had no rules of procedure whatever. After several months of fussing with the chairman of the committee, Senator PAUL DOUGLAS, he appointed me on a subcommittee of two to write the rules. This was done and these rules were adopted in 1955, almost 10 years after the committee had been operating.)

The Supreme Court in the Watkins decision shows a complete ignorance of the history of Congressional procedure and the manner in which Congressional committees operated in the past and in the present. If it looks for formal delegation of authority from the parent group of its committees as is done in the executive branch it will have to look a long time. This is not done and actually would interfere with proper Congressional functioning if it were done. The Supreme Court is naive in trying to make the point that * * * "it is evident that the preliminary control of the committee exercised by the House is slight or nonexistent." It is also making a completely false statement. Every committee must make reports to the House and must come to the House for money to operate. Any committee that goes beyond the bounds of what the House wants is called to task pretty quickly. Actually the Un-American Activities Committee has done what no other committee has done, it has insisted that its authorization and appropriation of funds be approved by record vote in the House. The record votes are there for all to see and only one or two brave souls over a period of years have ever dared vote against the appropriation of the funds the committee requested. And this was after a rather lengthy presentation on the part of the committee on the floor of the House both as to what they had been doing and what they intended to do.

The Watkins decision is so replete with statements made out of ignorance it is difficult to grapple with it on a scholarly basis. I will just point out one more and desist. On page 14 this statement appears: "In the decade following World War II, there appeared a new kind of Congressional inquiry unknown in prior periods of American history." This is untrue, as the statement on page 20 points out: "The authorizing resolution of the Un-American Activities Committee was adopted in 1938 when a select committee under the chairmanship of Representative Dies was created." But even this later statement does not give the real history of the Un-American Activities Committee. The Dies committee was a follower of the select committee set up for the same purposes chaired by the gentleman from Massachusetts, the Honorable JOHN MCCORMACK, now the majority leader of the Democratic Party in the House of Representatives.

Belief in government by laws rather than by men and disbelief in the doctrine that the ends justify the means should be the basis of any group dedicated to civil liberties. I would add another qualifying remark that is implicit in the disavowal of the doctrine that the ends justify the means. Search for the truth is the basis of all true scholarship and leading from ignorance and the tampering with truth is the surest way not only to destroy civil liberies but to stop any advancement into the unknown for mankind.

Yours very truly,

THOMAS B. CURTIS.

SENATE

THURSDAY, MAY 22, 1958

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

God of all mercies, in a world swept by violent forces which unaided we cannot control, Thou only art our help and our hope. Through all the mystery of life, Thy strong arm alone can lead us to its mastery. Fronting the clamant duties of these volcanic days, steady our spirits with a realization of untapped power available to servants of Thy will if only they go quietly and confidently about their appointed tasks. Forgive us the distrust of ourselves, of life, and of Thee, and the doubts which besiege us when the heights above us are full of the chariots of God.

As we spend our years as a tale that is told, may it be to the last page a tale of service well done, of tasks faced without flinching, of honor unsullied, and of horizons stretched out as daily we fare forth toward journey's end. Then of Thy great mercy grant us a safe lodging and a holy rest, and peace at the last; through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 21, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the act (S. 3149) to increase the lending authority of the Export-Import Bank of Washington, and for other purposes.

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

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

LEAVE OF ABSENCE

Mr. THYE. Mr. President, I ask unanimous consent to be absent from the Senate next Monday. I am a delegate to the World Health Conference, which convenes in Minnesota. It is the first World Health Conference to be held in the United States, and it convenes on Monday, May 26. As a delegate I will be in attendance. I therefore ask unanimous consent to be absent from the Senate during the period of days of this World Health Conference beginning on Monday.

The VICE PRESIDENT. Without objection, leave is granted.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Under the rule, there will be the usual morning hour, and I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. 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.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of Rear Adm. Edward H. Thiel, to be Engineer in Chief of the United States Coast Guard, which was referred to the Committee on Interstate and Foreign Commerce.

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

POST OFFICE DEPARTMENT

The Chief Clerk read the nomination of Herbert B. Warburton, of Delaware, to be General Counsel of the Post Office Department.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

MUNICIPAL COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Andrew McCaughrin Hood, of the District of Columbia, to be an associate judge of the Municipal Court of Appeals for the District of Columbia for a term of 10 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

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

The VICE PRESIDENT. Without objection, the postmaster nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the

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President be notified immediately of the confirmation of all these nominations.

The VICE PRESIDENT. 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.

PURCHASE OF FLORAL WREATHS TO BE PLACED ON THE REMAINS OF THE UNKNOWN SOLDIERS OF WORLD WAR II AND THE KOREAN WAR

Mr. JOHNSON of Texas. Mr. President, for myself and the distinguished minority leader, I submit a concurrent resolution, and ask unanimous consent for its immediate consideration.

The resolution is self-explanatory. It authorizes the purchase of floral wreaths by the Sergeants at Arms of the two Houses. On Wednesday, May 28, these wreaths will be placed upon the catafalques bearing the remains of the Unknowns of World War II and Korea, one wreath to be placed thereon by the Vice President, and one by the Speaker of the House of Representatives.

A similar resolution was adopted on November 2, 1921, after which a wreath was placed upon the remains of the unknown soldier of World War I.

I send the concurrent resolution to the desk, and request that it be read.

The VICE PRESIDENT. The concurrent resolution will be read.

The concurrent resolution (S. Con. Res. 90), submitted by Mr. JOHNSON of Texas, for himself and Mr. KNOWLAND, was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Sergeant at Arms of the Senate and the Sergeant at Arms of the House of Representatives are each hereby authorized and directed to purchase a floral wreath to be placed by the catafalques bearing the remains of the Unknowns of World War II and Korea which are to lie in state in the rotunda of the Capitol of the United States from May 28 to May 30, 1958, the expenses of which shall be paid from the contingent funds of the Senate and the House of Representatives, respectively.

