, let me add, is no replacement and no substitute for the home newspaper, but it is certainly a remarkable complement to printed journalism, and an enormous source of public information in its own right.

In the face of this revolutionary change in communication we have to reflect that the idea of the transmission and reception of signals by means of electric waves without a connecting wire was once called radiotelegraphy or radiotelephony and in its current state of development is quite within the memory of contemporary man. Its theoretical origins go back to 1864, and then to 1887, bringing up such names respectively as Clerk-Maxwell and Prof. H. Hertz. Later with further discoveries came Edouard Branly and Sir Oliver Lodge. Finally Guglielmo Marconi in 1895 applied these theories practically until in 1901 he signaled the letter "S" across the Atlantic.

The following year—1902—the world heard the first trans-Atlantic message by wireless.

Then came the electron tube in connection with which such names are notable as that of Fleming, DeForest, and Langmuir. Radio moved out of the mind of man into the laboratory. It then drove with positively massive results into the factory providing a vast new source of wealth altogether apart from its services as an instrument of communication to the whole of mankind. The radio industry today has jumped from the production of 12 million receiving sets in 1940 to 55 million in 1951, according to 1 research organization, and 53 million in 1957. If we unite radio manufacture with radio broadcasting we have, of course, an American industry of the first magnitude, and industry that only began to exist after World War I. When I speak of the acceleration of industry under capitalism and free enterprise and democratic government this is what I mean.

Research that I had instituted for this statement reveals a wealth of further data that is, on the whole, illustrative of superior management by private industry and, with the usual exceptions, enlightened regulation by Government. All this was achieved without enslaving our scientists, without bribing them, without segregating them, and without intimidating them. They and the industrialists and financiers and entrepeneurs who followed them, and the tens of thousands of employees in the field, made their enormous cumulative contribution to civilization and the democratic process as free men and women. We do not claim radio as a totally American idea as I have shown. The genius of man from varied backgrounds and cultures, under our flag and under other flags, gave us this great gift. But I like to think that under free government here or in Western Europe or anywhere the genius of man gets its freest play for the good of all. I like to think that this is done under a policy that does not push science and does not subject it to the indignity of either compulsion or of sudden flattery which may turn to sudden persecution and punishment.

Thus when we set aside May as National Radio Month let us remember we are commemorating not only the scientific genius of man, and the productive application of his ideas translated to everyday life, but we are commemorating also, in a very profound sense, the Constitution of the United States, the dignity of the individual, and the freedom which is so precious to us that we would protect it with our lives, our fortunes and our sacred honor.

SPECIAL STATUS OF FEDERAL AGENCIES WHICH SUPERVISE BANKS OR ENGAGE IN BANKING

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and include extraneous matter.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, the Committee on Government Operations of the House has been considering a most important bill. This is H. R. 8332, a bill to amend the Government Corporation Control Act.

The background of the bill is this. Most of the departments and agencies of the Federal Government are subject to audit controls, and, of course, most of these agencies are also subject to budgetary controls.

By budgetary controls we mean, of course, that the Bureau of the Budget reviews the functions and the appropriation needs of the agencies and sets these matters out in the President's annual budget. Thereafter, of course, the Appropriations Committee and the Congress as a whole then reviews the operations of these agencies and decides upon the amount of money that is to be appropriated to them and for what functions. In short, the Federal agencies which are under budget control receive periodic reviews, both by the Office of the President and the Congress.

By audit control we mean, of course, that the Federal agencies' handling of money, their expenditures of funds, their contracts and other commitments to expend funds, their handling of other assets and of physical properties, are all subject to annual audit by the General Accounting Office. In addition, the General Accounting Office reviews the operations of Government agencies subject to its control to see not only that funds are properly handled and accounted for, but that expenditures and contracts are all in accordance with law. And the General Accounting Office also makes suggestions and recommendations, where needed, concerning the internal accounting and other control systems which may be needed within a Federal agency, so that the management of the agency will be in a proper position to safeguard the operations of the agency.

Most of the Federal departments and agencies have, of course, been subject to such independent budget and audit controls, as a matter of law, for many years. Such controls are so much the normal rule and have been for so long that we sometimes overlook the facts that the law makes exception to several notable agencies. Some of the Federal agencies are subject to neither budget control nor audit control. These agencies are a government apart, operating without control or review by anybody. These are agencies which all have one characteristic in common—they are banking agencies.

They either have responsibilities for supervising or regulating private banking functions, or they are themselves engaged in some banking operation. They do not come to Congress for appropriations; their operating funds are derived from fees or assessments collected from the banks, or they create money on the credit of the Federal Government as they please. How much money they create or collect, and what they do with their money, are matters which the agencies themselves determine, and there is no audit by the Government's independent auditor to determine what has been done.

This may strike some people as quite peculiar that certain of the Federal agencies would be exempt from either budget or audit control, and most peculiar that any agency would be exempt from audit. It is, peculiar. But it should not be surprising to people who are familiar with the special privileges which are accorded to banking and bankers. Although we like to think that our own civilization is modern and enlightened, it is in truth a civilization in which high priests and black magic still prevail. The bankers are our high priests, and the mysterious art of money management is the black magic in our society. We must feel that bankers and banking are things properly exempt from the laws enacted to apply to other people and to other activities, otherwise our laws would not exempt these people and these things.

Within recent years the law has been extended—at least insofar as audit controls are concerned—to a number of Federal agencies which are engaged in banking functions of one kind or another.

The bill, H. R. 8332, would now place several additional Federal agencies under audit control by the General Accounting Office. To this extent the bill is a good one. It does what should have been done a long time ago.

I should add that H. R. 8332 also does other things which I have not studied and on which I am not able to comment one way or the other. I do commend, however, that feature of the bill which would require that these additional Federal banking agencies be audited. In fact, my only reservation and concern about this feature of the bill is that it fails to place under audit control at least two other Federal banking functions which by all odds are the most important, and which above all others should be under audit control.

The distinguished chairman of the House Committee on Government Operations, the gentleman from Illinois [Mr. DAWSON] was gracious enough to invite me to testify on this bill, when the committee was holding hearings on February 18, 20, and 24. I did testify on this matter on February 24, at which time I discussed a number of considerations which should be given to this matter of exempting the Federal banking agencies from audit controls. The committee has now published its hearings. I believe that a number of Members may be interested in my statement to the committee, which is as follows:

STATEMENT OF HON. WRIGHT PATMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. PATMAN. Mr. Chairman, I appreciate the courtesy that this distinguished committe has extended to me.

I wish to comment on one important feature of this bill, H. R. 8332, which is to provide for an annual audit by the General Accounting Office of certain of the Federal agencies which are now not under audit control.

* * * * *

These agencies covered in this bill are what have been referred to as "mixed ownership" agencies. They operate in part on funds collected from private sources. They are as follows: (1) the Central Bank for Cooperatives and the regional banks for cooperatives, (2) Federal land banks, (3) Federal intermediate credit banks, (4) Federal home-loan banks, (5) Federal Deposit Insurance Corporation.

The bill would go a long way toward completing the job of making all Federal agencies subject to annual audit by the General Accounting Office. Wholly owned Government agencies are supposed, of course, to have been under such audit control all along.

The general rule is, of course, that Federal agencies are not only under audit control of the General Accounting Office, but they are also under budget control with Presidential and Congressional supervision. There are notable exceptions to this rule, however, in the case of Federal agencies having to do with banks or banking, and particularly in the case of those having supervisory responsibilities over the private banks. I can see no justification whatever for the privileged status which has been accorded banks and banking functions. On the contrary, I can see considerable justification for bringing into the orbit of accountability and responsibility to the Federal Government those Federal agencies engaged in banking functions, those handling the banking transactions for the Federal Government, and those supervising private banking. Certainly these agencies and the private banks they supervise enjoy exceptionally large uses of the powers and privileges of the Federal Government.

I am, therefore, greatly impressed with this bill, which would now make most of the Federal agencies having to do with banking accountable to the public, at least on the matter of their financial operations.

It is only this feature of the bill, Mr. Chairman, that I am speaking on. I have not given sufficient consideration to the other features of the bill to be able to make any worthwhile suggestions on these; but I have no doubt whatever of the merit of bringing these agencies under public audit control.

So far as the FDIC is concerned, Mr. Chairman, of all agencies it certainly should be under control. FDIC has the power of life and death over banks. It determines whether or not a bank is to be established. If a bank cannot get its deposits insured, it cannot go into business as a general rule. And we have a conflicting arrangement in this situation. The Comptroller of the Currency authorizes charters for national banks and the FDIC authorizes insurance, so even a new State bank cannot come into business without the FDIC approval. The Comptroller of the Currency pulls off his Comptroller of the Currency hat and puts on his FDIC hat, as a member of that Board of three. So he has a lot of power to determine whether anybody can go into the banking business or not.

During the last 4½ years the number of banks going out of business or absorbed by other banks was 784, but the number of new banks established was only 376. So we are losing out. There is a trend toward concentration and monopoly in banking. We must watch that trend. I think this bill is in the right direction of giving some supervision over the bank supervisions, and for that reason I am for it.

The main purpose of my remarks today is, however, to call the committee's attention to the fact that the two banking agencies which should be in this bill, above all others, are conspicuously omitted from the bill.

These are:

1. The Federal Reserve System; and
2. The Office of the Comptroller of the Currency.

All of the agencies presently covered by the bill are, of course, important. But by comparison to the two agencies which are omitted, they are "peanuts," as we would say in Texas. Whether we measure importance by the amount of Federal funds an agency handles or by the practical effects of the agency's operations on the general public, the two agencies omitted from the bill are infinitely more important than those included in the bill.

The Federal Reserve System is no doubt the most important of the Federal banking agencies. The essential facts are these:

First, the System is 100 percent owned by the Government of the United States.

Second, virtually all of the income of the System comes from the United States Treas-

ury, which, of course, is paid into the United States Treasury by the taxpayers. The System holds a vast amount of interest-bearing obligations of the Federal Government and it gets its income by taking from the Treasury the regular interest payments on these securities.

Third, this vast amount of United States Government securities which the System holds has been purchased by issuing money on the credit of the United States. Specifically, the Federal Reserve System has acquired these securities by issuing Federal Reserve notes—that is, the "folding money" such as we have in our pockets. These notes are obligations of the United States, as is plainly stated on the face of them. The Federal Reserve System obtains this money from the Bureau of Printing and Engraving, at no cost to the System, except a slight printing cost, and then uses this money in the open market to buy interest-bearing obligations of the United States. That is the way the System acquired the approximate $25 billion worth of United States Government securities on which it now collects interest.

Fourth, the Federal Reserve banks obtain some income from loans and other services to the private banks, but this income does not meet the most of the services given to the private banks. In fact, it is a very small fraction of the cost of these services, and the private banks actually receive a tremendous subsidy from the System which is an out-of-pocket cost to the Federal Government.

Fifth, while the Federal Reserve System is fully owned by the Government, its operations and management are under mixed public and private responsibility. The top governing body, which is the board of governors of the Federal Reserve System, is composed of public members, appointed by the President with the consent of the Senate. Their salaries, terms of office, etc., are fixed by law and they take the oath to the United States.

On the other hand, the management and operations of the individual Federal Reserve banks is by private, or, at best, semipublic officials and employees. These are, however, fully and generously compensated for their services. These latter officials and employees not only manage and operate the individual Federal Reserve banks, they also have considerable to do with making the policies under which the entire System works.

Each of the 12 Federal Reserve banks has 9 directors. Two-thirds of these directors are selected by the private commercial banks. That is, two-thirds of the 9 directors serving each 1 of the 12 banks and their branches are selected by the private banks.

Sixth, the Federal Reserve System is not now under public audit control, nor is it under any budget control or supervision, either by the President or by the Congress. The System has never been audited by the General Accounting Office, or by any other auditor which is independent of the System itself. The System exists and operates, however, on a delegation of power which is reserved to the Congress by the Constitution. This is the power to create money and to regulate the value thereof.

Finally, the Federal Reserve System meets every condition and every purpose which has been advanced for this bill. It meets the purposes stated in the President's message; and it meets the purposes and criteria stated by the Director of the Bureau of the Budget, as well as those stated by several of the other administration officials who have recommended the bill. This will become clear by reference to the functions of the System. But before taking up these specific functions let me elaborate on several points concerning the ownership of the System and the source of its income about which misconceptions sometimes arise.

One notion, which even a lot of the bankers have, is that the Federal Reserve banks are owned by the member banks. The fact of the matter is, however, that the Federal Reserve banks—the whole Federal Reserve System—is 100 percent owned by the Government of the United States. The member banks have no proprietary interest—may I invite your attention particularly, Mr. Chairman, to those words, "proprietary interest." Proprietary relates to some real interest, and if you were to have Mr. Martin, Chairman of the Board of Governors, up here this morning and you asked him, he would say that the banks have only a nonproprietary interest in the Federal Reserve System, which, of course, is no real interest.

The member banks have no proprietary interest in the Federal Reserve banks. No authority on this subject holds that member banks have any ownership of the Federal Reserve banks. At one time I had a different opinion and I even introduced a bill to change the "ownership." I thought it was shocking that we had a central bank here owned by the private banks, and I introduced a bill, H. R. 7230, way back there 25 years ago to provide for the Government to pay off that stock, and I accepted it as genuine stock, but after investigation I found it was phony. They don't own any stock at all. It is not stock. The word "stock" is a misnomer, and we had an investigation in 1952 that clearly disclosed that without doubt. And nobody since that time has ever claimed, no one in authority, that the commercial banks have a proprietary interest in the Federal Reserve System. They just can't justify it. It would be extremely ridiculous for a central bank to be owned by the private commercial banks.

Another idea which some people have is that the Federal Reserve System receives income by investing the reserves which are deposited in the Reserve banks by the private member banks. This idea is completely erroneous. The Federal Reserve System does not invest, or in any way use for its own benefit, one penny of the private banks' money. This applies both to the member banks' reserves and to the small amount of money which the member banks have invested in the so-called "stock" of the Federal Reserve banks.

It is the existence of this so-called stock which gives rise to the mistaken notion that the private banks own the Federal Reserve System. This so-called stock is, incidentally, an absurd thing. It amounts to only $325 million. Furthermore, the Reserve banks pay the member banks a high rate of interest for this money—6 percent. And they have been paying it since 1913, Mr. Chairman, and may I add to this shocking statement that I made earlier about the stock that the Federal Reserve banks have never invested any of this money. It is idle and unused. And they pay 6 percent interest on it which in turn the taxpayers must pay, but the loss has not been minimized by investing the stock money, so-called stock money in Government securities or something that would earn even 3 percent so as to save half of that $20 million a year we are paying out to the Federal Reserve banks for nothing. As I have indicated, the money is not invested by the System, and the System has no conceivable need for this money.

I can document that and prove by people whose word cannot be disputed that there is no need for this money. It serves no purpose whatsoever. While this so-called stock amounts to only $325 million, the Reserve banks have reserves of surplus earnings alone amounting to more than $800 million, and they have no conceivable need for these reserves either. There are really about $1 billion in all in reserves, and they have never invested a dime of this surplus money, never invested a penny of it. It is all idle and unused along with this so-called stock. Obviously, then, a part of these reserves should be used to retire the $325 million of stock and thus stop interest payments on money which is neither invested nor needed for any safety factor.

Mr. FASCELL. Mr. Chairman, may I ask a question at that point?

The CHAIRMAN. Certainly.

Mr. FASCELL. What is the evidence of the indebtedness existing between the private bankers and the Reserve banking system for the so-called stock?

Mr. PATMAN. They give them a statement. It is really more of an involuntary investment.

Mr. FASCELL. A letter statement?

Mr. PATMAN. A statement. They might call it stock. I don't know. They probably do. All of it that was issued before 1942 is tax exempt, incidentally. They pay no taxes on it whatsoever. And they probably call it stock. But it is in effect not stock. They must invest 3 percent of their paid-up capital stock and surplus in what they call stock in the Federal Reserve bank of their district.

Mr. FASCELL. Is this a requirement fixed by law?

Mr. PATMAN. A requirement fixed by law in a 1913 act.

Recently I wrote a letter to our colleague, Representative HOWARD W. SMITH on the subject of the ownership and source of income of the System which cites a number of authorities on the points I am making. This letter has appeared in the CONGRESSIONAL RECORD, and I will be glad to offer it for this committee's record. Furthermore, if the committee should wish a more detailed statement citing additional authorities, there is one in a speech of mine in the CONGRESSIONAL RECORD of February 6, 1958, at page 1871.

* * * * *

I might say here that the present Chairman of the Federal Reserve Board, as well as past chairmen, are on the public record many times as stating: (1) The private banks do not own the Federal Reserve banks and have no proprietary interest whatsoever in those banks, and (2) that the Federal Reserve System does not invest either the reserves of the member banks or the funds from the so-called stock which the member banks hold.

As I have indicated, substantially all of the income of the Federal Reserve is from interest collected on United States Government securities held by the System. This interest is unearned, insofar as the System is concerned, because the System performs no services and invests no money to earn it. It simply has printed some non-interest-bearing obligations of the United States and then swaps these in the market for interest-bearing obligations of the United States.

Now, I have often given this example, and Mr. Martin has stated that in effect it was correct: If the chairman owed, say, $1,000 on his home and the chairman gave me a check payable to Wright Patman for the $1,000 to take to the holder of that vendor's lien on his home to pay that $1,000 vendor's lien on his home; then I took his check and I endorsed it to the person who holds the vendor's lien; and he transfers the vendor's lien to me; and I call on the chairman every year to pay me interest on that obligation. That doesn't make sense, but that is exactly what is going on in the Federal Reserve.

They take money from the Bureau of Engraving and Printing which is a Government obligation. It is a Government bond. The only difference is that it does not draw interest, but you take any Federal Reserve note you have in your pocket, and it says, "The United States promises to pay the bearer upon demand so many dollars." That is not

the Federal Reserve promising to pay it. It is not the private commercial banks promising to pay it. It is the United States Government promising to pay it. It is a blanket mortgage on all the property of all the people and the income of all the people.

* * * * *

In the last annual report of the Board of Governors we have, which is for the year 1956, the 12 Federal Reserve banks together reported earnings of $595.6 million. Of this, $571.8 million, or 96 percent of the total income, came from United States Government securities that they obtained in the way and manner that I have indicated. In other words, the 12 banks together had actual earnings of only $24 million. Against these actual earnings they had expenses of $140 million. The difference between expenses and actual earnings, which is a loss of $116 million, was a direct subsidy to the private banks of the country. Now, maybe that is justified. I don't know. But it is a subsidy. The private banks received the services performed and paid nothing for them.

Now, in contrast to the free services performed for the private banks, the Federal Reserve charges the other Federal agencies for services performed for them. Not included in either the income or the expense figures I have cited was an expense of $18 million for which the System was reimbursed.

It is rather strange and ironical that the Federal Reserve System will charge every Government agency for the services it performs for the agencies but doesn't charge the private banks for the services performed for the private banks.

At the end of 1956, the Federal Reserve System showed on the liability side of its balance sheet $27.5 billion for Federal Reserve notes in circulation. In other words, there were $27.5 billion in such notes in people's pockets, in the cash registers of the Nation, and so on, which had been issued against the credit of the United States Government to buy the $25 billion worth of interest-bearing securities of the United States Government.

Under the practice of recent years, the Federal Reserve pays into the United States Treasury approximately 90 percent of its net income. That is to say, after taking approximately one-half billion dollars a year in unearned interest from the Treasury, then paying all the expenses for servicing the private banks, and paying generously and without restraint all kinds of unnecessary expenses, the System pays 90 percent of what is left over back into the Treasury. The other 10 percent is put into what they call a surplus reserve to be used at sometime in the future, for what purposes no one has ever been able to figure out. This is also not invested.

I asked both Mr. Martin and Mr. Robertson, a member of the Board of Governors, "What can you possibly or conceivably ever use this reserve for," and Mr. Robertson said, "I can't imagine." Mr. Martin could not name one instance that he might need the money. It is idle and unused in this reserve account. That is the reason I want to use some of these reserves to set up these regional small-business capital banks.

In 1956 the System paid $401.5 million or 89 percent of its income, after expenses, into the Treasury. This payment is described in the Board's annual report as payment of "interest on Federal Reserve notes."

Clearly then, the Federal Reserve System is operating on Federal funds; and any misuse of these funds and any unnecessary expenses paid with these funds come out of the taxpayer's pocket. Certainly, then, the System should be audited by the Government.

Does the Federal Reserve System belong in this bill?

Allow me to quote from the letter of August 2, 1957, from Mr. W. Randolph Burgess, the then Acting Secretary of the Treasury, concerning the purposes of this bill. Mr. Burgess said:

"The criteria for determining whether a corporation or agency comes under the provisions of the act would not be based on private ownership of capital stock as at present, but on the use of Federal funds, or the availability to the corporation by statutory authority of such funds, or the use of the credit of the United States."

Now I will turn just briefly to the FDIC again. There is the case where we are having to raise the debt limit in order to protect the FDIC. Right now you can't justify the $5 billion increase except that you want $3 billion there for the FDIC as a cushion. They have the power under the law. They have a commitment of $3 billion which permits them to go down to the Treasury and draw out that amount any time they want to. That is all they have to do—to say they need it. The FDIC only has $1.44 to cover every hundred dollars of liability. Obviously it is insufficient. The only reason it is considered sufficient is because it is a moral obligation of the United States Government to pay FDIC this $3 billion blanket commitment from the Treasury. So this increase in the national debt that is going through the Congress, although the FDIC hasn't been mentioned with respect to the increase—probably they are afraid to mention it because some people are concerned. I am not concerned by it because it is a Government obligation anyway, a moral obligation, but the reason we are having to raise this national debt limit today is to provide for that $3 billion cushion for the FDIC and then they tell me that they don't come within the audit provisions of the United States Government. It just does not make sense, the way I see it.

Now, there are some odd things about the Federal Reserve System. The officers, directors, and employees of the Federal Reserve banks are not Government employees. Their salaries are fixed without reference to civil service or any other salary scale. For example, the salary of the president of the Federal Reserve Bank of New York is $60,000 a year, which makes him the highest paid official in the Government, except for the President of the United States, although he is not, strictly speaking, a Government employee.

The salary of the president of the Chicago banks is $50,000. The salaries of a number of other bank presidents are way up at $35,000.

These banks have their own salary scales. They have thought up their own retirement systems, and they have several extremely generous systems. And this is an area where this committee could do a real public service, to look into the retirement systems within the Federal Reserve System. They have never been made public. They have never turned over the complete information to anybody. They keep these retirement systems to themselves. But I know enough about it to know that they are extremely generous and clear out of line with any other system that the Government has anything to do with. They even pay about three-fourths of a million dollars a year for hospitalization and surgical insurance for their employees. They subsidize their cafeterias and dining rooms, by their own reckoning to the extent of about 50 percent. In other words, at the Federal Reserve they buy a $2 steak for $1. In the House restaurant you buy a $2 steak for $4. That is the difference. [Laughter.] They pay for amusements, entertainment of all kinds, and banquets. They pay for gifts to people who are not even employees of the banks; they send employees to school and pay for their training, for the purpose of taking another job with private industry. In short, there seems to be no limit to the things that the Federal Reserve banks pay for with Government money.

Now if the committee would be interested to learn about some of the things that the Federal Reserve banks spend Government money for, I invite attention to my testimony before the House Banking and Currency Committee on February 7, 1958.

I have that testimony here. I won't go into it unless the committee asks me to. But I have some amazing and shocking things I could invite your attention to.

In addition to handling funds for its general expenses, the Federal Reserve banks handle other financial transactions on behalf of the Federal Government, which are gigantic. To illustrate:

1. The Reserve banks act as fiscal agents for the Treasury. In this capacity they issue Government securities, keep custody of huge amounts of such securities, and handle the redemption of these securities. These operations are not audited by the Government.

2. The Reserve banks supervise the Treasury tax and loan accounts with the private banks, and they collect and keep custody of securities which the private banks put up to secure the Treasury's deposits with these banks. At any one time these deposits usually run between $3 billion and $6 billion. These operations are not audited by the Government.

And may I remind you, Mr. Chairman, that this $3 billion at 3 percent would be $90 million a year, and that $6 billion at 3 percent would be $180 million a year, and that is the amount the people are paying interest on that is put in the private banks for which the Government receives nothing. And if it could be checked on at any time, there could be some justification for it, but the Government can't even check on this money. It is out of reach of the Treasury. It has got to be brought into the Federal Reserve bank, called in before it can be checked on.

Now, the Post Office Department handles a lot of money but they don't permit a penny of it to stay in the private banks without interest. They bring it in immeditaely. In fact, the Postmaster General's statement indicated several years ago when that policy was adopted that the cost to the Post Office Department of servicing such accounts in thousands of banks would just be prohibitive to him and he wouldn't do it, but here the Treasury is doing it all the time.

Now, if we were requiring any service from those banks which they should be paid for and for which we are not paying them, let us pay for it. Let us do it and do it right. Let us not permit them to keep $3 billion to $6 billion of the people's money all the time and have no auditing, no accounting or anything else except through the Treasury while the taxpayers are losing interest payments and the United States Government is not receiving any of that money.

* * * * *

3. The Reserve banks handle the destruction of unfit Treasury currency. Billions of dollars a year are involved in this operation and yet it is not audited by the Government.

I could show you some amazing instances where their own auditors criticized the way they handle it.

4. The Federal Reserve Bank of New York operates a foreign department which carries on a tremendous business with foreign and international banks, including the making of loans to such banks. This is not audited by the Government, although Government funds are used.

5. The Federal Reserve Bank of New York also operates the so-called open-market account of the System. The Government does not audit this operation.

May I invite your attention to the importance of this operation. Now, most of

the money that these other 11 banks get and upon which they operate comes directly from the Federal Reserve Bank of New York. The amount of money they earn in each one of these other 11 banks does not amount to anything, practically nothing, not over 3 percent of their earnings. But the New York bank has been designated by the Open Market Committee as their agent and in New York under one roof in the Federal Reserve Bank of New York they buy and sell $20 billion to $25 billion worth of bonds, Government securities, every year to specially selected agents of their own choice, only 17 in number, and 5 of these do over 50 percent of the business. And yet there are no audits, none in the world.

Now the Federal Reserve Bank of New York in all these operations clips the coupons and turns them in to the Treasury. Then they just send the Dallas bank or the Minneapolis bank or the San Francisco bank the amount in proportion to that which they would be entitled to. These other 11 banks never touch those bonds. They do not render any service of any kind whatsoever in connection with them but that is where they get their money for operating expenses.

I know that this committee has given some study to the open-market accounts, so, if I may, let me point out some of the features of this operation.

Most of the public is not aware of this open-market account or the Open Market Committee. It is the most important committee on earth, these 12 men. They have more power than the United States Congress. We delegated it to them. Seven of them are public members. Five of them are selected by representatives of the private banks; it is the same as just owners of railroads being on the Interstate Commerce Commission to fix freight and passenger rates. That is the way it is.

Yet these 12 men carry on one of the most important economic activities of the whole country. It is an activity which affects the pocketbook of every man, woman, and child in this country.

The Open Market Committee, of course, makes the general policy as to how much money there is to be in the private banking system. But the policy directives issued by this committee are extremely generalized—I could say, vague.

The actual buying and selling of Government securities is handled by the Federal Reserve Bank of New York. This bank has been chosen as the agent for the committee. And within the bank there is a small unit known as the Securities Department which manages the open-market account which does the actual buying and selling of Government securities. This buying and selling, which is supposed to be for the purpose of adjusting the amount of credit available in the private banking system, runs to fantastic amounts.

For example, the amount of Government securities bought and sold during the year 1956 almost equaled the amount of Government securities which the account held at the end of that year. As I have pointed out, this account held about $25 billion in Government securities at the end of 1956. During the year 1956, the account purchased a total of $11.9 billion worth of Government securities and sold $9.3 billion worth, making a total trade of $21.2 billion. Why they do it I don't know. You don't know. No Member of Congress knows. All of this was done within the private, select small group in the city of New York. That is where it was all done, every bit of it.

Now there are some highly peculiar things about how this trading in Government securities is carried on. The trading is an under-the-counter, not an over-the-counter, kind of trading, in which a very small group of "dealers" or speculators participates. Altogether there are only 17 of these so-called dealers with whom the open-market account trades. Furthermore, according to information I have been able to obtain, an even smaller group accounts for substantially all of the trading. The information I have shows that in 1956, 5 of these dealers accounted for 52 percent of all of the trading with the open-market accounts, and the 10 biggest dealers accounted for 88 percent of the trading.

This buying and selling of Federal securities, in which Federal funds are used, are carried on without any public reporting of what prices have been paid or received, and without any public reporting of whom the securities are sold to or bought from.

A small group of people who run the open market account decide all of these matters. They decide when to buy or sell Government securities; they decide which securities to buy or sell; what quantities they will buy or sell; which dealers they will buy from or sell to, and at what prices. Furthermore, they also make loans of Federal Reserve funds to these dealers to enable the dealers to carry and speculate in Government securities, and, I will state, without specific authority of law. And, in addition, they carry on similar trading with foreign central banks, although, for some mysterious reason, they do not trade with member banks of the Federal Reserve System, or trade even with the Federal Reserve banks themselves. Actually, one man who is known as the manager of the account has the authority for making all of these decisions. These operations are not audited by the Government, and the public is told almost nothing about them. Everything about this open-market account is considered secret.

As I have indicated, the only auditing that is ever done of the Federal Reserve System is a self-audit, made by the System's own employees. And, of course, self-audits in no way meet the basic purpose for which audits are made, either in private business or in Government agencies. These self-audits of the Federal Reserve are in many instances made with the help of employees of the very bank that is being audited.

Yet even the audit reports which result from these self-audits are not made public; and certain portions of them cannot be seen even by appropriate committees of Congress under a cloak of confidentiality.

I have run into that iron curtain. They promised to send their reports up to the Banking and Currency Committee of the House. They sent only some reports.

* * * * *

Recently I did succeed in having Chairman Martin make available certain portions of these audit reports to the Committee on Banking and Currency of the House for inspection of any interested member of that committee. Again, I would invite this committee's attention to my testimony to the Banking and Currency Committee on February 7, in which I have pointed out some of the things those reports show. I believe these things will leave no doubt about the need for putting the System under audit control.

Yet, even so, I believe that we can assume that the notes I have made greatly understate the picture. The Federal Reserve Board refused to let the Banking and Currency Committee of the House examine, even on a confidential basis, certain parts of these audit reports. The Board's instructions to its auditors are to separate out, and put in separate reports or memoranda, materials dealing with a number of subjects which would normally be included in a complete audit report. Reports which we were not permitted to examine pertain to the following subjects:

1. Management: General comments.
2. Management: Comments on newly appointed members of the official staff.
3. Officers of the Federal Reserve agent: Newly appointed members of the Federal Reserve agent's staff.
4. Inattendance of directors.
5. Indebtedness, stock ownership in member banks, and outside business connections of officers and employees.
6. Schedule of above (item 5) for examiners, assistant examiners, and officers supervising the examination function.
7. Apparent or possible violations of the criminal provisions of the banking laws of the United States (involving officers or employees of State member banks).

Certainly then the Federal Reserve System should be audited. The operations of the open-market account should be audited; and the general expenses of the Federal Reserve System should be audited.

* * * * *

The Office of the Comptroller of the Currency is supposed to be a part of the Treasury Department, and it would be assumed normally that this Office is subject to regular audit by the General Accounting Office.

I was surprised to learn quite recently, however, that this is another one of those agencies which go on the theory that they are owned by the private banks. Imagine that, the private banks contribute the funds on which the Office operates, and these funds are spent without specific annual authorization from Congress, so the Comptroller's activities are not audited by the General Accounting Office. Specifically these funds on which the Comptroller of the Currency operates come from fees levied on the banks for the Comptroller's examination of these banks.

It is a bad principle, I think, to make a supervisory agency dependent for its operating funds on the private corporations it is supposed to supervise, particularly so when there is no requirement for an independent audit.

Furthermore, some of the functions carried on by the Office of the Comptroller of the Currency are not specifically related to bank examinations or supervision. For example, this Office has control and custodial functions with respect to the Federal Reserve notes—that is, the $5 bills, the $10 bills and so on, which the Federal Reserve System has printed. All of this currency is delivered by the Bureau of Printing and Engraving to the Comptroller of the Currency, who then issues it to the Federal Reserve banks as they call for it. And finally, as these bills become worn or damaged the Reserve banks send them back to the Comptroller of the Currency for destruction.

Through May of 1957, the Office of the Comptroller of the Currency had received from the Bureau of Printing and Engraving more than $154 billion of Federal Reserve currency. It had, according to a letter which the Comptroller of the Currency wrote me last year, issued somewhat more than $147 billion of these notes to the various Federal Reserve banks. Then the Office had received back for destruction unfit notes in excess of $107 billion.

Now, these audits made by their own auditors make some very shocking revelations about the handling of this unfit currency.

These Federal Reserve notes are a liability on the Government of the United States. They are backed by no credit other than the credit of the United States. Yet the issuing, the custodial and the destruction operations of this currency are not audited by the General Accounting Office. Recently I was surprised to learn that these operations are not even audited, Mr. Chairman, by the Treasury's own internal auditors.

* * * * *

Now, this has come as a great surprise to me. I had thought the Treasury was being audited. And if I didn't misunderstand him recently, the Comptroller of the

Currency testified that the Treasury's auditors audit his Department. But I have discovered by investigation they do not.

When the present Comptroller of the Currency, Mr. Gidney, was testifying before the Committee on Banking and Currency of the House last July, I asked him some questions about the audits of the currency handling in his office, and Mr. Gidney seemed to be under the impression that these operations are audited twice—once by the Comptroller's auditors and once by the auditors of the Bureau of Accounts of the Treasury Department.

At a later time, I asked the General Accounting Office to assign to me an expert auditor, as it did. This man turned out to be Mr. Edward T. Stepnick, an auditor on the staff of the Civil Audit and Accounting Division of the GAO, and a licensed C. P. A. in the State of Illinois. I asked Mr. Stepnick to look into this matter of the extent to which currency handling in the Office of the Comptroller was audited. Mr. Stepnick did this and then wrote me an expert memorandum in which he says that the handling of Federal Reserve notes in the Office of the Comptroller of the Currency is not audited twice, not even once. According to Mr. Stepnick's memorandum, the Bureau of Accounts of the Treasury Department does audit the Office of the Comptroller of the Currency, but only partially. Furthermore, this audit is made at the voluntary request of the Comptroller of the Currency, who specifies the scope of the audits to be made. Currency handling is one of those functions which are not audited.

Mr. Chairman, I will offer a copy of Mr. Stepnick's memorandum for the committee's record.