The VICE PRESIDENT. Morning business is in order.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, reporting, pursuant to law, that there have been no significant developments to report for the month of April relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease; to the Committee on Agriculture and Forestry.

AMENDMENT OF TITLE 10, UNITED STATES CODE, RELATING TO CERTAIN MEDALS

A letter from the Acting Secretary, Department of the Air Force, transmitting a draft of proposed legislation to amend title 10, United States Code, with respect to certain medals (with an accompanying paper); to the Committee on Armed Services.

REPORT PRIOR TO RESTORATION OF BALANCE, NATIONAL BUREAU OF STANDARDS

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report prior to restoration of balance, National Bureau of Standards, as of March 31, 1958 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF AIRCRAFT INSPECTION AND REPAIR CONTRACTS, AIR MATERIEL FORCE, EUROPEAN AREA

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of aircraft inspection and repair contracts, Air Materiel Force, European Area, dated May 1958 (with an accompanying report); to the Committee on Government Operations.

STABILIZATION PAYMENTS TO PRODUCERS OF CERTAIN ORES

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to stabilize production of copper, lead, zinc, acid-grade fluorspar and tungsten from domestic mines by providing for stabilization payments to producers of ores and concentrates of these commodities (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON FRESH OR FROZEN YELLOWFIN, SKIPJACK, AND BIGEYE TUNA

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on fresh or frozen yellowfin, skipjack, and bigeye tuna, dated May, 1958 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON ACTIVITIES AND TRANSACTIONS UNDER MERCHANT SHIP SALES ACT OF 1946

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration on the activities and transactions under the Merchant Ship Sales Act of 1946, from January 1, 1958, through March 31, 1958 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A resolution adopted at an assembly of the New England District of the Knights of Lithuania, at Ansonia, Conn., relating to Lithuanian independence; to the Committee on Foreign Relations.

The petition of Winnie Williamson, of Mount Edgecumbe, Alaska, praying for the enactment of legislation to provide statehood for Alaska; ordered to lie on the table.

The petition of Mrs. Cecil W. Jones, of Weinert, Tex., relating to increased postage rates, and so forth; ordered to lie on the table.

A resolution adopted by the Board of Supervisors of the County of Maui, T. H., favoring the enactment of legislation to prohibit the distribution, through the mail, or otherwise, of all obscene literature and pictures; ordered to lie on the table.

By Mr. GREEN (for himself and Mr. PASTORE):

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Appropriations.

"Resolution memorializing the President of the United States, the Secretary of the Navy, and Congress with respect to the proposed layoff of civilian employees from the United States Naval Air Station at Quonset Point, R. I., and the United States Naval Underwater Ordnance Station at Newport, R. I.

"Whereas the present policy of the Federal administration is to allocate more work to critical unemployment areas; and

"Whereas Rhode Island is in such a critical unemployment area; and

"Whereas the Department of the Navy of the United States has announced plans to further lay off civilian employees from the United States Naval Air Station at Quonset Point, R. I., and the United States Naval Underwater Ordnance Station at Newport, R. I.; and

"Whereas the announced layoffs following the recent layoff give rise to the fears that these installations may be abandoned; and

"Whereas such cutbacks in employment would have a serious effect on the economy of Rhode Island; and

"Whereas it is paradoxical that the services performed by these two stations are economically superior to those performed by private enterprise by skilled labor which has no superior; and

"Whereas the skills acquired by such civilian employees would best be served by the continuance of the program at these two stations, and would otherwise be dispelled; and

"Whereas it would be in the best interest of the Federal Government to maintain said stations and make use of such experienced and skilled personnel: Now, therefore, be it

"*Resolved*, That the Secretary of the Navy of the United States be and he is earnestly requested by the General Assembly of the State of Rhode Island to reconsider and abandon his plans for the further layoff of civilian employees from the United States Naval Air Station at Quonset Point, R. I., and the United States Naval Underwater Ordnance Station at Newport, R. I., and exhaust every effort to bring the ceiling of employment at both installations up to the 1957 level; and be it further

"*Resolved*, That the appropriations committee of the House of Representatives and of the Senate of the United States fully scrutinize any further curtailment in the employment or workload at said installations; and be it further

"*Resolved*, That the present Federal administration in the interest of economy should appraise its existing activities as to cost of operations of said installations compared with private enterprise, as well as the geographical locations of other naval air stations and installations; and be it further

"*Resolved*, That duly certified copies of this resolution be transmitted by the secretary of state to the President of the United States, the Secretary of the Navy of the United States, to the chairmen of the appropriations committees of the House of Representatives and of the Senate of the United States and to the Senators and Representatives from Rhode Islands in the Congress of the United States."

NATIONAL MONUMENT AT GRAND PORTAGE, MINN.—LETTER

Mr. THYE. Mr. President, earlier in this session of the Congress I introduced a bill, S. 3362, to establish a national monument at Grand Portage, Minn. The bill is pending in the Committee on Interior and Insular Affairs. The com-

mittee has not been in position to act on my bill because they are awaiting a report from the Department of Interior. It is my hope, however, that this bill will be enacted during this session, so that the project may be started during Minnesota's centennial year.

To illustrate the support which local interests have expressed for this project, I ask unanimous consent that a letter which I have received from the clerk of the village of Grand Marais, Minn., be printed in the RECORD at this point in my remarks and be appropriately referred to the committee for consideration.

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

VILLAGE OF GRAND MARAIS,
Grand Marais, Minn., May 20, 1958.