(The document referred to is as follows:)

"MEMORANDUM PREPARED BY MR. EDWARD T. STEPNICK, GENERAL ACCOUNTING OFFICE

"COMMENTS ON REVIEW OF REPORTS RELATING TO AUDITS OF THE OFFICE OF THE COMPTROLLER OF THE CURRENCY

"General comments and conclusions

"A review was made of selected audit reports on the Office of the Comptroller of the Currency prepared by auditors of the Division of Internal Audits, Bureau of Accounts, Treasury Department. A review was made also of various financial and audit reports prepared by the internal auditor of the Office of the Comptroller of the Currency.

"These reviews strongly indicate that audits of the Office of the Comptroller of the Currency are not satisfactory, largely because they do not cover all the major functions of the Office. Moreover, under existing audit arrangements between the Comptroller and the Bureau of Accounts, it appears that the auditors of the Bureau of Accounts are not in a position to independently determine the scope of their audits. Also, there are indications that the Office of the Comptroller of the Currency has not been receptive in adopting what appear to be sensible recommendations made by the auditors of the Bureau of Accounts to improve accounting operations in the Office. Further comments on these matters follow:

"Audits of the Comptroller of the Currency by the Bureau of Accounts

"Audits of the Office of the Comptroller of the Currency are made annually by the Division of Internal Audits, Bureau of Accounts, Treasury Department. The annual audits appear adequate from a technical standpoint in the areas covered, and the auditors prepare good reports which carefully explain the scope of the audit and which include opinions and recommendations. However, the annual audits are only partial audits in relation to the total operations of the Comptroller of the Currency, because important areas are omitted from the scope of the examination.

"The annual audits by the Bureau of Accounts are limited to the accounts and records pertaining to the income and administrative expenses of the Office of the Comptroller of the Currency and to residual funds involving the liquidation of insolvent national banks. Because of this limited scope, the audits do not cover several important matters such as (1) currency functions performed by the Comptroller for account of the Federal Reserve Board relating to the issuance and redemption of currency, except the verification of expenses and assessments relating thereto; and (2) fiscal activities under the control of the chief examiners in district field offices. Also, the audits do not include (1) a review of financial transactions from the standpoint of compliance with legal requirements specifically applicable to the functions of the Comptroller of the Currency; and (2) a verification of supplies and equipment and certain items derived from closed receiverships held for safekeeping. The omission of these matters from the scope of the audit seriously reduces the effectiveness and value of the audit work performed.

"Moreover, the audit by the Bureau of Accounts is made on the basis of a request from the Comptroller's Office, and its scope is determined through an understanding between representatives of the Comptroller and the Bureau of Accounts. It is clear that the auditors of the Bureau of Accounts are not in a position to independently determine the scope of their audits, and, inasmuch as the audit is made on a request basis, it seems that a mere desire on the part of the Comptroller not to be audited is all that would be necessary to discontinue completely all audit work by the Bureau of Accounts.

"It was noted that the audit reports prepared by the Bureau of Accounts' auditors contained a number of recommendations designed to improve the accounting operations of the Comptroller. Only a few of these recommendations appear to have been adopted even though they seem very sensible. For example, the unadopted recommendations include suggestions to (1) deposit with the Treasurer of the United States funds in excess of $300,000 which are not deposited in a commercial bank, earning no interest or other apparent benefits for the Comptroller; and (2) establish an appropriate payroll lag in lieu of disbursing payrolls on the last working day of the payroll period. It was noted also that the Office of the Comptroller has been slow in adopting fundamental accounting techniques. A general ledger was not installed until 1954, and the accounts are kept on the cash rather than the accrual basis of accounting. It appears that the internal auditor of the Office has opposed rather than supported many of the worthwhile audit suggestions made by the Bureau of Accounts.

"Activities of the internal auditor

"Internal audit functions within the Office of the Comptroller of the Currency are performed by the auditor for the Comptroller. The internal audit system of the Office appears to provide a detailed verification of financial transactions, done as an extension of routine bookkeeping operations. Internal auditing in the Office apparently does not include reviews of operations with a view toward appraising the effectiveness of policies, procedures, and internal controls. However, the internal auditor does perform an annual inventory verification of the contents of the unissued Federal Reserve currency vault.

"The reports prepared by the internal auditor resemble accounting rather than audit reports, and show detailed financial data as to changes in each account balance with relatively little explanatory comment. The reports contain no conclusions, opinions, or recommendations. They give the impression that the internal auditor is the chief bookkeeper and that internal auditing in the Office of the Comptroller of the Currency is little more than a clerical function."

Mr. PATMAN. I want now to call particular attention to another statement which this memorandum contains. The statement is that such partial audits as are made of the Office of the Comptroller of the Currency by the Treasury's own internal auditors do not review transactions from the "standpoint of compliance with legal requirements specifically applicable to the functions of the Comptroller of the Currency."

Now this is an extremely serious matter.

What is happening in this country is that the Federal banking supervisory agencies are bringing about more and more monopoly in banking.

The Comptroller of the Currency issues charters for national banks. One of the most important things he does is to decide whether or not he will grant a charter to people who wish to found a new national bank.

Old banks go out of business from time to time, and this is bound to happen over the years, and for a variety of reasons. Furthermore, banks merge, and in recent years they have been merging in great numbers. The result is, of course, fewer and fewer banks, unless the supervisory agencies allow new people to come into the business and establish new banks. And this they do very reluctantly and only to an inadequate extent.

Before these agencies will allow a new bank to open, they make elaborate surveys and studies to make sure that the new bank will not take any substantial business away from the bank or banks already in the area.

The Comptroller of the Currency has, as I have indicated, life-and-death control over the question whether a charter for a new national bank will be granted. Likewise, the Federal Deposit Insurance Corporation has life-or-death control over the question whether a new State bank will be opened. The States are frequently willing to grant charters, but as a practical matter even a State bank cannot be started without FDIC insurance. And the FDIC has the same attitudes and behaves in the same manner to block new State banks as the Comptroller of the Currency does with reference to new national banks. As I have pointed out, the Comptroller of the Currency is a member of the board of the FDIC.

Thirty-five years ago there were 30,000 banks in the country. Today there are less than 14,000 banks. In fact, less than 13,500. This has happened despite the tremendous growth in the population, in business generally and in the volume of banking business that has taken place over these past 35 years.

In the Home Loan Bank Board we find the same attitudes and behavior with reference to groups who want to start new savings and loan associations. This board also has life-or-death control, because it, too, can grant or refuse to grant deposit insurance. And as a practical matter, these associations cannot be formed without insurance.

Banking and related businesses are not, of course, the only areas where our people are being denied equality of opportunity. But these are important. I feel that the thing all Members of Congress should keep uppermost in mind is our traditional national goal of equality of opportunity. Then we should consciously, deliberately and vigorously pursue those courses which will help to restore equality of opportunity to our people.

In conclusion, Mr. Chairman, I hope this committee will give serious consideration to the specific recommendation which I offer at this time. This is that H. R. 8332 be amended so as to provide for annual audits of the Federal Reserve System and the Office of the Comptroller of the Currency by the General Accounting Office.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ROBERTS (at the request of Mr. SELDEN), for the balance of the week, on account of illness in the family.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. RODINO (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. REECE of Tennessee and to include an address he delivered.

Mr. McINTOSH (at the request of Mr. MARTIN) in two instances and to include extraneous matter.

Mr. MILLS, the remarks he made in Committee of the Whole and include extraneous material.

Mr. DENT and to include extraneous matter.

Mr. BUDGE and to include extraneous matter.

Mr. POFF (at the request of Mr. TEAGUE of California).

Mr. FORAND.

Mr. ANFUSO (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. FALLON (at the request of Mr. McCORMACK).

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 1, 1958, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1864. A letter from the Assistant Secretary of the Interior, relative to the receipt of a project proposal relating to the Jackson Valley Irrigation District, Ione, Calif., pursuant to section 10 of the Small Reclamation Projects Act of 1956; referred to the Committee on Interior and Insular Affairs.

1865. A letter from the Assistant Secretary of the Interior, relative to the receipt of a project proposal relating to the Goleta County Water Improvement District of Goleta, Calif., pursuant to section 10 of the Small Reclamation Projects Act of 1956; referred to the Committee on Interior and Insular Affairs.

1866. A letter from the Assistant Secretary of the Interior, relative to the receipt of a project proposal relating to the Walker River Irrigation District, Yerington, Nev., pursuant to section 10 of the Small Reclamation Projects Act of 1956; referred to the Committee on Interior and Insular Affairs.

1867. A letter from the Assistant Secretary of the Interior, relative to the receipt of a project proposal relating to the Bountiful Water Subconservancy District, Bountiful, Utah, pursuant to section 10 of the Small Reclamation Projects Act of 1956; referred to the Committee on Interior and Insular Affairs.

1868. A letter from the Chairman, Alexander Hamilton Bicentennial Commission, transmitting the final report of the Alexander Hamilton Bicentennial Commission, dated April 30, 1958, pursuant to Public Law 601, 83d Congress; referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committee on House Administration. House Concurrent Resolution 228. Concurrent resolution authorizing the printing as a House document of the pamphlet entitled "Our American Government. What Is It? How Does It Function?"; without amendment (Rept. No. 1673). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. Senate Concurrent Resolution 71. Concurrent resolution to print the proceedings in connection with the acceptance of the statue of Maria L. Sanford, late of Minnesota; without amendment (Rept. No. 1674). Ordered to be printed.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report pursuant to section 136 of the Legislative Reorganization Act of 1946 pertaining to safety of life at sea; without amendment (Rept. No. 1675). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H. R. 7241. A bill to amend section 6 of the act of March 3, 1921 (41 Stat. 1355), entitled "An act providing for the allotment of lands within the Fort Belknap Indian Reservation, Mont., and for other purposes"; with an amendment (Rept. No. 1676). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H. R. 10788. 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; without amendment (Rept. No. 1678). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. PFOST: Committee on Interior and Insular Affairs. H. R. 7790. A bill to provide for the forfeiture of the right-of-way located within the State of California heretofore granted to the Atlantic & Pacific Railroad Co., by the United States; with an amendment (Rept. No. 1677). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H. R. 12266. A bill to amend the District of Columbia Teachers' Salary Act of 1955 (Public Law 243, 84th Cong., ch. 569, 1st sess.), approved August 5, 1955, and for other purposes; to the Committee on the District of Columbia.

By Mr. BROOMFIELD:

H. R. 12267. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. BYRNE of Illinois:

H. R. 12268. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. CURTIS of Missouri:

H. R. 12269. A bill to amend title X of the Social Security Act to provide that, without an increase of Federal participating funds, a State plan for aid to the blind may utilize a more liberal needs test than that presently specified in such title; to the Committee on Ways and Means.

By Mr. HARRISON of Virginia:

H. R. 12270. A bill to amend the Tariff Act of 1930, as amended, to define the products covered by schedule 13 thereof to include all fibrous structures, cellulosic and noncellulosic, except as provided herein; to the Committee on Ways and Means.

By Mr. JONES of Alabama:

H. R. 12271. A bill to amend the Tariff Act of 1930, as amended, to define the products covered by schedule 13 thereof to include all fibrous structures, cellulosic and noncellulosic, except as provided herein; to the Committee on Ways and Means.

By Mr. McFALL:

H. R. 12272. A bill to validate the conveyance of certain land in the State of California by the Central Pacific Railway Co. and the Southern Pacific Co.; to the Committee on Interior and Insular Affairs.

By Mr. O'KONSKI:

H. R. 12273. A bill for the purpose of creating new jobs, giving greater stability to and improving existing jobs, and stimulating business during the next 18 months with resultant expansion of the national economy in the years to come, by amending the Internal Revenue Code of 1954 so as to allow more rapid depreciation for property constructed and acquired during 1958 and 1959, or for the construction or acquisition of which a contract is entered into during 1958 or 1959, by reducing the useful life of such property for income-tax purposes; to the Committee on Ways and Means.

By Mr. SCUDDER:

H. R. 12274. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. SCHWENGEL:

H. R. 12275. A bill to amend the Internal Revenue Code of 1954 to provide for rapid amortization of depreciable property acquired by small businesses; to the Committee on Ways and Means.

By Mr. SIKES:

H. R. 12276. A bill to amend the Tariff Act of 1930, as amended, to define the products covered by schedule 13 thereof to include all fibrous structures, cellulosic and noncellulosic, except as provided herein; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (by request):

H. R. 12277. A bill to increase the rates of non-service-connected death pension to certain widows and children of deceased veterans; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of Texas:

H. R. 12278. A bill to amend the price support and acreage allotment provisions of law with respect to rice; to the Committee on Agriculture.

By Mr. UDALL:

H. R. 12279. A bill to authorize assistance to States and local communities in remedying inadequacies in teachers' salaries, school facilities, and equipment; to the Committee on Education and Labor.

By Mr. WILLIAMS of Mississippi:

H. R. 12280. A bill to amend the Civil Aeronautics Act of 1938 in order to authorize

free or reduced rate transportation for retired employees of air carriers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ENGLE:

H. R. 12281. A bill to authorize the Secretary of the Interior to provide an administrative site for Yosemite National Park, Calif., on lands adjacent to the park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BOLLING:

H. R. 12282. A bill to authorize the construction of a Federal office building in Kansas City, Mo., and for other purposes; to the Committee on Public Works.

By Mr. SEELY-BROWN:

H. R. 12283. A bill to provide that the Secretary of the Interior shall develop and carry out an emergency program for the eradication of starfish in Long Island Sound and adjacent water; to the Committee on Merchant Marine and Fisheries.

By Mr. SIMPSON of Pennsylvania:

H. R. 12284. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from the gross estate for the value of property passing to children; to the Committee on Ways and Means.

By Mr. STAGGERS:

H. R. 12285. A bill to promote the safety of employees and travelers upon common carriers by railroad engaged in interstate commerce by requiring such carriers to maintain tracks, bridges, roadbed, and permanent structures for the support of way, trackage, and traffic in safe and suitable condition, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. J. Res. 596. Joint resolution providing for the construction by the Department of the Interior of demonstration plants for the production, from saline or brackish waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses; to the Committee on Interior and Insular Affairs.

By Mr. ANFUSO:

H. Con. Res. 322. Concurrent resolution requesting the President to call for a convention or conference of the youth and youth leaders of all countries of the world in order to obtain their views and opinions on specific problems; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts memorializing the President and the Congress of the United States to enact legislation changing the method of computing the basic pay for members of the Armed Forces of the United States; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H. R. 12286. A bill for the relief of Mrs. Sue Pyle; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 12287. A bill for the relief of Dionisia Loumakis; to the Committee on the Judiciary.

By Mr. MUMMA:

H. R. 12288. A bill for the relief of Lamrini Kouvelis; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

601. By Mr. MOORE: Petition of the American Legion, Department of West Virginia, opposing any lowering of income limitations, any reduction in Federal pensions, the elimination of veterans' housing programs and any lump-sum payments against future veterans' claims and against freezing the number of beds now available in veterans' hospitals and against the merging of the Veterans' Administration programs with Federal social security; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

Repeal of Federal Transportation Taxes

EXTENSION OF REMARKS

OF

HON. RICHARD L. NEUBERGER

OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, April 30, 1958

Mr. NEUBERGER. Mr. President, for several years I have urged that the first of all Federal taxes to be eliminated should be the wartime Federal excise taxes on travel and transportation, which are so harmful to the Western States. Unlike other excises, the transportation tax not only adds a single percentage increase to the cost of the particular item on which it is levied; rather, it enters several times into the cost of producing, distributing, and selling all manufactured items in this country, and it does so proportionally to the distance that these items must be transported. Thus, again, unlike other excises, it is not only regressive but also specifically discriminatory against areas, such as Oregon, which are located so far from the major industrial and population centers of our Nation that transportation costs constitute a disproportionately heavy element in the cost of everything we buy and sell.

Because the unfairness of this particular tax against my State has long occupied my attention and efforts in the Senate, I have been delighted with the push now being given to the repeal of the Federal transportation excise by the Surface Transportation Subcommittee of the Committee on Interstate and Foreign Commerce, under the able leadership of the junior Senator from Florida [Mr. SMATHERS] and the distinguished senior Senator from Washington [Mr. MAGNUSON] and other members of that committee.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an exchange of correspondence between the junior Senator from Florida [Mr. SMATHERS] and me and an illuminating editorial from the Portland Oregonian of Thursday, April 24, 1958, endorsing the repeal of the Federal transportation excise tax.

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

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
April 24, 1958.

The Honorable RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR DICK: On February 24 Senator MAGNUSON, myself, and other members of the Interstate and Foreign Commerce Committee introduced an amendment intended to be proposed to H. R. 7125, excise tax legislation presently pending before the Senate Finance Committee, the purpose of which is to repeal the 3-percent excise tax on freight and the 10-percent excise tax on transportation.

These excise taxes were imposed during the war period, as you know, to conserve the transportation facilities for the war effort. Since the purpose of these taxes has long since been served, I am convinced their prompt repeal would provide the necessary stimulus to business activity which is so badly needed today. The excise tax on freight, with its multiple aspects, is a drag on healthy economic growth. These taxes differ from the ordinary excise tax in that they apply to almost every conceivable type of consumer goods from baby foods on up to automobiles, and they impose an undue restriction on almost every segment of our economy as well as the transportation industry.

Hearings which I have held as chairman of the Surface Transportation Subcommittee of the Interstate and Foreign Commerce Committee for the purpose of determining the cause of the deterioration of our railroad industry have just been concluded. One recommendation which was made consistently, intended to be helpful not only to the transportation industry but to other segments of our economy as well, was the repeal of these excise taxes. I believe that by taking prompt action to bring about their repeal, business activity can be promoted and hope that you share my views.

I invite you to join with Senator MAGNUSON, myself, and other members of the Senate Interstate and Foreign Commerce Committee in urging that prompt and favorable action be taken on the amendment which we have introduced to bring about the repeal of these taxes. I sincerely trust that you will be able to do so.

An expression of your views with respect to this matter will be very much appreciated.

Sincerely yours,

GEORGE SMATHERS,
United States Senator.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
April 28, 1958.

Hon. GEORGE SMATHERS,
United States Senate,
Washington, D. C.

DEAR GEORGE: Thank you for your letter of April 24, concerning the proposal for the repeal of the Federal transportation excises being urged by you, Senator MAGNUSON and other members of the Committee on Interstate and Foreign Commerce. I am more than happy to assure you that you can count on me to give you all possible assistance toward accomplishing the repeal of these taxes at the present session of Congress.

Since 1956, as you may remember, I have repeatedly urged the abandonment of these transportation taxes, because they are highly regressive in general, and because they are particularly discriminatory against areas such as Oregon, which must bear the burdens of heavy transportation costs in everything we buy and sell in the more populous markets of the eastern industrial States. On several occasions I have introduced amendments to repeal the transportation taxes in connection with other tax bills, but the Finance Committee has not so far thought the situation appropriate for consideration and adoption of such amendments in the Senate. You may recall that earlier this year we had a very constructive colloquy on the floor of the Senate on this subject.

That is why I am very glad that you, as a member of the Committee on Finance, and also as chairman of the Surface Transportation Subcommittee, are taking the lead to push for the abandonment of these excises now. I was disappointed that President Eisenhower, in his recent statement of proposals for Federal railroad policies, did not recommend the repeal of the transportation excises. However, I certainly hope that a total repeal and not only a partial reduction can nevertheless be enacted at the present session of the Congress.

Be sure to let me know whenever I may be of any assistance in the efforts of you and your colleagues of the Surface Transportation Subcommittee, when this issue comes before the Senate.

With best personal regards,

Sincerely,

RICHARD L. NEUBERGER.

[From the Portland Oregonian of April 24, 1950]

FIRST AID TO RAILROADS

The case for repeal of the transportation excise tax is so strong that Secretary of Commerce Sinclair Weeks' recommendation that it be considered only as part of a general tax revision is surprising.

What greater, immediate stimulus could common carriers receive than relief from a restrictive tax which gives private truck fleets and leased or chartered trucks and barges a 3-percent advantage over them? Repeal of the freight tax appears from this viewpoint a better aid to the harassed railroads than Mr. Weeks' proposal that the Government guarantee $700 million in loans to the roads.

Perhaps all Federal excise taxes should be reviewed to determine what effect they are having on the business recession. A reduction in the 10-percent excise tax on automobiles, for instance, might be just the incentive needed to revive the lagging automobile market and give the whole industrial complex a boost.

Some excise taxes undoubtedly are necessary as revenue producers. The transportation taxes, however, were never designed to raise revenues. They were adopted in wartime to discourage use of railroads and other transportation facilities when these were needed for full prosecution of the war. The purpose now should be not to discourage but to encourage use of common carriers by both passengers, who must pay a 10-percent tax, and shippers, who pay 3 percent of their freight costs.

Most excise taxes are paid equally by all Americans, but not the transportation tax, which hits disproportionately those living in the West and other districts distant from the large population centers, who already are burdened by higher freight rates. Senator RICHARD L. NEUBERGER has determined that Oregonians who ship a carload of canned fruit to Pittsburgh pay nearly four times as much Federal transportation tax as do middle westerners who make similar shipments to the Pittsburgh market. The same inequity applies to manufactured articles sent to Oregon from the East.

Not only does the transportation tax divert common-carrier business to shipper-owned or leased trucks and barges, but it causes shippers able to do so to send freight over Canadian transcontinental railroads, which have no excise tax to worry about. Thus the country as a whole, not only the West and South, is hurt.

A majority of the Senate Commerce Committee, as well as of a subcommittee which has made a study of railroad problems, has gone on record in favor of repealing the 3-percent freight tax and 10-percent passenger tax. The administration could help bring about this vital improvement in the tax structure by recommending immediate action instead of further delay.

Polish Independence Day

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. FORAND. Mr. Speaker, I would like to call the attention of this body to the anniversary of Poland's Constitution Day, which for 167 years is being celebrated on May 3.

Free Poland's Constitution Day was May 3, and it is still observed in the hearts of the people within the country, and throughout Polish communities the world over.

It has become a tradition for Members of the United States Congress to commemorate on the floor of their respective Houses Poland's National Day on May 3, to evoke links of friendship between both Nations, and to stress United States interest in the fate of Poland. Members of the United States Congress, who visited Poland lately, unanimously agree that although the Polish Government is Communist—the Polish people are not. American visitors are impressed by the friendly feelings of the population toward the United States of America. This attitude is not surprising to me. I have known many people of Polish ancestry for many years in my own State of Rhode Island and I have always found them to be of honest integrity, peace loving, and possessing great Christian virtues. Many of my closest friends, whom I respect very much, are made of the same fiber as the people encountered by my colleagues in Poland.

The people of Poland, in spite of ruthless Communist subjugation on the Stalin pattern, have maintained their patriotism and moral resistance. Their feelings and beliefs did not flinch under Communist indoctrination and terror. This also applies to the much exposed young generation today.

The Poznan revolt and the events of October 1956, which took place under popular pressure, have shown the resistance of the Poles against Soviet rule and their aversion to every form of communism. Ideological slogans, like "Polish road to socialism" proclaimed as a new program by the Gomulka regime are regarded by the average Pole merely as tactical moves, Communist style.

I can fully realize that the country finds itself in a compulsory situation toward Soviet Russia. The suppression of the Hungarian freedom uprising by Soviet troops, practically without any reaction of the Western Powers, remains as a threatening memento.

It is useful to remember that any country subjected to communism is considered by Soviet Russia as virtually conquered for the Soviet bloc with all consequences deriving therefrom. This means, in practical terms, that any effort on behalf of the people of that country to replace the Communist system of government by a democratic one, through free voting expressing the popular will, is regarding as a hostile interference in the omnipotent right of the Communist Party to rule the country. And, therefore, as an act of aggression against Soviet Russia and other member states of the bloc. The use of Soviet troops to extinguish the Hungarian freedom uprising constitutes an evident proof of Soviet policy methods.

It is my contention, Mr. Speaker, that somehow, what we are saying today will reach the ears of our friends in Poland, and will help to sustain their hope of freedom. We wish them well in their continued fight to throw off the yoke of communism.

Social Security Legislation

EXTENSION OF REMARKS

OF

HON. ROBERT J. McINTOSH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. McINTOSH. Mr. Speaker, yesterday I introduced legislation to make changes in the Social Security Act, which, in my opinion, are very necessary at this time.

The first bill, H. R. 12503, would lower to age 62 the minimum retirement age at which both men and women may start receiving full benefits. The second important provision of the bill would eliminate the requirement that an individual attain 50 years of age in order to be eligible for disability-insurance benefits.

The purpose of the second bill, H. R. 12504, is to clarify the meaning of the term "disability" so as to overcome the strict administrative interpretation that has been given to the social-security disability provisions.

The third bill, H. R. 12505, would liberalize the provisions of the act on outside earnings and would increase from $1,200 to $1,800 the amount that may be earned annually by individuals receiving social-security payments.

Everyone is well aware that our social-security system is far from adequate to meet present-day living costs. Although we have made much progress in the 23 years since the original enactment of social-security legislation, we still have a long way to go in improving and liberalizing our system. The changes

recommended in the bills I have today introduced are conservative and merit the early attention of the Congress. Persons living on social security have been forced to lower their standards of living, and I am hopeful that the Congress, when it studies proposals to improve our social-security system, will also give consideration to the need for increasing present benefits.

Social Security for Adopted Children

EXTENSION OF REMARKS

OF

HON. RICHARD H. POFF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. POFF. Mr. Speaker, I have introduced a bill, H. R. 12194, to amend the Social Security Act to authorize insurance benefits for a dependent adopted child effective upon the entry of the final order of adoption.

Under current law, such benefits do not accrue until 3 years after the date of adoption. I am told that the 3-year period was incorporated in the law as a precaution against abuse by those who might adopt children for the sole purpose of increasing the family's social-security benefits. In my judgment, this is an unrealistic danger and an unnecessary precaution.

Under the adoption laws of most States, the child is admitted to the home of its adoptive parents under an interlocutory court decree which grants conditional custody for 1 years. During that year, frequent supervisory visits by constituted State authorities are required. If the adoptive parents fail to exercise proper parental influence, fail to demonstrate appropriate parental devotion, fail to make adequate provision for the child's physical, mental, and social welfare, or fail in any other particular to meet the requirements of the State adoption laws, the interlocutory decree is vacated and the child is remanded to the custody of its natural parents or the child-placement agency as the case may be. On the other hand, if all statutory requirements are met, the interlocutory decree is merged by the court with a final order of adoption. Effective with the date of entry of the final order, the adoptive parents stand in loco parentis to the child and assume all legal rights and obligations incidental to and incumbent upon natural parenthood; and the child assumes all the legal rights and obligations of a natural child. The child becomes an heir-at-law, and in most States, the child is required by statute, as soon as he reaches the legal work age, to support a disabled parent, whether natural or adoptive.

Mr. Speaker, the rigid eligibility criteria and the exacting regulatory provisions of State adoption statutes preclude the possibility of abuse of the social-security program by greedy adoptive parents, and surely the 1 year period is sufficient to resolve the question of good faith.

I submit that it is and should continue to be the policy of Government to encourage rather than discourage the humane act of adoption of dependent children. The Federal Government recognizes the social validity of that policy and gives it positive effect in the internal revenue laws under which an adopted child is eligible for a dependent's income tax exemption of $600 in the taxable year in which the final order of adoption is entered.

I am advised by the Director of the Bureau of Old-Age and Survivors Insurance that the passage of this legislation "would add no appreciable cost—less than 0.01 percent of payroll—to the program." Indeed, very few workers approaching the retirement age of 65 and even fewer workers already retired will adopt young dependent children who would be covered by this amendment. As a practical matter, the amendment would affect primarily orphans or semi-orphans adopted by grandparents or older collateral kindred.

I hope it will be possible for the Committee on Ways and Means to give this legislation its early consideration.

Polish Constitution Day

EXTENSION OF REMARKS

OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. FALLON. Mr. Speaker, the 3d of May marks the 167th anniversary of the Polish Constitution of 1791, which every Pole, throughout the world, cherishes as the symbol of the Polish fight for freedom and nationalism. All freedom-loving peoples of the earth join with the Polish people in hallowing the document as a famous moment in the history of man's striving for liberty and equality.

The American people sympathized with the Polish people in the late 18th century and indirectly shared in the establishment of the Polish constitutional monarchy. Many of the immortal patriots of the Polish struggle had fought alongside the American revolutionists. The flame of liberty kindled in the American colonies spread with them to Poland. The American Constitution provided a model, in many respects, for the Polish Constitution. When the news reached America of the action of the Polish patriots, George Washington, our own great leader in revolution, war, and peace, said to a friend:

> Poland * * * appears to have made large and unexpected strides toward liberty, which * * * reflects great honor on the (Polish) * * * king.

As our forefathers two centuries ago, we extend our sympathy to the Polish people, who are today held in bondage by the Red army. May the Polish people once again celebrate this memorable day in peace and freedom.

The Plight of Our Railroads

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. DENT. Mr. Speaker, I would like to address my remarks today to the Members of Congress who are vitally affected by the present plight of our American railroads.

Legislation is now pending to relieve the Nation's railroads of some of the restrictions heretofore, perhaps necessarily, imposed on them by the Congress as a result of which they find themselves in serious straits, particularly as to their ability to compete under present conditions.

Much water has gone over the dam since the railroads were rich and powerful both financially and politically.

Today we have to recognize the facts, and the facts are such that both management and labor are deeply concerned over the railroads ability to survive under present conditions.

The proper defense of our country, the maintenance and expansion of its productive capacity and the economic well-being of our people require the sound maintenance of at least the existing network of national railroads. They are not now being properly maintained. The Pennsylvania Railroad alone admits that essential maintenance in terms of money of close to $200 million has been permitted to go undone. What this has already meant in terms of disruption of commerce and public inconvenience was illustrated by the almost total collapse of the Pennsylvania system for several days at the end of February this year and again in early March.

Over and beyond the damaging amount of deferred maintenance already accumulated, the Pennsylvania Railroad proposes to discontinue all heavy repair work on freight and passenger cars, to discontinue 12 percent of its normal railroad renewal program and one-third of its normal tie replacements.

The employees of the railroads, for the most part excluded from the improving benefits of unemployment insurance, have been the most immediate and most serious sufferers from the railroad crisis. In the last 6 months the Pennsylvania has laid off 18,600 employees. Men with 20 years and more of railroad service have exhausted their unemployment benefits under the railroad retirement act and, with their families, are now the public concern of the railroad communities. And the Pennsylvania now announces the impending layoff of 3,000 more. The plight of these employees is also the immediate and pressing concern of Congress.

Spokesmen representing over 25,000 railroad employees urges prompt Congressional action to revive the railroads.

For years the people of western Pennsylvania have been talking about the overregulation that has made the Nation's railroads the poor relatives in our

industrial economy. For the past year the whole country has been talking about this alarming situation. And for the past few months, since the start of hearings by a Senate subcommittee, under the able leadership of the distinguished Senator from Florida, the Honorable GEORGE A. SMATHERS, the talk has intensified.

Almost every newspaper in this great land has urged the Government to take action before bankruptcy overtakes some of our leading railroads and turns this recession into a full-fledged depression. Thousands of well-authenticated news articles and editorials have appeared, pointing to the deteriorating situation.

Despite this universal call for action, the White House has procrastinated. Three years ago the famous Cabinet committee report was published, but nothing came of it. The Secretary of Commerce recently, on two occasions, postponed scheduled appearances before the Smathers committee—the last time being March 31.

With the Congress eagerly awaiting administration proposals, and looking for some semblance of leadership, the Secretary last week finally acted, but he only tossed an anchor to a drowning man. The administration proposals are five watered-down recommendations that sound noble but mean little.

The mountain has labored and brought forth a mouse.

This recession is real—make no mistake about that. Unemployment is so widespread in my area of western Pennsylvania that we think in terms of depression, rather than recession. John L. Lewis once made a good distinction between the two terms when he said: "When the man next door loses his job, it's a recession. When you lose yours, it's a depression."

One of the quickest and surest ways to get the national economy back on its feet is to permit the railroads—our second largest industry—to earn the money they need to call back furloughed employees and buy the billions of dollars worth of materials they need to rehabilitate their plants and equipment.

It is not only the railroad industry that is suffering. All the industries they buy from are suffering. I am worried about these railroad people, and the unemployed railroad suppliers as people. Because so many railroads are losing money, more railroad maintenance workers have been furloughed. Track that should have been renewed has not been laid. Because those new rails were not purchased, more steelworkers are without jobs. Because those railroad and steelworkers have been furloughed, their planned purchases of automobiles, washing machines, refrigerators, and television sets have been postponed. So more workers are jobless, and the vicious circle grows while the administration does nothing.

Surely the plight of the railroads is not a partisan issue. It is true that Senator SMATHERS, who has taken the lead in getting something done about the deteriorating railroad situation, is a Democrat. But the New York Herald Tribune agrees with him. Let me quote from an editorial appearing in that Republican newspaper on April 24:

> No other single national asset is more vital to the security and the future growth of the United States than its 221,000 miles of railroads, the largest system in the world.
>
> Were enemy paratroopers dropped to destroy it, the Army would be called out to prevent it.
>
> Nevertheless, it is now being destroyed, just as effectively as if paratroopers were demolishing it.

Speaking of the White House proposals, the editorial continues:

> All this is needed.
>
> But much more is needed.
>
> What is needed, above all, is the creation of a national transportation policy. Here are some of the urgent needs of such a policy:
>
> It should combine all the regulatory agencies into a single Department of Transportation.
>
> The entire concept of regulation should be changed. Instead of being based on the obsolete concept of monopoly, it should be aimed at creating the maximum possible growth and efficiency.

The editorial concludes:

> An adequate railway system is absolutely indispensable, as World War II proved, to national defense.
>
> Without it, a growing nation faces economic strangulation.
>
> Let's quit strangling ourselves.
>
> Let's put the railroads on the track—on new tracks, with new wheels.

To which I would like to add, amen.

In an editorial of the same date, entitled "Crumbs for the Crumbling Railroads," the Cleveland Plain Dealer, a politically independent newspaper, had this to say:

> Once again the Nation's railroads have received a roundhouse, and we don't mean the kind used for the care and feeding of locomotives.
>
> This was a punch—of pure disappointment.
>
> It came from an administration which for 6 years has talked sympathy for rail ills. But the cure as set forth in Commerce Secretary Sinclair Weeks' recommendations to Congress, sound more like sugar pills than penicillin.

The editorial went on to say:

> The closest Weeks came toward getting at the heart of this thing was when he urged revision of Federal ratemaking policies to encourage more service and price competition while providing adequate minimum regulation.
>
> Nothing specific, of course. Only a broad generalization that something should be done—sometime, somewhere.

Again I add, amen.

I have seen similar strong editorials, extremely critical of the weak-kneed White House proposals, in such newspapers as the New York Times, the Pittsburgh Post-Gazette, the Wall Street Journal, the Philadelphia Bulletin and the New York Journal of Commerce. But nowhere have I been able to find favorable comment.

Just as the White House has vacillated with a wavering wait-and-see policy during this depression, as millions of men plod the streets in a vain search to find a job, so has the administration's feeble and timid approach failed to offer a prescription that would cure the ills of the tottering railroad industry.