Senator EDWARD THYE,
Congressman JOHN A. BLATNIK,
Washington, D. C.

GENTLEMEN: We the members of the village council are in full accord that Grand Portage should have a national monument, and since we as a county are to have our centennial celebration to coincide with that of the State, in the first part of August.

At present we are all working hard to make this celebration one of the most outstanding for the State inasmuch Grand Portage is known to have been under four different flags in its past history.

Invitations are extended to all parts of the State as well as Canada to help us celebrate.

It would therefore be most fitting that we endorse the above bill and compliment the author of same.

With kindest personal regards, I remain,
Sincerely yours,
E. F. LINDQUIST, *Clerk.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 12065. An act to provide for temporary additional unemployment compensation, and for other purposes (Rept. No. 1625).

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO TRANSFER OF 1958 FARM ACREAGE ALLOTMENTS FOR CERTAIN COTTON—REPORT OF A COMMITTEE

Mr. ELLENDER, from the Committee on Agriculture and Forestry reported an original bill (S. 3890) to amend the Agricultural Adjustment Act of 1938, as amended, to permit the transfer of 1958 farm-acreage allotments for cotton in the case of natural disasters, and for other purposes, and submitted a report (No. 1626) thereon, which was ordered to be printed; and the bill was read twice by its title, and placed on the calendar.

BILLS INTRODUCED

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

By Mr. ANDERSON:

S. 3881. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for the release of source material reservations contained in conveyances of public and acquired lands, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. MURRAY (by request):

S. 3882. A bill to amend the act of July 1, 1948, chapter 791 (24 U. S. C. 279a), providing for the procurement and supply of Government headstones and markers; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 3883. A bill to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities; to the Committee on Agriculture and Forestry.

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

By Mr. CAPEHART:

S. 3884. A bill for the relief of Pierre Bertagnolio; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 3885. A bill to increase by $400 million the borrowing authority of the Housing and Home Finance Agency for college housing loans; to the Committee on Banking and Currency.

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

By Mr. FULBRIGHT (by request):

S. 3886. A bill to amend section 14 (b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury; to the Committee on Banking and Currency.

By Mr. THURMOND (for himself, Mr. BENNETT, Mr. BUTLER, Mr. LONG, Mr. MORTON, and Mr. PROXMIRE):

S. 3887. A bill to amend the Civil Aeronautics Act of 1938 with respect to the ratemaking elements for the transportation of mail by air carriers; to the Committee on Interstate and Foreign Commerce.

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

By Mr. CLARK:

S. 3888. A bill to provide for an effective system of personnel administration for the executive branch of the Government; to the Committee on Post Office and Civil Service.

By Mr. MUNDT (for himself and Mr. MCCLELLAN):

S. 3889. A bill to amend chapter 47 of title 18 of the United States Code to prohibit the receipt of fees in connection with the execution of contracts for the rendition of certain services connected with the sale of real property in interstate or foreign commerce which have been induced by fraudulent misrepresentations, and for other purposes; to the Committee on the Judiciary.

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

By Mr. ELLENDER:

S. 3890. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to permit the transfer of 1958 farm acreage allotments for cotton in the case of natural disasters, and for other purposes; placed on the calendar.

(See reference to the above bill when reported from the Committee on Agriculture and Forestry, by Mr. ELLENDER, which appears under the heading "Reports of Committees.")

CONCURRENT RESOLUTION

Mr. JOHNSON of Texas (for himself and Mr. KNOWLAND) submitted a concurrent resolution (S. Con. Res. 90) authorizing the purchase of floral wreaths to be placed in the rotunda of the Capitol for the ceremonies in connection with the Unknown Soldiers, which was considered and agreed to.

(See the remarks of Mr. JOHNSON of Texas when he submitted the above concurrent resolution, which appear under a separate heading.)

RESOLUTION

INVESTIGATION OF ASYLUM WITHIN THE UNITED STATES OF ERNESTO ROMULO BETANCOURT

Mr. CURTIS submitted the following resolution (S. Res. 309), which was referred to the Committee on the Judiciary:

Resolved, That the Internal Security Subcommittee of the Senate Committee on the Judiciary is authorized to investigate the asylum afforded Ernesto Romulo Betancourt, a Venezuelan national, within the United States and its Territorial possessions, since 1950, for the purpose of determining whether, during such asylum, matters involving the internal security of the United States may have been affected by the aiding or abetting, in any degree or manner whatsoever, of a possible conspiracy to overthrow an existing government of another American state.

PROPOSED MARKETING FACILITIES IMPROVEMENT ACT

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a marketing facilities improvement bill, to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities.

Mr. President, this is a companion measure to H. R. 4504, favorably reported by the House Committee on Agriculture, and, with slight modifications worked out by the House committee, the same bill which I introduced as S. 1075 in the first session of the 84th Congress on February 15, 1955.

The proposed legislation is the outgrowth of long and careful study by marketing specialists in the Department of Agriculture, and painstaking and persistent work by Chairman HAROLD COOLEY of the House Committee on Agriculture.

Work in this direction by marketing specialists in the Department of Agriculture dates back to the administration of our colleague, Senator ANDERSON of New Mexico, as Secretary of Agriculture. Similar legislation was approved by the House in 1950, but failed for lack of action in the Senate due to the lateness of the session.

I am reintroducing the measure today because I do not want that to happen again. The measure is now on the House calendar, with early action expected. I expect it to be approved. I want a similar measure before our Senate Committee on Agriculture for immediate consideration.

From sources within the wholesale fruit and vegetable trade, I am informed that many major cities of our country are eager to undertake substantial improvement projects if this legislation is enacted.