The situation is frightening. Just last Friday the Nation's two largest railroads reported combined losses for the first quarter of this year of more than $32 million. How long can this go on? Must we wait until these roads are bankrupt before we act?

It is readily apparent that we cannot look to the White House for help in solving this serious situation.

It is apparent, too, that if the industry—and the vitally interested public—is to get any relief, the leadership will have to come from the Congress. In the near future we will have the recommendations of the Smathers committee. I trust they will reject the caution and timidity of the administration's recommendations. And when we get the report, let us not then start long hearings on this side of the Hill. The time for study is over. Now is the time for action.

The latest figures from the Pittsburgh Press show that the 18,600 unemployed railroaders in Pennsylvania far exceeds that of any other State. I note also that Ben Fairless, in testifying before the Smathers subcommittee, said that railroad purchases of steel had been cut in half and that more than 20,000 steelworkers were unemployed because of this cutback. I do not know what proportion of the 20,000 are Pennsylvania unemployed, but it must be at least one-third. Therefore we already have accounted for better than 25,000 of the Pennsylvania unemployed. All directly attributable to the deteriorating plight of the railroads.

The point is this, no State in the Union has as much to gain from a solution of the railroad problem as the Commonwealth of Pennsylvania.

A very interesting angle on this subject is residual oil. It is seldom considered as being of interest to the railroads and yet the importance of residual oil has a great bearing on the loss of income and labor work days.

For instance, between residual oils and refined waste some 50 million tons of coal is replaced with this import. Setting aside the millions of man-hours and loss of income to mine labor and management the figures on railroad losses are astounding.

At an average carloading of 60 tons of coal the rails lost approximately 83,000 carloadings of freight last year and will lose even more this year.

The average tonnage freight is $3.50 per ton making a loss in railroad revenue of $175 million for 1 year.

One can imagine the millions of man-hours and paycheck dollars lost by labor.

Sometimes one wonders whether we have taken enough time to evaluate this problem both internally and externally.

Evidently some of our communities are awakening to the danger to both the community and the country.

In closing and under leave granted, I submit for insertion in the RECORD an editorial, typical of the many editorials in my local newspapers, that reflects the serious consideration every community is giving this problem and the resolution unanimously adopted by the City Council of New Kensington similar to

resolutions passed by the cities and towns in my District.

The editorial and resolution follow:

[From the Vandergrift (Pa.) News of February 28, 1958]

THE RAILROAD'S PLIGHT

It is difficult to feel sorry for any person who has brought a host of troubles on himself through shortsighted, greedy policies. That is why the railroads are today having so much trouble presenting their case to the public. They asked for it. They got it. And now they are suffering.

Railroads are essential to our present economy. Particularly in a time of war they are essential, as no other overland means of moving freight has proved economically feasible. But the railroads are being choked by a lack of profits, and, when and if the point of no return is reached, only one alternative will remain. That is Government operation of the freight arteries.

The unfortunate part about the suffering of the railroads is that, unless something is done, all of us will suffer. The fact that railroads at one time were monopolies and misused their power is no longer revelant. What was done to curb the railroads' misuse of power no longer applies, yet the Interstate Commerce Commission is still hamstringing the railroads as if they were monopolies.

When the railroads were new, the Government subsidized their building. But the men who actually constructed the roadbeds used the taxpayer's money for dividends and graft rather than for building or improvement of the rails. Then a mad scramble began, with powerful groups fighting to control important roadways. Eventually power concentrated in the hands of a few, and these few gave rebates to favored customers, upped the price to midwestern farmers when crops were good, even indulged in stock watering and manipulation to such a shocking degree than an aroused public finally put a stop to the nonsense.

Once Government control was established, about the turn of the century, those in charge failed to keep pace with the times. Private automobiles have taken over 90 percent of the Nation's passenger traffic. The other 10 percent must be divided between trains, buses and airplanes, and the trains are the losers. At one time losses in passenger service could be made up in profit from freight, but today even the freight profit is dwindling.

Profits are down because of two reasons. First, the railroads were not farsighted enough to keep up with technological advancements. Second, Government regulations do not allow them to follow normal good business practices. Railroads are forbidden to bid for mail, as trucks do. They must maintain duplicating, unprofitable lines. They are taxed and taxed from every side. They are not allowed to raise rates. And all the while they maintain and pay taxes on their roadways, and build their own stations, they watch their competitors being subsidized by the Government.

So, if the railroads asked for their present troubles, who is the loser? We can't say they made their bed and they should lie in it.

For if we do, we suffer too. The only thing the railroads need now is the chance to compete on equal footing. That fact was brought out at recent Congressional hearings. Now it's up to Congress to chart a sensible course midway between absolute free competition and Government regulation.

Whereas the railroad industry, which has served as the backbone of the Nation's transportation system during times of war and peace, faces a crisis and threatens to have serious and far-reaching effects on the economy of the United States; and

Whereas the effects of the railroad's plight has resulted in a steady decline of employment with thousands of railroad workers unemployed in western Pennsylvania alone; and

Whereas the railroads have been large users of steel, aluminum, and glass and the cutbacks in purchases have meant curtailments in these various industries which are vital to this area; and

Whereas the sound financial condition of railroads is a prerequisite to the industrial development and future industrial progress of New Kensington, Westmoreland County, and Commonwealth of Pennsylvania: Now, therefore be it

Resolved, 1. That the Mayor and City Council of the City of New Kensington go on record as commending the purpose of the current hearings before Congress and urge that every effort be made to reestablish the competitive position and financial health of the railroad.

2. That copies of this resolution be forwarded to Senator GEORGE SMATHERS, chairman of the Subcommitee on Surface Transportation of the Senate Interstate and Foreign Commerce Committee, Washington, D. C.; to the members of this committee; and to Senators JOSEPH S. CLARK and EDWARD MARTIN, and Representative JOHN H. DENT.

Rural Mail Delivery Service

EXTENSION OF REMARKS

OF

HON. ROBERT J. McINTOSH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. McINTOSH. Mr. Speaker, I have today introduced a bill—H. R. 12824—to provide for the extension of rural mail delivery service. The purpose of my bill would be to extend or establish such service in order to provide a postal facility, as nearly as practicable, to the entire rural population of the United States. The bill would authorize the Postmaster General to establish new rural delivery mail routes, or to extend or modify existing routes, in order that postal service will be available to every residence, farm, or business situated on an improved road, so long as the new route or the extension, as the case may be, will serve an average of one family for each mile of its length, including retraces.

The rural delivery service is presently serving more than 35 million American citizens. The RFD carriers, 6 days a week, travel more than 1.5 million miles over our highways, roads, and byways in order to place this complete postal service in the rural mail boxes serving more than one-fifth of our population. This important arm of our Postal System is currently served by 32,000 rural mail routes. The patrons of these routes are provided a complete mail service, including the collection and delivery of all classes of mail, together with a complete financial service, such as the purchase of stamps, money orders, and so forth.

It is interesting to note that the annual operating cost for this network of mail routes is about $209 million, which constitutes less than 7 percent of the total Post Office Department budget. The fact that one-fifth of our population is served by but 7 percent of our total postal costs highlights the feasibility of extending this service to those who presently do not enjoy it. The availability of this postal service provides a stimulus to business; it is an aid in disseminating educational material in the form of books, periodicals, and other publications. Moreover, it would serve to make complete the important network of communication for all our citizens.

In my opinion, Mr. Speaker, it is only reasonable that our rural areas should be entitled to the services of our Post Office Department just as city dwellers are. My bill would accomplish this objective. The legislation merits careful consideration, and I am hopeful that the bill will be accorded an early hearing.

Andrew Johnson, Man of Indomitable Courage and Incorruptible Integrity—an Address Delivered at the Dedication of the Andrew Johnson National Monument, Greeneville, Tenn., in Connection With the Completion of the Restoration of His Home, by Carroll Reece, the Representative From Andrew Johnson's Old District

EXTENSION OF REMARKS

OF

HON. B. CARROLL REECE

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. REECE of Tennessee. Mr. Speaker, the following is an address I delivered at Greeneville, Tenn., April 26, in connection with the dedication of the Andrew Johnson National Monument:

On January 3, 1935, I had the honor to introduce in the House of Representatives a bill to acquire the Andrew Johnson homestead as a national monument. The bill, after amendment, passed the House; passed the Senate; and was approved by the President, August 29, 1935. The bill, in its final form, provided not only for the acquisition of the homestead proper, but likewise for that of the tailor shop as well as for the burial place of Johnson to be combined as a national monument.

So you can understand, this is a gratifying occasion for me today. The dedication of the house and tailor shop of Andrew Johnson, with tomb on yonder hill, draws us, as it were, around the hearth fires of remembrance and makes us, the sons and daughters of Tennessee, which Johnson loved and where he now sleeps, feel as one family, bound together in the bonds of fraternal kinship and spiritual affiliation.

It is well that we have these visible monuments to remind us of an illustrious life. Man is, and always has been, greatly dependent upon symbols, the outward and visible tokens of his inspiration and his reverence for the past. That is why men build beautiful churches; that is why they erect splendid memorials to commemorate those who have gone before and have deserved well of their fellow men; that is why they seek out the birthplaces and homes of great men of the past, that they may be preserved for future generations. That is what we are doing here today.

As we gather to dedicate as a national shrine—this home, this tailor shop, this beautiful cemetery where he requested to be buried—we are moved not only to reflect

upon the record of an illustrious life, but we can also have the satisfaction of saying to ourselves: Here this man lived; here he labored; within these walls he dreamed and meditated and worked out his philosophy of life; here his character was formed; here he worked out the pattern of his career; here he determined to devote his life and his energy—regardless of cost to himself—to the Constitution and the Federal Union.

So it is good that we should gather here today amid these scenes, recalling a life of which every Tennessean, every American, regardless of party or traditional affiliation, is now proud, and in a feeble way make amends for the lack of appreciation that was shown him during his lifetime. Even to this day, there is no memorial—not even a bust—of Andrew Johnson displayed in the Nation's Capitol, and this despite the fact he is the only President who also served in the House, in the Senate, and as Vice President, and then again elected to the Senate after serving as President.

Like the garment which, long after its wearer has divested himself of it, yet retains in its folds the lines and lineaments of the owner's figure, so this homestead and this humble tailor shop still form the mold of Andrew Johnson; and we shall ever prize and cherish them.

As one reviews the story of that stormy and tumultuous life, one is reminded of the perspective afforded by a vast mountain chain, serrated, range upon range, with towering peaks, with few and far the quiet valleys between. Our own Great Smokies might well constitute a magnificent illustration of what I have in mind.

Johnson's whole life was composed of just such violent contrasts; he rose to towering heights of moral grandeur and political triumph; he plumbed the depths of political defeat and abysmal personal humiliation.

His successor in the Senate, David M. Key, described his mental operations as follows: "The very unequal distribution of advantages doubtless appeared to him in the aspect of a wrong. A restless and longing mind, shackled and imprisoned, is not apt to be always reasonable and just when it discovers, in the pathway through which its aspirations lead, obstacles which seem to be insurmountable, and beholds beyond them those who have been favored by fortune."

As one reflects upon his life, three salient characteristics strike the mind instantaneously, with the swiftness of light: First, the implacable, unconquerable courage of the man; second, and more important, in those stormy times in which he lived, his incorruptible integrity; and, third, his complete, sacrificial devotion to duty as he saw his duty. The life of Andrew Johnson should teach us all a vital lesson—a lesson those of us who have journeyed far enough along life's pathway to see honest effort ripen into human achievement have already observed—that hard work, high courage, unfaltering energy and indestructible integrity will, in the end, bring success over all obstacles.

Shakespeare has Mark Antony say in the hour of his disillusionment:

"My fortunes have corrupted honest men."

Never, never, never in this world, could Andrew Johnson have been corrupted; such a thing was impossible in his nature. What a priceless endowment. What an imperishable tribute. What a heritage to his countrymen. What an example for men in public life in these trying times.

During his impeachment trial, his chief defense counsel offered a compromise which, if accepted, would have resulted in immediate acquittal and Johnson indignantly refused it: "I regard the proposal as dishonorable and insulting. Before I will sign an order contrary to law and against my conscience, and be driven by coercion to that end, I'll suffer my right arm to be torn from its socket. I denounce the course you advise me to pursue, for I will not purchase my acquittal at the cost of my integrity. It is my pleasure to accept your resignation."

In the long perspective of time the true Andrew Johnson slowly but surely emerges. Bit by bit, the mud drops off; the old insults and vilifications have died down.

Andrew Johnson is the greatest martyr and unsung hero in American history, a thing former President Truman, doubtless, had in mind when he recently declared that he was "the most mistreated and maligned man who ever occupied the White House."

But an interesting little sidelight upon the innate prestige and majesty of the Presidency, by whomsoever it may be temporarily occupied, and the ultimate dependence upon it, by Congress no less than by the public at large, is furnished by the late Harry Thurston Peck in his book, Twenty Years of the Republic:

"When President Johnson was at the very ebb of his popularity in 1867," wrote Dr. Peck, "and when House and Senate were over-riding his vetoes and treating his recommendations with contempt, he once said to a personal friend: 'Even now if I really wish anything very much indeed, I can get it done'. In other words, if Johnson, as President, demanded something of Congress as absolutely imperative to the Nation's interests, Congress would give him what he asked for."

There is something, it seems to me, heartening about this incident. It seems to bring reassurance that, no matter how strained our political passions may become, the heart of the Republic still beats strongly, or, to change the metaphor, the timbers may creak a bit in stormy weather, but the Ship of State still rides serenely on. May it be ever thus. As Henry Wadsworth Longfellow, still the most universally beloved of American poets because he kept his finger ever on the American pulse, so beautifully put it at the very time Andrew Johnson was struggling to preserve the Union—and Johnson probably read the poem:

"Sail on, O Ship of State.
Sail on, O Union, strong and great.
Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate.
We know what Master laid thy keel,
What workmen wrought thy ribs of steel,
Who made each mast, and sail, and rope,
What anvils rang, what hammers beat,
In what a forge and what a heat
Were shaped the anchors of thy hope.
Fear not each sudden sound and shock,
'Tis of the wave and not the rock;
'Tis but the flapping of the sail,
And not a rent made by the gale.
In spite of rock and tempest's roar,
In spite of false lights on the shore,
Sail on, nor fear to breast the sea.
Our hearts, our hopes, are all with thee,
Our hearts, our hopes, our prayers, our tears,
Our faith triumphant o'er our fears,
Are all with thee—are all with thee."

How Andrew Johnson would have echoed every word of that.

It is not my purpose to review Johnson's career in detail. You are familiar with its main outlines—how could you live in Greeneville and be otherwise? I shall attempt merely a brief summary of that career insofar as such summary may serve to throw light upon the mental, moral, and spiritual development of the man. For today, amid these scenes of his early struggles, it is the man rather than the statesman which concerns us.

Born in Raleigh, N. C., on December 29, 1808, the younger son of Jacob and Mary McDonough Johnson, he faced a world with more than his share of handicaps. His father was a bank porter and a sexton in Raleigh, but he was described as an honest man, loved and respected by all who knew him. An honest man. How one's thoughts leap to the future of the infant born on that December day of long ago. It is pleasant to know that this honesty was not only inherent in the future President of the United States but was likewise a legacy bequeathed by a father who had nothing else to leave. One of the duties of Jacob Johnson's simple life was to toll the bells for those who had passed on. While thus engaged one day in the year 1811 he collapsed from exhaustion and a few days later he died. Johnson's biographer, Lloyd Paul Stryker, thus comments: "The boy Andrew, at the age of 4, was thus left fatherless, penniless, and friendless."

"Childhood," continues the same biographer, "Andrew never knew, youth passed him by. At the age of 10 necessity took him roughly by the hand and apprenticed him to one Selby, a tailor in his native town. Poverty is a grim and cruel master. He teaches his lessons with long hours, sour looks, and hard knocks. Andrew Johnson had a thorough knowledge of this tutor. Many years later he told his fellow Congressmen: 'If being poor was a crime * * * I should have to plead that I was guilty; that I was a great criminal; that I had been born a criminal; and that I had lived a criminal a large portion of my life. Yes, I have wrestled with poverty, that gaunt and haggard monster. I have met it in the day and night. I have felt his withering approach and his blighting influence.' "

An unschooled tailor's apprentice at the age of 10, where was there any hope for the future? But, happily for the sons of men, Providence is prepared to intervene when least it might be looked for. There was in Raleigh in those lean and bitter years a gentleman whose influence upon the poor apprentice was to make history. Dr. William G. Hill, the town physician, was one of those born philanthropists whom nature seems to produce at exactly the right moment. He would come to the tailor shop where the boy worked and read to him and his fellow apprentices masterpieces of English literature—by preference, the great orations of British statesmen. The mind of the boy took fire like flax from the spark of a tinder. Here was a new, and undreamed of, world. Here was a vast, limitless horizon offering boundless exploration, boundless riches. There was one volume in particular. The title of this incendiary book was "The American Speaker." It contained some of the greatest forensic efforts in the English language. The orations which struck home were those of Charles James Fox and the younger Pitt. It was by pouring over them that the boy slowly and painfully learned to read and spell. Could a future orator and statesman have a better exercise book? One is inevitably reminded of another boy over in Kentucky, at this time, also painfully learning his letters, only, unlike the young Lincoln, Johnson had not yet learned the mysterious art of writing and ciphering "to the rule of three."

In 1826, Johnson, with his mother and stepfather, decided to try to mend their fortunes by moving to Tennessee and, after some wandering, he settled here in Greeneville. Tailoring was the only trade he knew, and here he opened this little shop.

The family is described by an early biographer, John Savage, as arriving in town in "an old wooden cart drawn by a worthless horse (which) carried all their worldly goods." Again, one thinks of the Lincoln family in its wanderings. Mr. Stryker who wrote brilliantly of Johnson says:

"Dust-laden, on a Saturday afternoon they arrived at their destination. It could not have been a dramatic entrance and yet there was one who noted it with approval. Andrew, if he observed at all a little knot of giggling girls standing by the roadside, doubtless turned hastily away, recalling his travel-worn and unimpressive equipage.

There was, however, in that feminine group 17-year-old Eliza McCardle; she had seen Andrew Johnson as he passed in his creaking cart, dust-laden and travel-worn as he was. She liked him and then and there to her friends she confessed that fact." "It was," remarks Mr. Stryker dryly, "an un-Victorian method, but this was 1826. Eliza was 17 and Johnson was less than 2 years older, but on the 17th of May, 1827, by Mordecai Lincoln, a magistrate of the town and an uncle of Abraham Lincoln, they were married."

That marriage was the turning point, the golden milestone, of Johnson's life as he would unquestionably assure us, could we evoke him into our midst today from where he sleeps over yonder. Eliza McCardle was the daughter of a Scotch shoemaker and her opportunities for education had been greater than those of her young husband. She took him mentally in hand. She taught him to write; she taught him arithmetic. The familiar scene has come down to us of the young tailor sitting cross-legged on his bench while his wife read to him. Again to quote Mr. Stryker, "As a tailor he was debarred from equal association with the 'aristocratic coterie' ruling the community, so he spent his evenings and late nights in company with Eliza and his British statesmen."

And so the busy years passed, with gaining a livelihood and acquiring an education going hand in hand. Five children were born of Andrew's and Eliza's marriage, and Johnson was assured of the greatest solace of his life—a happy home. It never failed him. To it, and to the loving embrace of a remarkable woman, who thoroughly understood him, who never failed him, Johnson could always turn. It was the sheet anchor by which he was enabled to ride out every storm.

It was not long before Johnson's natural aptitude for a public career made itself manifest. Indeed, from the days he had learned to read and spell sitting, as it were, at the feet of Burke and Fox and the younger Pitt, it would seem as if he had been shaped for no other purpose. He was drawn to it by an overpowering instinct. His first venture into politics was in 1829, when he was elected an alderman. Reelected the following year, in 1831, he was chosen as mayor, and the one-time tailor's apprentice was on his way. He served, respectively, in the lower house of the State legislature and then in the State senate. In 1843, he began the first of five consecutive terms as Congressman. Returning home, he was elected governor of Tennessee in 1853, and 2 years later, reelected. By the year 1857, the great issue unionism, of the slaveholding agricultural South versus the antislavery and industrial North, was being ever more tightly drawn; the state of the Union appeared ominous indeed. The following year, the leader of the newly formed Republican Party, William E. Seward, was openly to proclaim an irrepressible conflict. Fortunately, at this juncture, Andrew Johnson was elected a Senator from the State of Tennessee. His colleague was John Bell, later to be an unsuccessful presidential candidate on the Constitutional Union ticket in the fateful year 1860.

Southerner and slaveholder though he was, there never was any question as to Johnson's position: he was, first and last, absolutely, inflexibly, eternally for the Federal Union. There was never a flicker or shadow of doubt in his mind: that mind was foursquare; for him, the issue was made up, and his choice was irrevocable. That he was a southerner and a slaveholder made, to his mind, not the slightest difference. In an interesting article in the New York Times magazine of March 16 last, foreshadowing the ceremonies being held here today, the author, Pierce Fredericks, remarks:

"The gradual rehabilitation of (Johnson's) memory is progressing. It will reach a new climax next month when the Department of the Interior opens his home in Greeneville, Tenn., as a national shrine. The timing seems particularly appropriate. Most of the mud slung at Johnson resulted from his notion that the southern Negro problem was not to be solved overnight. From the perspective of 1958 it would appear that there was a great deal to be said for his point of view."

One thing alone was paramount, as expressed in the immortal words of his political idol, Andrew Jackson: "Our Federal Union. It must and shall be preserved."

On December 18, 1860, and the following day, Johnson delivered in the Senate of the United States what was undoubtedly the greatest speech of his career and, I think, the greatest speech ever made on the floor of the United States Senate.

The only comparable speech was another made by him in the Senate on February 5 and 6, 1861.

These two speeches constitute a magnificent utterance of faith—faith in America, faith in his countrymen, abiding faith in the Union he was sworn to preserve "against all enemies, foreign and domestic." The impact on the country and upon the Government was unbelievable. His analysis and discussion of the great constitutional issues involved sounded more as if they had come from the lips of John Marshall than from the lowly tailor of Greeneville, Tenn. He spoke extemporaneously. He stood there among the great men of the times and amazed them with his analysis of the Constitution and the principle of government which must be preserved if the Union was to survive.

Lincoln had already been elected. South Carolina was about to secede from the Union. The atmosphere in Washington was tense as if charged with electricity. Johnson rose from his seat in the Senate.

"Sir," he exclaimed, addressing the Chair, "I will stand by the Constitution of this country as it is, and by all its guaranties. I am not for breaking up this great confederacy. I am for holding on to it as it is, with the mode and manner pointed out in the instrument for its own amendment. It was good enough for Washington, for Adams, for Jefferson, and for Jackson. It is good enough for me. I intend to stand by it, and to insist upon a compliance with all its guaranties, North and South."

Senator Morton, an arch radical from Indiana, was a bitter opponent of Andrew Johnson and voted for his impeachment. Yet when Johnson died and resolutions of respect were offered in the Senate, Morton arose to pay tribute. Confessing that Johnson was a man with remarkable traits of character, Morton not only eulogized him but also read excerpts from Johnson's great speeches which Morton said he had taken pains to hunt up. Then commented the Senator from Indiana: "Those were brave words to be uttered by Andrew Johnson under the circumstances. I admired and honored him at the time; I do so now, and ever shall. He was a brave man, and he encountered risks and subjected himself to dangers of which we of the North knew scarcely anything. Perhaps no other man in Congress exerted the same influence as Andrew Johnson on the public sentiment of the North at the beginning of the war."

Unquestionably, these two speeches of Johnson's did more to clarify and crystallize the thinking in the North on the questions involved than the word or actions of any other one man.

The terrible war came, and when the legislature of Tennessee finally voted to leave the Union, Johnson stood adamant as one of the eternal hills in his refusal to follow his State into secession. When all other southern Senators withdrew, Johnson alone remained. The enormous importance of his stand was at once recognized by President Lincoln, who in the second year of the war appointed him military governor of Tennessee.

By the irony of fate the eastern portion of the State, which was strongly pro-Union and whence Johnson himself came, remained under Confederate control until the summer of 1863; and Johnson actually began his work of reconstruction in western Tennessee after Grant's capture of Fort Henry and Fort Donelson and the subsequent flight of the Confederate State government to Memphis. I shall not attempt to enter into a discussion of his course as a military governor; suffice to say that in circumstances of peculiar difficulty in which he was forced to exercise arbitrary power, Johnson acquitted himself with great courage and wisdom and, with the collapse of the Confederate armies in Tennessee, was able to bring about the restoration of civil government and restore Tennessee into a practical working relation with the Union. At Johnson's request, Lincoln exempted Tennessee from the Emancipation Proclamation because, adhering to his deep convictions on States rights, Johnson wanted Tennessee to free the slaves within its own border.

Meanwhile he paid a bitter price for his loyalty:

Harried day and night, in hourly danger from ambush, with a price on his head, he had been forced to leave his family behind the Confederate lines here. Their home was seized and they would have starved but for the food smuggled to them by loyal mountaineers. Patriotism sometimes exacts a high fee.

With the approach of the campaign of 1864, Lincoln decided to appeal to the country on a National Union ticket. This meant that loyal Democrats were invited to support the administration which, in turn, meant that a pro-Union Democrat would be invited to be Lincoln's running mate, and Johnson was the obvious choice. The President was triumphantly reelected and on March 4, 1865, Andrew Johnson became Vice President of the United States. The awful tragedy of the President's assassination the following month placed Johnson in Lincoln's chair and one of the grimmest chapters of United States history began.

As Johnson entered the Presidential Chair Senator Key describes the emotions of the South:

"I remember well the alarm of the people of the South when the sad news was borne to them of President Lincoln's assassination. Mr. Johnson's denunciations of those who had opposed the Federal Government, and the punishment and penalties he had invoked and threatened, justified the gravest apprehensions. But when he came to be President; when his enemies had laid down their arms and furled their flag, and after the power to pardon as well as to punish had passed into his hands, satisfied, as he must have been, that the great mass of the southern people had been honest, though mistaken, as he believed, in the motives which had impelled their action, all his bitterness and acrimony toward them were dissipated. The man sank himself out of sight, and the President of the powerful Nation shielded his late foes by clemency, though the liberal policy he exercised toward them contributed powerfully to lose him the support of the party which had placed him in office. He who could exercise such magnanimity under such circumstances had a great heart and unflinching fortitude. Those who think Mr. Johnson was cold and very selfish never understood his inner nature.

"In many respects he was strange and peculiar so that it is no matter of surprise that many who did not fully comprehend him had an unfavorable estimate of some of the qualities of his mind and heart."

Immediately after taking the oath of office in the old Ebbitt Hotel, upon being no-

tified of Lincoln's death, a small delegation of radical Senators headed by Senator Thad Stevens called upon him and proposed a course of harsh action, later referred to as carpet bag rule, toward the South which they expected him to follow. Johnson's reply was:

"I shall carry out Lincoln's policies as I understand them. I am sorry." When he uttered those words Johnson know the opposition which he was to encounter in Congress.

As President he was standing by his duty as he saw it regardless of threats and opposition, just as he had done as a United States Senator. It was there that the radicals resolved to contrive his impeachment and have him succeeded by a man who would do their bidding.

It is not my purpose, even if time were not lacking, to enter into that dark and somber record. As I said earlier, it is not the statesman we are considering primarily today, but the man. I shall, therefore, content myself with the brief but admirable summary as set forth in the pamphlet issued last year by the Department of the Interior.

"Johnson lacked Lincoln's prestige as a victorious war President, and he did not have Lincoln's political finesse in handling opposition groups. His liberal policy was soon frustrated by Congress. Seeking to regain political control of the country and curtail the powers of the Presidency, which had increased during the war period, the leaders in Congress, known as radicals, denied seats to newly elected Representatives from the Southern States. This prevented the natural combination of northern and southern Democrats and insured radical control of the legislative branch. With radical influence extending to two-thirds, thus destroying the effect of the President's vetoes, Congress enacted its own reconstruction program. This featured military rule of the Southern States, enfranchisement of the Negro, and disenfranchisement of the Confederate veterans. On the whole, the program proved a failure. Based on force, it collapsed in 1877 with the end of bayonet rule."

The struggle between a resolute Executive and equally unyielding Congress led almost inevitably to impeachment.

The radicals had only been biding their time. The issue was joined on the Tenure of Office Act, which limited the power of the President to remove officials whose appointments had been approved by the Senate. In 1867, in defiance of this act which he regarded as unconstitutional, President Johnson removed from office a disloyal member of his Cabinet, Secretary of War Edwin M. Stanton, who was conspiring with the radicals for his impeachment.

Johnson was then impeached by the House of Representatives. The trial was held before the Senate from March to May 1868. The final vote was found to be one short of the two-thirds necessary for conviction, and Johnson was acquitted. This is the only time in our history that a President has been impeached. The Tenure of Office Act, modified during Grant's administration and repealed in part in 1887, was declared unconstitutional by the Supreme Court in 1926. And, thus, Johnson was at last vindicated by the Supreme Court. After the fateful years of the Presidency, Johnson returned to his home here, his courage unshaken, his head bloody but unbowed. He continued his interest in political affairs and, after an unsuccessful candidacy he was chosen Senator in 1874. On March 5, 1875, he took his seat once more in the Chamber he had quitted 13 years before. The session lasted merely a few weeks and Johnson left the scene which had witnessed so many triumphs and defeats. Before the Senate adjourned he had made one more memorable address in which he displayed all of his old fire and eloquence. On March 22, 1875, he delivered a severe attack on President Grant whom he could not forgive for having declined the appointment as Secretary of War to succeed Stanton, and on the administration's policy in Louisiana, and closed with the plea in which his spirit and life's philosophy may be said to be forever enshrined:

"Let peace and prosperity be restored to the land. May God bless this people; may God save the Constitution."

May these words linger in our own minds and hearts as we turn over today this hallowed dwelling, this humble but precious workshop, this cemetery where his head lies pillowed on the Constitution, to the people of the United States and their posterity as a national monument to America's great commoner, Andrew Johnson.

Law Day, U. S. A.

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. RODINO. Mr. Speaker, May 1, 1958, having been designated as Law Day, U. S. A., by Presidential proclamation, the governing body of the School of Law of Seton Hall University has appropriately urged its faculty and student body to carry out and support the objectives of the proclamation.

Under leave to extend my remarks in the RECORD I include herein the greeting addressed to the principals of schools under Catholic auspices in New Jersey by Rev. Thomas M. Reardon, regent, and Miriam T. Rooney, dean of the School of Law of Seton Hall, together with the text of the Presidential proclamation:

To the Principals of Schools Under Catholic Auspices in New Jersey, Greeting:

The enclosed proclamation of Law Day U. S. A., by President Eisenhower is an historic document. It marks the first time that official recognition has been given to the tremendous importance our great common law system has upon our lives. Please read, or otherwise inform all students about it on May 1, 1958, and, if possible, explain something of the history of the common law, from its formulation by the priest-judges in the Middle Ages to our own day, and point out how essential it is to the development of true liberty.

This request is made upon the recommendation of the president of the American Bar Association, Charles S. Rhyne, Esq., who believes that one of the best ways of overcoming the current widespread disrespect for law is to make our legal system better understood. The fields of traffic-safety laws, crimes of violence by youthful offenders, and the attempt to settle international disputes by war instead of law, he mentions as particularly flagrant areas of disrespect at present. The first day of May was chosen designedly to emphasize the need to strengthen law instead of force.

Seton Hall University School of Law supports this nationwide program strongly. As the first and only law school under Catholic auspices in New Jersey, it is undertaking to ask the cooperation of all other schools under Catholic auspices in the State in making our great legal system better understood and appreciated by our citizens generally.

At the beginning of the month dedicated to our lady, it also urges that as many as possible say a prayer for the restoration of our law in Christo, thereby joining with the court criers who, before requiring those who speak in court to call God to witness to the truth of what they say, have, day after day for centuries never failed to say, in one form or another: God save our country and this court.

A brief note to the dean of Seton Hall Law School, Newark, N. J., or to President Rhyne of the American Bar Association, 1155 East 60th Street, Chicago, Ill., reporting the way in which your school has observed the first Law Day, U. S. A., May 1, 1958, would be much appreciated.

(Rev.) THOMAS M. REARDON, *Regent.*
MIRIAM THERESA ROONEY, *Dean.*

THE PRESIDENT'S PROCLAMATION: LAW DAY, U. S. A.

THE WHITE HOUSE,
February 3, 1958.

A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Whereas it is fitting that the people of this Nation should remember with pride and vigilantly guard the great heritage of liberty, justice, and equality under law which our forefathers bequeathed to us; and

Whereas it is our moral and civic obligatiton as free men and as Americans to preserve and strengthen that great heritage; and

Whereas the principle of guaranteed fundamental rights of individuals under the law is the heart and sinew of our Nation, and distinguishes our governmental system from the type of government that rules by might alone; and

Whereas our Government has served as an inspiration and a beacon light for oppressed peoples of the world seeking freedom, justice, and equality for the individual under law; and

Whereas universal application of the principle of the rule of law in the settlement of international disputes would greatly enhance the cause of a just and enduring peace; and

Whereas a day of national dedication to the principle of government under law would afford us an opportunity better to understand and appreciate the manifold virtues of such a government and focus the attention of the world upon them:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby designate Thursday, May 1, as Law Day. I urge the people of the United States to observe the designated day with appropriate ceremonies and activities; and I especially urge the legal profession, the press, and the radio, television, and motion-picture industries to promote and to participate in the observance of that day.

DWIGHT D. EISENHOWER.

Proposal for a World Youth Convention

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. ANFUSO. Mr. Speaker, the battle of ideas and the effort to influence the minds of men is of greatest importance today. In the ideological struggle now going on in the world it is imperative that we apply boldness and imagination, if we desire to refute Communist propaganda whose primary aim is to confuse the minds of people everywhere.

In the interest of world peace and the survival of mankind, it is our task to get the truth across to the nations of the world, to keep them informed and alert, and to build greater international amity and understanding.

In order to help develop a bold and imaginative program on our part, I am suggesting that the United States take the initiative in calling together an international convention of youth and youth leaders who have demonstrated an interest in science, scientific progress, and their application toward peaceful uses. It is my conviction that youth representatives of Iron Curtain countries be likewise included in this world youth convention, so that they too may have the opportunity to see for themselves that we desire peace and not the destruction of humanity.

For this reason and to achieve this aim, I am today introducing a concurrent resolution authorizing and requesting the President to issue a call for an international convention or conference of youth and youth leaders of all countries of the world, which is to be held in the very near future. The time and place of such convention is to be left to the discretion of the President.

The purpose of this international youth convention would be to obtain the views and opinions of world youth on the following and related problems:

First. The development of science for peaceful uses, rather than for war or for destructive purposes.

Second. The need for agricultural, industrial, and commercial development of the underprivileged and underdeveloped countries of the world, and how youth can be helpful in promoting this growth.