It is the purpose of the proposed act to facilitate, encourage, and assist municipalities and political subdivisions of

States, public agencies, and instrumentalities of one or more States or municipalities, public corporations and boards, and private enterprise, in the creation and development of modern and efficient public wholesale markets for the handling of perishable agricultural commodities in areas where such markets are found to be needed, and where Federal assistance is requested and authorized as prescribed in this act. Our aim is that unnecessary costs and burdens attendant with the marketing of perishable agricultural commodities, caused by inadequate or obsolete facilities, may be eliminated, and that the spread between the amount received by producers and the amount paid by consumers may be reduced. We hope that purpose can be achieved through use of insured mortgages under a revolving fund created by this act.

Marketing of perishable agricultural commodities affects the public welfare, and is quite properly a matter of grave national concern.

Vast quantities of fruits, vegetables and other perishable agricultural commodities shipped from various producing areas located throughout the United States and foreign countries pass through and are handled in public marketing facilities located in large consuming areas, which are, in most instances, inadequate and obsolete. The handling of perishable agricultural commodities in such facilities results in many uneconomic practices, greatly increasing costs and causing undue losses, excessive waste, spoilage and deterioration, that in turn, causes producers to receive prices far below the reasonable value of their products, unduly and arbitrarily enhances costs of operations in such markets, and increases the price of food to consumers.

The prices of all perishable farm commodities are directly affected by the prices made on these public markets, and are adversely affected by the unduly burdensome costs resulting from obsolescent and inadequate facilities. Such antiquated facilities create an undue restraint and unjust burden on interstate commerce, and make it imperative that appropriate measures be taken to free such commerce from such burdens and thereby protect producers and consumers alike against oppressive costs.

Modern facilities would make possible the saving of millions of dollars annually, by removing the cause of many of the unnecessary costs and burdens.

In spite of the great need for improved facilities, efforts in the past have failed to bring about a satisfactory solution to the problem. This failure has been due largely to the inability of farmers, dealers, brokers, commission merchants and others, individually or collectively, to obtain through regular financial channels the relatively large amounts of capital necessary for the construction of modern facilities.

As a result, my bill proposes conferring upon the Secretary of Agriculture power to aid in the establishing of such public marketing facilities for the wholesale handling of fresh fruits and vegetables, poultry, eggs, dairy products, and other perishable agricultural commodities and seafood, as will be conducive to orderly and efficient distribution, increased consumption, and a reduction in the spread between prices paid by consumers and those received by farmers.

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

The bill (S. 3883) to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

INCREASED BORROWING AUTHORITY FOR COLLEGE HOUSING LOANS

Mr. FULBRIGHT. Mr. President, I introduce for appropriate reference a bill to increase by $400 million the authority of the Housing and Home Finance Agency to make college housing loans. On February 3 of this year I introduced Senate bill 3213, which proposed to increase this loan fund by $250 million. Since that time, additional information has come to my attention which persuades me that a $250 million increase would be inadequate. I refer particularly to testimony received in the Housing Subcommittee of the Banking and Currency Committee on May 21, 1958, from national leaders in the field of higher education.

The statement by John T. Caldwell, president of the University of Arkansas, on behalf of the American Association of Land-Grant Colleges and State Universities, and on behalf of the State Universities Association, has convinced me that an additional $400 million is required to maintain this loan fund at a minimum level of usefulness.

I quote for the information of the Senate a statement made by Father Edward B. Bunn, president of Georgetown University, representing the Association of American Colleges. Father Bunn stated that—

> It is no exaggeration to say that, without the Federal loans, these colleges would not have been able to play their part in meeting the rising demand of American youth for higher education, and that they cannot be expected to meet the still higher demand forecast for future years unless they can continue to get loans on substantially similar terms.

Enrollment in our colleges and universities, if continued without any stimulation as contemplated by other bills now before the Congress, will double by 1965, and is expected to reach 6 million at that time. In my opinion, there is no more urgent activity of the Federal Government than this college housing loan program. I must emphasize that these are loans and not grants, and that the Federal Government can make no wiser investment.

The Banking and Currency Committee will be considering bills on this subject within the next several days, and it is my purpose to advocate vigorously an increase of $400 million in the college housing loan program.

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

The bill (S. 3885) to increase by $400 million the borrowing authority of the Housing and Home Finance Agency for college housing loans, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF UNITED STATES CODE, RELATING TO PROHIBITION OF RECEIPT OF CERTAIN FEES

Mr. MUNDT. Mr. President, as a member of the Senate Committee on Government Operations, let me say that a part of the function of the committee is to work with the various Government agencies which are involved in the administration of public affairs, the enforcement of laws, and the general good behavior of the Government, and to study the adequacy of the laws which deal with problems which arise among the private citizenry.

We have had brought to our attention the fact that over a period of some time there has been operating a racket by means of which groups of alleged salesmen and organizations, that are alleged to be effective in the merchandising of various business establishments, have been collecting millions of dollars fraudulently from innocent and unsuspecting American businessmen. Such persons and groups have done so by going into various communities and finding businessmen who wish to dispose of their property, making contracts with them, collecting substantial fees from them, assuring them that they will find purchasers for their property, or at least will make a diligent effort to do so, and then performing virtually no service whatsoever.

The Federal Trade Commisison has issued cease-and-desist orders against a number of these persons and groups. However, as soon as one is eliminated, a new one springs up, to take its place, and usually is comprised of many of the same persons who operated in the original organization.

In order to try to strike at this racket, I have held conferences with the staff of our subcommittee, with members of the Federal Trade Commission, and with the Senate Legislative Counsel; and at this time I introduce, on behalf of myself and the Senator from Arkansas [Mr. MCCLELLAN], a bill which we believe will provide adequate penalties which will prevent a continuance of this type of racket.