Third. Seek specific ways and methods to raise the standard of living in all countries, including health and education standards.

Fourth. Seek specific ways and methods to provide an incentive and a future for youth everywhere, including greater opportunities for education, an appreciation of scientific knowledge, and a desire to cooperate with the youth of other nations toward better international understanding.

My resolution also provides that this youth convention should set up specific recommendations for an international designed to encourage the youth of the world to take up scientific projects and research for peaceful uses and of benefit to all mankind, so that the present and future generations may be able to live in peace and without fear of destruction.

I should like to add this one stipulation: When and if such a convention is held, we must take every precaution to make certain that the delegates of all countries without exception be given full opportunities to express their views on the problems to be considered.

It is my belief that the convocation of an international youth convention would give us the opportunity to take the leadership in a stroke of world-wide propaganda for the cause of freedom. It would enable us to prove beyond any doubt to the undecided and the uncommitted peoples of the world that we are genuinely seeking peace, that we are sincerely interested in the peaceful application of science for the benefit of mankind.

I think that the youth of these nations, through their representatives at this international convention, would understand our earnest desire to live in peace and to eliminate all fear of human destruction.

In short, a bold step of this kind on our part would help to put the Soviet Union on the defensive in the eyes of freedom-loving and peace-loving peoples all over the world. I urge the Congress to take fast action on this proposal and to request the President to put it into practice. We stand to gain a great deal by quick action.

I Believe in the United States of America

EXTENSION OF REMARKS

OF

HON. HAMER H. BUDGE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1958

Mr. BUDGE. Mr. Speaker, under leave to extend my remarks, there follows an address by the distinguished dean of the Michigan delegation, the Honorable CLARE E. HOFFMAN, representing the Fourth District. The address was given on Tuesday, April 29, 1958, at the Michigan Congressional Dinner Association Executives of Michigan at the Statler Hotel, Washington, D. C.

The address follows:

I BELIEVE IN THE UNITED STATES OF AMERICA

The honor of appearing before you tonight is due to the fact that my term of service in the House is longer than that of any of the other present Michigan Members, either Democrat or Republican.

Placed in the position of speaking for the Members of the House, nothing that may be said should be construed as in any way partisan.

In years gone by, the two great parties, Democrat and Republican, and their leaders have had in mind but one objective, the welfare of the people, the security of the Republic.

Party methods may have varied. Some of our policies may have been characteristic of the party to which we owed allegiance.

There was a time when he who advocated a high protective tariff or spoke in favor of and worked for a tariff for revenue only or for free trade, by his words and his actions labeled himself as a member and adherent of one of the two great parties.

But, to a great degree that day of demarcation has gone.

In a month or two on the Hill a real fight will be waged on the extension of the Reciprocal Trade Act. Members of both parties will be found on both sides of that issue, as they have been and are found from day to day on opposite sides of many issues.

No longer can the individual Member's party alinement be determined by scanning the record of the rollcall votes.

What has been said does not mean, however, that the future will not have need for the two-party system. Each major political party of today is split by deep, sincere convictions on issues which will become more important as the future unfolds.

On more than one occasion, on a teller vote, in the House, the Speaker, who hails from Texas, the majority leader who comes from Massachusetts—both Democrats—have walked down the aisle, one supporting a nay, the other a yea vote.

A similar situation exists on the minority side of the aisle, where no great surprise is evidenced if minority leaders vote contrary to what the press has stated to be the administration's viewpoint. Nor do Members on either side blindly follow their chosen leaders on a sometimes basic issue.

Many of us believe that a two-party system is vital if we are to have sound government and many believe that a new political alinement is coming—an alinement under which the so-called liberals and progressives in both parties may unite, while the conservatives, or as they are sometimes disparagingly referred to, reactionaries, may be found in opposition.

But be all this as it may, it may truthfully be said that as long as the people, by secret ballot, select their representatives, those representatives will reflect the wishes, the desires, and the convictions of the people themselves.

If, in the future, the people are misgoverned, the fault will lie not with the women and the men they send to Congress, but with the people themselves—the people who, because of their lack of vigilance and the nonexercise of their voting privilege, have surrendered their right to govern.

To put it in a few brief words, this is the people's Government and, be it good or bad, the responsibility for what it does or fails to do rests upon the shoulders of the people themselves.

It is altogether too much to expect the agent to disregard the wishes of his principal; the servant to act contrary to the interests of the master.

So, we reach the conclusion that, this being the people's government, a government established by our forefathers, its efficiency, its durability, and its desirability having been demonstrated by time and experience, the future welfare of our people and the security of our Nation depend not upon the action of the Congress but upon what you, and others in similar situations, think and do.

This Government of ours will continue to make progress and to succeed—to guarantee opportunity for prosperity, the enjoyment of freedom, as you—this because each of you is an outstanding individual, a leader in your community—and those among whom you live—assume and exercise your responsibility.

The Members of Congress are but your representatives, your servants.

This is not an attempt to shirk or to shift responsibility. If, speaking for all Members of Congress, one thought may be expressed, it is this:

Regardless of party affiliations, and however devious may seem the path, each of us sincerely desires to carry out the wishes of the people he represents insofar as they do not conflict with his convictions of what is best for the Republic.

If he fails, then—as time rolls on, in November of each even-numbered year—the people have opportunity to attempt to select a better servant. Once again, the immediate responsibility is yours.

FAITH IN THE UNITED STATES OF AMERICA

A previous speaker expressed his faith in Michigan. He gave some of the reasons upon which he based that faith.

Permit me to express my confidence in our Nation. To give some of the reasons for my faith in the United States of America—for my loyalty to the Flag and to the Republic for which it stands.

First, the Founding Fathers who established this Government of ours knew what tyranny and depression were—their effect

upon a people. Our forefathers knew the value of liberty, of security, of opportunity.

And because our forefathers knew of the things to which reference has been made, they were willing not only to sever all homeland ties, but to courageously face the unknown, to endure whatever hardship might be necessary, to establish here in a new land a new and an unprecedented form of government.

Today, to some a trip to the moon presents no more of a mystery, or a hardship, or impossibility of attainment, than did the situation confronting Columbus when he sailed west. At least, we know there is a moon. Columbus thought the world was round—not flat. He had never dreamed of an America.

It is almost impossible for us today to visualize the hardships which our forefathers faced, the sufferings which they endured, the sacrifices which they made—not only that they might have a better government, but that those who came after might enjoy the blessings which they sought.

That they built not only wisely, but for endurance, as well as for success, when they divided the powers of the Government which they established into three separate and distinct branches, has been demonstrated time and time again.

The progress which has been made under the Constitution, to which some seem to refer apologetically, has astonished an envious world.

Today, we have no reason to be ashamed, or humiliated, because of the achievement of any other nation or nations. True, Russia launched the sputnik. But what was it? A showpiece, built at the sacrifice of the Russian people of many a blessing enjoyed by the humblest of our citizens.

Today, those in whom we have every reason to have confidence have told us time and again that we have no reason to fear the military might of any other nation.

And who is there among us who would become the subject of the greatest military power on earth, if, with it, went the loss of liberty, a denial of the blessings which we now all here enjoy?

DO SOMETHING—NO MATTER WHAT

Today's situation calls to mind my memories of Kipling's description of the Bandar-log—the monkeys of the animal world.

All other animals seemed, as described by Kipling, to have a definite place, a definite purpose—but the monkeys were continually running about, chattering, drifting from place to place, finding something new to do but never finishing anything they undertook, although all the time hurling missiles of some kind in the path of whatever animal they might encounter.

Today, a vocal few seem obsessed with the idea that, because the Constitution is old, it has outlived its usefulness as a guide—that there is some power in legislation which will enable it to solve all our problems, real or fancied—ignore all of nature's laws, perhaps cause the earth to turn from the east to the west to greet a rising sun.

From day to day, we discover a new fear. With it, a new panacea.

We forget the great truth uttered by President Franklin D. Roosevelt on March 4, 1933, when he said:

"This great Nation will endure as it has endured, will revive and will prosper. So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself: nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance."

Let us forget our fancied fears, adhere to the principles which have brought us so far along the road of progress and contentment. Let us quit seeking quack remedies.

The rapid and tremendous increase in the public debt, our inability to meet necessary current expenditures, indicates we are following a dangerous course.

On July 30, 1932, President Franklin D. Roosevelt gave us some sound advice, among other things saying:

"Revenues must cover expenditures by one means or another. Any government, like any family, can for a year, spend a little more than it earns. But you and I know that a continuation of that habit means the poorhouse."

And again in October of 1932, he called attention to the fact that—

"Now, the credit of the family depends chiefly on whether that family is living within its income. And this is so of the Nation. If the Nation is living within its income, its credit is good.

"If, in some crisis, it lives beyond its income for a year or two, it can usually borrow temporarily on reasonable terms.

"But if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in spending, extends its taxing to the limit of the people's power to pay and continues to pile up deficits, it is on the road to bankruptcy."

Apparently, many have forgotten that the Federal Government has no dollars except as it acquires them through taxation.

In October of 1932, President Roosevelt, at Pittsburgh, advised us that—

"Taxes are paid in the sweat of every man who labors because they are a burden on production and can be paid only by production. If excessive, they are reflected in idle factories, tax-sold farms, and, hence, in hordes of the hungry, tramping the streets and seeking jobs in vain.

"Our workers may never see a tax bill, but they pay in deductions from wages, in increased cost of what they buy, or, as now, in broad cessation of employment."

Today's immediate problem grows out of unemployment—of what some term a depression, others a recession.

As a remedy, many proposals have been made, most of which are based upon the thought that those who have should assume the care of and provide for, temporarily at least, the needs and the desires of those who have less. For the unfortunate, that we must do; but those who are able should at least make some effort to help themselves.

Perhaps the remedy for one of today's problems was given us by President Franklin D. Roosevelt on September 9, 1931, when he said:

"This depression is today's problem. We cannot and must not borrow against the future to meet it. We must share now out of what we have, but not out of what we expect to have some day in the future."

That advice is as sound today as when given.

But limitation of time brings us back to the basic issue. So, permit me to add that, for the average, healthy, and mentally competent individual, opportunity is all that anyone is justified in seeking.

Dependency is a fool's paradise, and will ruin not only he who accepts it but, ultimately, all of us.

Chew that one over—digest it—and, if there be a substitute for individual responsibility, for free enterprise, for the greatest possible degree of individual liberty consistent with the general welfare—let us have it, citing first, however, a proven example in the world's history. The world's junkyard is filled with the wrecks of nations which sought prosperity and enjoyment through socialism or tyranny.

Viewed in the light of tradition and of history, judged by experience, under the Constitution, under the Stars and Stripes—not under a one-world flag—measured by the world's standards, we are the most powerful nation on earth. Our people—as individuals and as a whole—have more of everything man considers enjoyable and good than do the people of any other country.

None of this is due to accident. It all exists because those who founded this Government thought wisely, planned well. Those who followed adhered to true principles—the good Lord was merciful to us and blessed us far beyond what we have earned.

This is our Government. The Members of Congress will, sincerely and to the best of their ability, attempt, through legislation, to translate your desires into action. We are, however, no more than your servants.

This is the people's Government. As you and your associates at home use your ability, exercise your judgment, and actively participate in the selection of your representatives, the future of this Nation will be determined.

The responsibility is yours—the word "yours" means the individuals who have opportunity to go to the polls. As that opportunity and responsibility is used and assumed, so the future welfare of our people and of our Nation will be determined.

Thank you and God bless you.

Communications: 20th Century Ideas in Motion

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, April 30, 1958

Mr. HUMPHREY. Mr. President, recently I had the pleasure of addressing the Department of Audio-Visual Instruction—DAVI—of the National Education Association, at its 1958 convention in Minneapolis.

In this address I discussed certain ideas which have a direct reference to legislation now pending before the Congress, and I ask unanimous consent that the text of this address be printed in the RECORD.

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

COMMUNICATIONS: 20TH-CENTURY IDEAS IN MOTION

(Address by Senator HUBERT H. HUMPHREY, Before the 1958 Convention, Department of Audio-Visual Instruction (DAVI), Minneapolis, April 23, 1958)

It is always stimulating to meet with men and women for whom ideas are fresh, vivid, and living things. It is my good fortune to have the opportunity to discuss with such a group as this the problems and the importance of getting good ideas into effective motion.

This is the reason for existence and the motivation after all, of all teachers. Getting ideas translated into action is also the goal of us who are in public life. And each of us takes tremendous pride in achieving that goal, in our own way.

For anyone who works with ideas, these have been particularly challenging times. Somehow, our great Nation has been given the impression of a giant in chains, our tremendous strength somehow impotent. Yet seldom has there been more of a ferment of ideas, nor a more restless, seeking spirit among our people. But our ideas seem to sputter, flare up, and fade away before they can be translated into affirmative action. As a nation, we just don't seem to be able to get off the ground, like the early Vanguard.

Remember a few short weeks ago—that graphic symbol of frustration and enchained intelligence—the Vanguard rocket. There it sat, a magnificent idea made concrete, choking on its launching pad with some minor

fuel malfunction or other, while overhead whirled two Soviet sputniks—very much in motion—unchallenged by the most sophisticated scientific community on the face of the earth.

This international humiliation was ended, as we all know, when another idea or complex of ideas known as the Explorer satellite system, vaulted into space.

A rocket on a launching pad has a lot of potential. An idea on the launching pad of an intellectual's mind has a lot of potential. But it is the push, the thrust, that we can get behind the rocket, and the idea, that is so very critically important.

Putting ideas—good ideas—into motion takes a great deal of energy, decision, and skill.

We are not short on ideas in this country. Far from it. This is one of the blessings of this democracy, that everyone feels free to think up new ideas, and we have a bubbling of opinion and thought that is very healthy and useful.

But to translate the best of these ideas into motion and action, there must be a matching decision and a full use of the wealth of techniques of communication.

Believe me, the Soviet Union under the leadership of the extremely shrewd and capable Khrushchev understands the power of the idea in motion.

Perhaps no one has better stated the contrast betwen the vigorous use of ideas (including false ideas) by the Soviet leaders, and our own unaccountable failure to rise to the occasion recently, than the cartoonist Herb Block of the Washington Post.

I think you would agree, incidentally, that this cartoon is a superb demonstration of the picture that speaks a thousand words. It needs no explanation. It is humorous, bitterly humorous. In a few lines Block has expressed the frustration and exasperation of millions of thoughtful Americans.

I can assure you that I understand how the President or Mr. Dulles must feel when they open their morning paper and get a bang in the eye like the one Herb Block delivers every few days or so.

My office wall is festooned with cartoons like this one by another fine artist, Scott Long of the Minneapolis Tribune. Mr. Long can make quite a point with a few brush strokes, too. You might say that he can trim a subject better than the Senator HUMPHREY in his cartoon. Ray Justus, Scott's able colleague on the Minneapolis Star, also has a real impact. I cannot let this opportunity go by to mention that Scott Long received well-deserved recognition recently, for this superb demonstration of visual shorthand.

This is the newspaper clipping about Scott's award by the journalism fraternity Sigma Delta Chi for the outstanding cartoon of the year. The cartoon originally appeared in the Minneapolis Tribune the day after Little Rock, and was widely reprinted around the country.

There is an example of how to crystalize, or distill an idea, get a solid push behind it, and create a major impact on public opinion.

One of the major underlying causes of the tragedy of Little Rock was, I fear, that the ugly situation developing was not met with sufficient determination at an early enough time. Timing, in political affairs, as well as in audiovisual productions, is extremely critical. Timely decisions, and the determination to put them into effect, are among the first responsibilities of leadership in a democracy like our own.

Many felt long before Little Rock that there were ways and means of meeting and preventing the saddening spectacle that developed. Many feel today, that with timely decisions and determination to press forward, there are ways to cope, and cope effectively, with the powerful propaganda drive of the Soviet Union, with this very serious recession, and with the onrushing problems of our expanding population.

We are looking, then, for that thrust that gets us off the ground. All the rich and diverse talents and resources of this democracy await the vital forward impulse that can be released only by the topmost political leadership of the Nation, and particularly by the man who holds the vast powers of the American Presidency.

Someone must turn on the switch to set the American dynamo humming. Khrushchev challenges us to compete. Our first decision must be to accept the challenge in the realm of ideas, as we accepted the military challenge of the Soviet Union first made over 10 years ago.

You can't run a footrace, you know, if you are forever bending down to tie your shoelaces.

To paraphrase Lord Palmerston, the great British foreign minister of the early 19th century, ideas are stronger than armies. If they are founded on truth and justice, they will in the end prevail, as he said, "against the bayonet of infantry, the fire of artillery, and the charge of cavalry."

The Soviets have adopted Palmerston's point of view with a vengeance, except that they have conveniently neglected that fine print about truth and justice. We, I fear, are still hypnotized by hardware. Vitally important as it is to maintain parity in weapons with the Soviet Union, what great folly it will be if we do not recognize that military force is but one area of competition.

Now let us assume—and let us devoutly hope—that someone will at least turn on the switch. Let us assume that we are determined to do something.

Now comes the second great task of political leadership: Putting the massive power of the United States behind the right ideas.

A democratic leader has sometimes been compared with an orchestra leader, to get some idea of the diversity which he must weld into unity. Surrounded as I am with men and women steeped in the audiovisual production tradition, I am tempted to compare the democratic leader with a producer. In a sense, the leader in a democracy is like the producer of a motion picture, a television program, a radio broadcast, a sound-slide series. He is trying to persuade people to do something. And to help him in his task, he is truly fortunate in our country to be able to call upon the skills of many people, many specialists, many talents. Like the producer, his job is too big to do by himself. He must, however, select the basic idea, furnish the motive power, and then prepare to follow through, to supervise, encourage, and stimulate his team of specialists.

The producer must find the right idea—the right story, or concept. He knows that the finest of technicians and the most superb talent will give him nothing more than a mediocre production, unless he has an important idea to work from.

Similarly, the democratic leader must spend much time and energy in selection of his program and policy. That is basic. From all the deluge of advice and entreaty, he must select the most promising, judge it against his own intelligence and experience and training, and make that primary decision: This is the program behind which I will throw all my resources and energy.

Just as in a film, a telecast, or radio broadcast—just as in a lecture in a schoolroom—it is absolutely vital that what is chosen to be said be important. So much, so very much, of what goes on film, over television and radio, in the newspapers is simply frivolous, petty, and unimportant. There is a tragic waste of fine talent and creative energy in the field of communications in America, due to poor ideas and concepts.

Most of the bad pictures, the bad television shows, and the public policies of the Nation which fail, have had lavish productions—crews of writers, squadrons of technical personnel, shoals of money. They are bad, most of them, because the basic idea chosen was a bad one—mistaken, shallow, unimportant. There is too much fanfare and not enough substance.

How difficult it is to pick that right idea, amidst the bombardment from all sides. But how important. For the producer, it is the opportunity for a smash production, fame, possibly fortune.

For the democratic leader it can be the opportunity for greatness.

George Allen, the new Director of the United States Information Agency, recently said something like this: All the radio transmitters, motion picture productions, and television shows in the world cannot substitute for or replace intelligent basic policy.

In other words, you can't get by very long on words and pictures alone. You can't make a bad policy good without changing the policy itself.

But again—let's assume that we decide not only that we are going to get an action program under way, but we have even selected a good, sound program. Now comes the how part—technique, the choice of the medium of communication.

The democratic leader must think about his audience, his target. He is now full tilt in the field of communication. What is the best way to get his program going? Is his target the chairman of a Senate committee? Is it the Washington press corps? Is it the home constituency?

His audience may be the people of the country directly, as was so often the case with President Franklin Roosevelt, in his radio fireside chats. It may be the people of Southeast Asia. It might be American farm families, or small-business men, or big-business men; it might be the impoverished young intellectual of India.

In the field of public policy, it is my opinion that audiovisual techniques do not yet play the role they someday will. In his choice of medium, the democratic leader still relies for the most part on the news release, the speech, the press conference.

I might point out that I am trying something entirely new for me tonight, in using audiovisual materials in an address of this kind, and I am grateful for the kind assistance so freely offered to this rank amateur in the audiovisual field.

While we in Government are still slow in taking advantage of all the possibilities of the audiovisual field, some of the new habit patterns of Americans are being recognized—particularly the incredible amount of time devoted to watching television. The live news interview on television has become a fixed institution for the "trial balloon" on public policy. Even the wire services are now beginning to watch these shows for their morning stories.

TV is having a yet unmeasured impact. We are all familiar with the exciting experimental work being done in the Nation's now 31 educational television stations, often in conjunction with the audiovisual departments of school systems, colleges and universities. Not only are these cooperative undertakings performing a magnificent job of putting ideas in motion, but they are fruitful training grounds for the young men and women whose future tasks will include the interpretation of American life and policy abroad.

Television, film and audiovisual materials in general are becoming vitally important in the communication of ideas in all of the advanced nations of the world, while radio for years has been the possession of the most peasant economy. The United States has not, however, begun to exploit audiovisual techniques as instruments of foreign policy to anywhere near the extent that is possible. As television set ownership rises, as motion pictures and slide projectors spread into the

have-not areas of the world, a growing opportunity is given us to get our ideas across.

Some steps have been taken in this direction. When Marion Anderson completed her triumphant tour of Asia, the film produced by Ed Murrow for CBS, See It Now, was reproduced in more than 100 copies for distribution overseas. But, in general, the fact continues to be overlooked that with the simple, honest portrayal of American life that can be found in the best of our documentary films—many of the ideas of America can break through the hundred language and distance barriers that effectively block the real America from the world's view.

How much can be said about the mind and the heart of America in the kind of artistry represented by such works as The Strange One, with its portrayal of the patient work of a social worker in a home for delinquent boys, or the beautiful conception of the impact of technological America on the boy from the bayou country in Flaherty's Louisiana Story, the stark beauty of this scene of levee building in Pare Lorentz's The River.

And how much of the American conscience and drive toward the reform of evil is reflected in this brief sequence on slum-dwellers, from The City.

We must do much more of this kind of work in our overseas information program.

It is true that we have built up rather a substantial number of film libraries overseas—1 in each of more than 200 information centers in 78 countries. And the USIA motion picture or information officer attached to the center offers a rather varied usage of our films. Audiences will range from those in regular commercial theaters all the way to groups who have trudged in from a radius of 10 miles in the jungle or desert. Some 7,000 projectors of its own are used by the Agency in the less developed areas, as well as over 300 mobile motion-picture vans equipped with their own electric generators.

The schools in many countries are using our motion pictures, and apparently in some places have even made them an integral part of the school curriculum. Government agencies, especially in agriculture and health, frequently borrow the USIA films. Civic clubs, religious groups, labor and professional groups, youth organizations—the kinds of groups that use films in our own country—are given access to the USIA films. Practically all of the more than 1,000 titles are also available for use on any TV stations overseas.

Many times, in the best audiovisual tradition, the USIA people make an effort to combine, or as they say "interlock," mediums—to broaden or to sharpen the impact. A USIA exhibit can be, and often is, later given a form of permanence with the use of the motion-picture camera—just as Marion Andersons' visit to Southeast Asia was recorded for later film showings.

About 40 percent of the films in the overseas program are acquired through a regular and systematic screening of the output of educational, documentary, cultural, and industrial films. For other films USIA contracts with private companies for documentary and newsreel type films. Still another group is produced by USIA overseas in 44 countries, in an effort to clothe the message in the local language and settings.

Some intensely interesting work has been done in the less developed areas, where films were tailored specifically for local needs and problems. Incidentally, the first overseas production done for USIA was performed by a group of American university film production units, under USIA contract, including the University of Minnesota's in Iran.

The USIA use of audiovisual materials, along with their use by the International Cooperation Administration, has clearly stimulated a desire in the less developed countries to make use of such materials in their own self-improvement programs. My friends in USIA assure me that many people from the audiovisual ranks which you represent have served with great distinction abroad in the many governmental programs of planning and producing audio-visual materials for rapid mass learning.

But are we doing enough? One way to measure this is to look at what the Soviet competition is doing in the field.

The Central Committee of the Communist Party of the Soviet Union contains a propaganda and agitation section (Agitprop) which receives its orders directly from the presidium of the central committee, the highest body in the Soviet world. The closely interwoven structure of the Communist Party and the Soviet Government insures that for propaganda purposes there is no distinction between the two.

The cost of current Soviet bloc propaganda activity is incalculable, but a few indexes are available. For example, it is estimated that each year the Soviet program spends considerably more on jamming the Voice of America alone than the United States does on its total overseas information program. Incidentally, it has also been estimated that the Sixth World Youth Festival last year in Moscow—the purpose of which was almost exclusively propagandistic—cost more than $150 million. Again more than the entire United States information effort.

It is known that in 1957 an average of 2,254 program hours per week went out over the Communist international broadcasting network. (This can be compared with 750 hours a week on the Voice of America.) The Soviets published approximately 25 million books in Free World languages during the first three quarters of 1957 and also published more than 110 foreign language periodicals circulating in Free World areas. The cost of activities such as these and of other activities of the thousands of local chapters of the Communist Party and front groups must be staggering. No, I do not think we are doing enough in the use of audiovisual materials in our overseas information program. Congress has a serious responsibility to make more funds available for this purpose. And the administration can surely show more imagination and initiative in encouraging the fuller participation of the thousands of talented figures and craftsmen throughout America who could contribute so much to a broadly expanded program.

Not only could we have a Voice of America. We could, with sufficient planning, produce an enormousful effective visual program. We could say: Here is America. Here we are, with our faults as well as our virtues. Here is the real America of striking vigor, flashing imagination, bursting creativity. Here, we could say, is an America struggling to find the answers, an America earnestly seeking to do what is right, an America not at all reflected in the gangster movies, the technicolor musicals, and all the westerns that have ever galloped across the screens of Europe and Asia and Africa.

Let me emphasize once again, that without something to say, that is, without a policy to implement, doubling and even tripling the USIA budget would largely be a waste of time. Furthermore, it is safe to say that dollars alone will not provide an effective program of audiovisual production for our information program overseas.

The scientists assure me that dollars alone will not produce creative thought and important discoveries. They stress, again and again, that the truly creative person is a relative rarity, and that very careful programs must be designed which are entirely without reference to the massive expenditures of funds.

A million dollars could be plunged into the production of one motion picture, and frequently is, in the entertainment industry. That same million could be dedicated to a program of encouragement and incentive to the struggling audiovisual producers around the country, and might produce startling results.

There are gifted individuals, in college and out, throughout the country—experimenting on shoestrings, struggling to advance the art of visual communication, working on budgets of $500 or perhaps $5,000—producing stimulating, honest, sometimes beautiful, films and filmstrips for perhaps 1 or 2 percent of the cost of a Hollywood entertainment film. Just think what they could do with just a few thousand dollars to work with.

Financial worries that affect the typical educational TV station, for example, cannot help but diminish the creativity and effectiveness of their work. I see no reason why governmental units at the local, State, and national level should not participate in the financing of these operations, in the public interest.

Senator WARREN MAGNUSON, I believe, is to begin hearings tomorrow on a bill to provide financial assistance to States which have been unable to move as yet into the field of educational television.

Other proposals are already being given serious attention. In title X of S. 3187, which I am proud to sponsor with Senator LISTER HILL, we have proposed a program which I believe would go a long way toward advancing the art and technique—and the habits of use—of audiovisual materials for serious (as opposed to more entertainment) purposes.

Essentially, under title X we would provide $5 million for the first year, and $10 million for each of the next 4 years to promote research and experimentation in the audiovisual field.

There would be grants-in-aid to public and nonprofit agencies and individuals, to be approved by a national advisory council on new educational mediums. Contracts would be authorized for projects of research and experimentation in audiovisual instruction. A central exchange and library of audiovisual materials would be maintained, including materials produced abroad.

Program units would be organized and made available to State and local educational agencies.

All of these activities would be coordinated under an institute for research and experimentation in new educational mediums within the United States Office of Education.

Such a broad program of encouragement would strongly supplement the pioneering work which has already been done by the Ford Foundation and other nonprofit foundations and organizations, which has been so important in the steady progress of the past decade in audiovisual production and use.

The Senate has held extensive hearings on this bill, and I am very hopeful indeed that our Committee on Labor and Public Welfare will favorably reput the bill to the Senate floor sometime in May. On the House side, similar progress is being made on a matching bill.

With such a two-pronged effort—that is, encouraging creative experimentation on the one hand, and providing in effect a market for audiovisual productions through such agencies as USIA—the whole field of audiovisual work can be enormously stimulated.

This would be good for our Nation. It would make us more articulate in our dealings with the rest of the world. It would also intensify the broad educational effort we are now making, by multiplying the number of students which can be reached by superior teachers. This, in turn, would give impetus to our effort to regain the initiative in our struggle with the Soviet system—a struggle which demands, and will continue to demand, the most intensive planning, coordination, and perseverance.

Only through the vigorous and imaginative use of all the mediums of communication can an administration expect to convince the country that it must make the sacrifices necessary to meet the multiple Soviet challenges and to avoid the catastrophe of either war or Soviet domination. And only through an equally vigorous use of communications mediums—founded soundly on intelligent policy, of course—can our leaders expect to rebuild the confidence and unity of the West and shatter the glib confidence of the Soviet leadership.

But even should we succeed in ending the arms race, in reducing the crushing burden of armaments and the overhanging threat of catastrophe from nuclear weapons, we must still be prepared to face a generation of struggle to win the minds and hearts of the peoples of Asia and Africa. Let us hope that we will have the determination to enter the contest seriously, the intelligence to formulate wise policies, and the trained men and women to put them into effective action.

Of all the powerful ideas at work in the world, none has more strength than the world's yearning for peace—and not simply the absence of war, but peace with progress.

We must identify ourselves vigorously, simply and directly, with this great idea, in terms of positive progress toward better housing, more jobs, more food, and for dignity and freedom for the men and women who have had nothing for so long.

Ideas, you see, are in motion—powerful ideas that are sweeping away old political institutions, breaking through the encrusted traditions of five centuries. Nationalism, and fierce nationalism at that, is an idea and a movement among the Asian and African peoples that must be recognized and taken into the most serious consideration by American policy planners. The idea of equal opportunity and nondiscrimination on the grounds of religion or color is another powerful idea that is upsetting the old order. The peoples of colored skin in this world are in the majority, and it has long since become evident that they will no longer tolerate the inferior status we of the West have assigned them for these five centuries of Caucasian domination.

The magnificent conception of international organization for peaceful purposes is still another tenacious and vigorous idea important in our world—and very much in motion. Steadily, in the face of the huge buildup of weapons of mass destruction, men and women of vision and purpose are working to strengthen the economic, social, and cultural organizations that are some of the brightest hopes in an often bleak international picture. The idea that all peoples should be free of the age-old scourge of disease is being magnificently carried forward—in malaria control programs, in the attack of trachoma, tuberculosis, and scores of other plagues.

Still another idea powerfully at work in the world, but one which our Government regretfully has not yet adopted, is that food and fiber are great national treasures, and can be vital instruments of foreign policy. Mr. Khrushchev is the first of the Soviet leaders to recognize this fact, and in the face of our own leadership's indifference to the opportunity to use food intelligently and wisely, the Soviet leaders are surging forward in an effort to overtake us in food and fiber production. American food and fiber abundance is not something we should be ashamed of, but an asset of incalculable value.

Finally, the idea of providing the kind of education that will permit individuals to realize their full intellectual potential, the idea of ensuring that gifted young people will not be denied higher education opportunities simply because of a lack of family finances, is gathering real momentum. In our history we have steadily widened the opportunity for education for everyone. But it is only recently that we have come to realize the great gaps in our educational structure. It is nothing short of tragic—for the individuals and for our Nation—that we have not devised a system that would provide the 150,000 or so young high school graduates with very superior ability who do not now go on to college each year for lack of funds, the opportunity to develop their potential through higher education.

I think we are going to take steps to meet this challenge. As long ago as January of 1957 I proposed legislation to provide direct scholarships and loans for 40,000 such young people. This year, I was privileged to join with Senator LISTER HILL in introducing the national defense education bill about whose title X we have had some discussion earlier. We have even succeeded in encouraging the administration to make a similar, though far smaller, request of Congress. Clearly we are going to have concrete, positive legislation in this field this year, and the impact on the intellectual level of our Nation may be astonishing over the coming decades.

Finally, it is important to point out that were there no Soviet Union, were there no Nikita Khrushchev, were there no overhanging threat of nuclear warfare, we would still live in a world of incredible problems and dangers, and opportunities. Surely it is shortsighted to be forever reacting instead of acting, to be forever holding back instead of forging boldly ahead with our own ideas. This is a world in constant flux, ever changing, constant only in its inevitable change.

The task of encouraging and training the young people of our Nation to assume political, economic, and technical leadership is of nobility and intense importance. You teachers, and you specialists in the visualization of the idea, deserve the warmest support and encouragement of the Nation. I can only assure you that there are many in the Congress of the United States who share my conviction that the profession of teaching must somehow receive the social and financial rewards that have for so long been denied to educators.

This is just another idea that I hope to get into motion.

Meanwhile, while our society, not yet in its full maturity, does not yet recognize in more concrete terms the critical importance of the teaching profession to the strength and economic health of our Nation, let me assure you that never has the prestige of the teacher been higher. Never, it seems to me, have the prospects been brighter for the participation by educators in major policy decisions of our Government. This is a long and important stride forward, I believe, and bodes well for the future welfare of our own, and of the world's people.

SENATE

THURSDAY, MAY 1, 1958

Rev. Walter B. Freed, D. D., pastor, Luther Place Memorial Church, Washington, D. C., offered the following prayer:

Almighty God, Thou who art the Father of all men and the Lord of nations, let Thy righteousness rest upon Thy servants, to encourage them to good, and to discourage them from evil. Come to our boisterous and stormy selves, where strong and stubborn wills hold sway, and still us with the calm steadiness of Thy presence until self is forgotten and Thou alone art Lord.

Cast out, O God, from our hearts and minds the fears and contradictions which tend to make us cowards and weaklings; and help us to comprehend, through the clear eye of faith, a destiny for Thy peoples which is in keeping with Thy holy will and divine purpose. Endow us with the grace of patience, so as to deal gently with those who may oppose us, while at the same time keep us loyal to convictions that are just.

In moments when decisions fraught with extended consequences are to be made, allow the light of Thy truth, O God, to shine into our minds until selfishness and prejudices are exposed and we are compelled to act because of a motive divine. In places where we are weak, make us strong in our reliance upon Thee; and where we are strong, use our strength to Thy honor and glory: through Jesus Christ, Thy son, our Lord, who liveth and reigneth with Thee and the Holy Ghost, ever one God, world without end. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 30, 1958, was dispensed with.

MESSAGE FROM THE PRESIDENT

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

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 228) authorizing the printing as a House document of the pamphlet entitled "Our American Government. What Is It? How Does It Function?" in which it requested the concurrence of the Senate.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 228) authorizing the printing as a House document of the pamphlet en-