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

The bill (S. 3889) to amend chapter 47 of title 18 of the United States Code to prohibit the receipt of fees in connection with the execution of contracts for the rendition of certain services connected with the sale of real property in interstate or foreign commerce which have been induced by fraudulent misrepresentations, and for other purposes, introduced by Mr. MUNDT (for himself and Mr. MCCLELLAN), was received, read

twice by its title, and referred to the Committee on the Judiciary.

Mr. MUNDT. Mr. President, we are hopeful that the Senate Permanent Subcommittee on Investigations, under the chairmanship of the Senator from Arkansas [Mr. McCLELLAN], will hold hearings for the purpose of considering this proposed legislation, for the purpose of bringing before the public a complete disclosure of what has been happening, and for the purpose of providing proper remedial steps.

Mr. President, I ask unanimous consent that the text of the bill, which is very brief, be printed at this point in the RECORD.

There being no objection, the bill (S. 3889), introduced by Mr. MUNDT, on behalf of himself and Mr. McCLELLAN, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) chapter 47 of title 18 of the United States Code (entitled "Fraud and False Statements") is amended by adding at the end thereof the following new section:

"§ 1027. False representations incident to certain sales.

"(a) Whoever, being a person engaged or purporting to be engaged, on his own account or for or on behalf of any other person, in the business of obtaining listings, selling advertising, or rendering any other service incident to the sale of property to purchasers residing in any State other than the State in which such property is situated or in any foreign country—

"(1) for the purpose of inducing the owner of any interest in real property to enter into any contract authorizing such person to render any such service incident to the sale of such interest, makes or procures the making of any oral or written false representation to such owner with respect to the nature or extent of the services to be rendered by any such person under such contract, with knowledge that such representation is false or misleading, or with intent to deceive or defraud such owner;

"(2) executes, for himself or for or on behalf of any other person, a contract under which any such person is authorized by the owner of such interest to render any such service incident to the sale of such interest; and

"(3) receives, for himself or for or on behalf of any other person, from such owner for or in connection with the execution of such contract, any money or any other thing of value,

shall be fined not more than $5,000, or imprisoned not more than 5 years, or both.

"(b) As used in this section—

"(1) The term 'State' means any State or Territory of the United States, the District of Columbia, the Panama Canal Zone, or the Commonwealth of Puerto Rico.

"(2) The term 'person' means any individual, partnership, corporation, association, or other legal entity."

(b) The analysis of such chapter is amended by adding at the end thereof the following new item:

"1027. False representations incident to certain sales."

Mr. MUNDT. Mr. President, let me say to my colleagues in the Senate, and also to my colleagues in the House of Representatives, that if they have received from their communities evidence which deals with this particular racket, which is fleecing honest people and legitimate businesses out of millions of dollars a year, I hope they will provide it either to the Senator from Arkansas [Mr. McCLELLAN] or to me, so we may have additional "grist for the mill" when the time to hold hearings comes, and, before then, so that we may place such evidence into the hands of our investigators, so they may see whether we can stamp out of our economic environment this reprehensible practice and this high-pressure method of fleecing good Americans out of their hard-earned tax-paying dollars.

AMENDMENT OF TITLE II OF SOCIAL SECURITY ACT, RELATING TO STATE RETIREMENT SYSTEMS—AMENDMENT

Mr. WILEY. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H. R. 11346) to amend title II of the Social Security Act to include Massachusetts among the States which are permitted to divide their retirement systems into two parts so as to obtain social security coverage, under State agreement, for only those State and local employees who desire such coverage, now pending before the Committee on Finance.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Finance.

Mr. WILEY. Senators will recall, the Congress in 1956 enacted the Byrnes-Wiley bill to extend the privilege of social security coverage to persons under certain retirement plans.

Unfortunately, the task of clarifying the local, State, and Federal factors involved, as well as other problems, has prevented a number of persons from taking advantage of the opportunity to participate in the social security program. As a result, these persons are now excluded.

In Wisconsin, for example, a number of retirement systems are involved, including: the State teachers' retirement system; the Milwaukee teachers' annuity and retirement fund; the Milwaukee County employees retirement system; and the employees retirement system of the city of Milwaukee. According to estimates, about 18,000 persons under these particular systems—many of whom indicate a desire for OASI coverage—are now excluded from that coverage.

The purpose of my amendment is to provide that up to December 31, 1959, the persons now excluded may be given an opportunity to secure coverage.

I believe it would be only fair to extend the time, so that these persons, if they choose, can be covered under OASI. In effect, this would give coverage to persons with qualifications similar to those of persons who now are eligible.

As will be recalled, the House-passed bill, H. R. 11436—which my amendment proposes to amend—also aims at liberalizing eligibility provisions for social security coverage. It would extend the privilege of social security coverage to employees under State and local retirement plans in the State of Massachusetts.

Both the amendment I am submitting and House bill 11346 would amend section 218 (d) (6) of title II of the Social Security Act.

I call attention to the fact that the proposed amendments would also provide opportunity, but not compulsion, for employees in other States, including Florida, Georgia, Pennsylvania, Rhode Island, and Tennessee, to be covered by social security. Therefore, I cordially invite the Senators from these States to support this amendment.

I respectfully urge my colleagues on the Finance Committee to take early action on this measure. Following such action, I hope Congress will take favorable action as early as possible.

Mr. President, I request unanimous consent to have printed at this point in the RECORD letters endorsing this amendment, from Frederick N. MacMillin, director of Wisconsin's Public Employees Social Security Fund; H. C. Weinlick, executive secretary of the Wisconsin Education Association; Ruth A. Poehlman, Secretary of the special pension study committee of the common council of the employees retirement system of the city of Milwaukee; and a resolution adopted by the common council of the city of Milwaukee.

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

THE STATE OF WISCONSIN,
Madison, May 16, 1958.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: We are very anxious to secure your assistance on a matter which is not only of interest to Wisconsin but which also has the endorsement of comparable state offices in Pennsylvania, New York, Rhode Island, Georgia, Florida, Tennessee, and New Jersey.

In order to provide bipartisan sponsorship bills to accomplish the desired objective have been introduced by Congressman JOHN W. BYRNES (H. R. 12114) and Congressman HERMAN P. EBERHARTER, of Pennsylvania (H. R. 11935).

What worries us now is that because of the pressure of urgent matters before Congress there may not be time enough to get this bill through both Houses.

* * * * *

We would appreciate any help that you can give in accomplishing the desired objectives.

* * * * *

Very truly yours,
FREDERICK N. MACMILLIN,
Director, Public Employees Social Security Fund.

WISCONSIN EDUCATION ASSOCIATION,
Madison, Wis., May 19, 1958.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The Wisconsin Education Association is very interested in legislation which would provide an opportunity for those teachers who did not choose OASI last May to have another chance to elect such coverage. Several other States, Pennsylvania, New York, Rhode Island, Florida, Georgia, Tennessee, and New Jersey, are also seeking such legislation.

Congressman JOHN W. BYRNES has introduced H. R. 12114 and Congressman HERMAN P. EBERHARTER, of Pennsylvania, has introduced an identical bill, H. R. 11935. These two bills were introduced to insure bipartisan sponsorship.

I fear these two bills may not get to the floor for final action because of pressure of other urgent matters.

* * * * *

Your assistance and support in this matter will be appreciated.

Sincerely yours,

H. C. WEINLICK,
Executive Secretary.

(Officers for 1958: President Gilbert L. Anderson, Beaver Dam; President-elect Irene Hoyt, Janesville; Vice President Donald C. Hoeft, Jefferson; Vice President Howard C. Koeppen, Platteville; Vice President Paul F. Schwandt, Oshkosh; Executive Secretary H. C. Weinlick, Madison; Treasurer P. M. Vincent, Stevens Point. WEA convention November 6–8, 1958.)

(Executive committee: Allan A. Anderson, Hudson, district I; Alma Therese Link, Oshkosh, district II; D. E. Field, La Crosse, district III; Ralph Lenz, Berlin, district IV; Donald E. Upson, Janesville, district V; Ellen Case, Milwaukee, district VI; Gilbert L. Anderson, Beaver Dam; Irene Hoyt, Janesville; Donald C. Hoeft, Jefferson; Howard C. Koeppen, Platteville; Paul F. Schwandt, Oshkosh; Leroy Peterson, past president, Madison.)

EMPLOYEES' RETIREMENT SYSTEM
OF THE CITY OF MILWAUKEE,
Milwaukee, Wis., May 8, 1958.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: There is forwarded herewith copy of a resolution adopted by the common council of the city of Milwaukee.

We have been informed that bill H. R. 12114 will accomplish the objective contained in the enclosed resolution.

We respectfully request your support of this or any other similar legislation introduced in the Senate.

Very truly yours,

SPECIAL PENSION STUDY COMMITTEE
OF THE COMMON COUNCIL.
RUTH A. POEHLMANN, *Secretary.*

"Resolution requesting Congress to enact suitable legislation which would provide an opportunity to members of the employees' retirement system presently excluded to participate in the coordinated plan

"Resolved by the common council, That it hereby favors the enactment of Federal legislation which would provide an opportunity to members of the employees' retirement system to participate under the coordinated plan who did not elect to come under the coordinated plan heretofore; and be it further

"Resolved, That the common council respectfully requests Congress to enact suitable legislation to accomplish the objective contained in this resolution; and be it further

"Resolved, That the special pension study committee is hereby authorized to confer with Congressional representatives from the State of Wisconsin and city of Milwaukee, and to participate in the preparation of such legislation and to appear at hearings either before the House or Senate committee in connection with such proposed legislation; and be it further

"Resolved, That a certified copy of this resolution be forwarded to congressional representatives, the 2 Senators from Wisconsin and the 2 Congressmen from the city of Milwaukee."

I hereby certify that the foregoing is a copy of a resolution adopted by the common council of the city of Milwaukee on April 14, 1958.

STANLEY J. WITKOWSKI,
City Clerk.

FEDERAL AVIATION ACT OF 1958—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of May 21, 1958, the names of Senators O'MAHONEY, COTTON, DOUGLAS, KERR, KEFAUVER, CASE of New Jersey, PROXMIRE, JAVITS, PASTORE, SYMINGTON, BRICKER, and SPARKMAN were added as additional cosponsors of the bill (S. 3880) to create an independent Federal Aviation Agency, to provide for the safe and efficient use of the airspace by both civil and military operations, and to provide for the regulation and promotion of civil aviation in such manner as to best foster its development and safety, introduced by Mr. MONRONEY (for himself and other Senators) on May 21, 1958.

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

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

By Mr. PAYNE:

Statement prepared by him regarding Maritime Day.

REGISTER OF DAMS IN THE UNITED STATES

Mr. MURRAY. Mr. President, there has just come to my attention a Register of Dams in the United States, the first compilation of this character which has been undertaken.

The publication is sponsored by the United States Committee of the International Commission of Large Dams. T. W. Mermel is chairman of the Committee on the Register of Dams, and the compilation is largely the product of his ingenuity and resourcefulness in gathering the data. Mr. Mermel is assistant to the Commissioner, Engineering, Bureau of Reclamation, Department of the Interior.

The registry includes nearly 3,000 dams constructed, under construction, or authorized, in practically all the 48 States of the Union. It is interesting to note that from 25 to 30 percent of the dams listed were constructed by municipalities for domestic water supply. From 20 to 25 percent were sponsored by private utilities for hydro-electric production. In the 17 Western States, approximately 500 were constructed by non-Federal irrigation districts for the storage of water for irrigation.

The United States Government, through the Bureau of Reclamation in the arid West, and through the Corps of Engineers in many other States, has constructed between 700 and 800 dams for multiple purposes—irrigation, flood control, and aid to navigation.

Individual States have constructed 100 or more dams for conservation and recreation purposes.

The Register includes about 300 photographs of dams and reservoirs in many States. The West, particularly Montana, is impressed by the prominence given federally constructed multiple-purpose dams, such as Hungry Horse, Mont.; Hoover, Ariz.-Nev.; Grand Coulee, Wash.; Shasta, Calif., and many others.

The total reservoir capacity behind the nearly 3,000 dams listed is about 400 million acre-feet. This capacity, if filled, would cover with water to a depth of 1 foot an area equivalent to two-thirds of that of the 17 Western States.

A feature of the publication is a summary of State laws respecting the regulation of dams.

The members of the Committee on Interior and Insular Affairs consider the Register of Dams in the United States an important contribution to information on water development in the United States.

AID TO EDUCATION LEGISLATION

Mr. PROXMIRE. Mr. President, this morning's newspapers report that the House Education Committee yesterday rejected the administration's 1957 school-construction bill. The newspapers opine that this means the end, this year, of prospects for any new program of Federal assistance for primary or secondary education.

Mr. President, I earnestly hope and pray that this opinion will not prove to be correct. The Congress has no more vital responsibility than to enact laws which will assist American education. There has never been a time when the American people have been more willing than they are today to improve our educational system. There has never been a time when the military, economic, social, and moral problems of the world more desperately need the enlightenment that education can bring. There has never been a time when America has had the human and material resources more ready, willing, and able to provide the educational system which the times call for and which this Nation so urgently needs. If the hour for education is ever to come in this country, it should come now. Under these circumstances Mr. President, it would be a tragedy and a failure of the first rank if Congress should indeed fail to rise to its prime responsibility and pass substantial educational measures during this session.

IMPORTATION OF RUBBER-SOLED FOOTWEAR

Mr. BUSH. Mr. President, I wish to say a word about the unfinished business, House bill 9291, to define parts of certain types of footwear.

The bill was reported unanimously by the Finance Committee, and is designed to close a loophole in the classification of imports of rubber-soled footwear.

The purpose of House bill 9291 is to clarify and define certain sections of the tariff law pertaining to footwear; in particular, those sections relating to rubber-soled footwear with uppers of fabric or related material.

In common parlance, such footwear is called a "sneaker," and is used by our children, and by our athletes generally throughout the United States for games and leisure wear. It is a very widely known form of footwear.

Enactment of House bill 9291 will result in some revision of the paragraph of the Tariff Act, paragraph 1530 (e), relating to the importation of such footwear, by broadening its scope so as to include rubber-soled footwear with fabric uppers whether or not such footwear in-

cludes patches, tongues, eyelets, or similar parts of leather. Duties on rubber-soled footwear are somewhat higher than the import duties on leather types and these higher duties have been avoided in some instances by the addition of sufficient small amounts of leather to put them in the leather-shoe category for import purposes, although the basic nature and function of the shoe remain unchanged. The purpose of the bill is to stop this evasion of the certain intent of the law.

I wish more Senators were present. I could show them an imported sneaker, which is, to all intents and purposes, made just like the United States Rubber Ked. In fact, it imitates the Ked in practically every respect, but the imported article has been coming into this country under the leather classification because of a leather insertion in the tongue of the shoe. By this device foreign producers have been able to get a classification which permits the sneaker to come into this country under a tariff of 20 percent, rather than the statutory 35 percent, which is intended for rubber-soled footwear.

It is to close that loophole that the House Ways and Means Committee unanimously recommended the bill to the House. The House passed the bill without opposition. Our own Committee on Finance had hearings on the bill. I believe the committee was unanimously in favor of the measure. So I hope the Senate will pass the bill without undue delay.

Mr. PURTELL. Mr. President, I should like to join my colleague in expressing pleasure that the bill has been reported by the Finance Committee unanimously. The bill carries out the intent of Public Law 479, which was enacted in 1954. It carries out the spirit of the amendment proposed at that time, as well as the letter of the law. The bill gives some degree of protection against devices employed by some producers to avoid the law. I am very happy to know the bill has been reported unanimously by the Senate committee. I anticipate no difficulty in the bill's passing the Senate.

Mr. CARLSON. Mr. President, I wish to state, as a member of the Finance Committee, that I was present and heard some of the testimony in regard to the pending bill. I know of the interest of both the junior Senator and the senior Senator from Connecticut in this particular proposed legislation.

After hearing all the testimony of the witnesses who appeared, it was not only the opinion of the committee that the bill should be reported, but it sincerely hopes the bill will be passed today.

Mr. PURTELL. I thank the Senator. I am very happy to know the action of the committee was as stated.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Is there further morning business? If not, morning business is concluded.

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. Without objection, it is so ordered.

IMPORTATION OF RUBBER-SOLED FOOTWEAR

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

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 9291) to define parts of certain types of footwear.

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

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 9291) to define parts of certain types of footwear, which had been reported from the Committee on Finance with an amendment on page 2, line 22, after the word "than", to strike out "July 1" and insert "September 1,".

Mr. JOHNSON of Texas. Mr. President, I understand the Senator from Delaware [Mr. FREAR] is prepared to make a brief statement on the bill, and that the Senator from New York [Mr. JAVITS] desires to ask a question or two. While the Senator from Tennessee [Mr. GORE] is present on the floor, along with the Senator from Delaware, if my friends will indulge me I should like to have the statement made and any questions answered while the Senators who are members of the committee are on the floor.

Mr. FREAR. Mr. President, on behalf of the Chairman of the Committee on Finance I should like to submit an analysis of H. R. 9291, relating to rubber-soled footwear.

Rubber-soled footwear with fabric uppers is generally dutiable on American selling price, which, of course, is somewhat higher than foreign value. Leather shoes are not dutiable on American selling price, and therefore it is to the advantage of importers to be able to have their goods classified as leather shoes rather than rubber-soled shoes with fabric uppers.

The law states that the higher duty applies to shoes having soles wholly or in chief value of rubber and uppers wholly or in chief value of textile or similar material. It was found by foreign producers that they could have their shoes classified as leather shoes by inserting a thin slip of leather between the inner and outer sole, even though the walking surface was rubber and the shoe was known as a sneaker or basketball type shoe. Congress took care of that situation 3 or 4 years ago.

Then the foreign manufacturers found that the use of small amounts of leather in the tongue, or around the eyelets, or patched somewhere on the side would accomplish the same purpose as had the leather sole. Congress is now called upon to correct that situation, and this bill is so designed. It designates that uppers composed in greater area of the outer surface of wool, cotton, and so forth, rather than the criteria of chief value shall be the basis on which the shoe shall be judged for duty purposes. It is figured that if the foreign manufacturer decides to add enough leather to cover the major part of the area of the shoe he will have added sufficient to the cost of production to offset the saving he might otherwise make in the payment of duty.

There can be little doubt that this bill is in the nature of a perfecting amendment to the present law. It closes a loophole which, if left open, could soon result in our market being flooded, with the same disastrous effect on our domestic industry that nearly wiped it out in the early 1930's.

Mr. JAVITS rose.

Mr. FREAR. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I invite the attention of the Senator from Delaware to the very last paragraph in the committee report on page 3, which states:

> Section 2 (b) would delay the entry into force of the amendment to give the President a period during which to negotiate with other countries parties to such trade agreements in order to obtain a modification or termination of any international obligations of the United States with which the increase in duty made by the amendment might conflict.

In view of the fact that it takes two parties to negotiate, I ask the Senator, if the other party does not agree, will the result be the denunciation of any trade agreements which we have made?

Mr. FREAR. I believe that under the trade agreements we would offer some kind of compensation.

Mr. JAVITS. I did not quite hear the Senator's answer.

Mr. FREAR. Compensation would be in the nature of offering another concession, or allowing the countries affected to withdraw, reciprocally, some concessions given this country.

Mr. JAVITS. Am I to understand that the Senator believes that there is likelihood of agreement because another concession will be offered?

Mr. FREAR. Yes.

Mr. JAVITS. But there is no assurance of it, is there?

Mr. FREAR. There is no absolute assurance on that point. However, I think the President would exert every effort to try to compensate in some way for any damage to any trade agreement.

Mr. JAVITS. I think the Senator has answered my question.

Mr. FREAR. The President could take such action. However, the Tariff Commission would furnish the information he needed to make a reciprocal arrangement.

Mr. JAVITS. I think the Senator has answered the question as well as he can within the limits of his position; and I shall seek recognition in my own right whenever the situation permits.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was argeed to.

Mr. JAVITS. Mr. President, I realize that this bill does not involve a great deal of excitement on the part of anyone, and that there is overwhelming sentiment for it in the committee and in the Senate as a whole. It would be fatuous to hold up the proceedings of the Senate or to seek a yea-and-nay vote upon a bill of this character. We all understand that. Unquestionably the bill will pass within the next few minutes nor am I seeking to block its passage.

Nevertheless, I find that it is useful—and this is the glory of our country—to express things which need to be expressed. Because certain laws are on the books, they have an influence on our fundamental policy.

There is a great deal of sentiment for the bill on the part of American manufacturers of footwear, who feel that there is an element of deception involved in this situation, which is sought to be corrected by the particular bill. For that limited purpose they may be absolutely correct. Unquestionably there is some effort to do something very special, having no particular relation to the usefulness of the item, in order to get it into another tariff classification.

What really happens is that certain trimmings are added to rubber soled footwear, which result in an increase in value of leather as compared with fabric. Those trimmings are practically hidden. I am informed that leather for example is concealed under the tongue, which closes the sneaker. So obviously the leather is being added for the purpose of getting the article into another classification for tariff purposes.

Something like the present situation was encountered several years ago, in respect to an inner sole which was made of leather. At that time an effort was made to close what my friend from Delaware would call a loophole. A special bill was passed, and the so-called loophole was closed; but here we are again with another of the same.

The pending bill will undoubtedly be passed in order to close what is considered to be another loophole. But the question which impresses itself on one's mind is this: Is the entire field of negotiation of tariffs and trade agreements to be constantly subjected to niggling exceptions when some particular interpretation of the law impinges upon what some particular group might want? Are we to hasten to pass a special bill to deal with the subject, thereby causing the President to renegotiate a trade agreement, and perhaps grant other concessions which would be much more damaging to some other segment of American business, in order to satisfy the particular group which is making the strongest protest at the moment? Or should we have a settled proceeding for agreements which gives assurance of continuity of policy without need for special congressional acts?

This particular measure may well be justified on the basis of the facts which are involved and the committee obviously so found. I am willing to lay that question aside, because the bill will undoubtedly be passed, and that will be the end of this unit controversy.

I think it is extremely important, in terms of American policy, for all those who are interested in reciprocal trade—and I believe they constitute a majority of the people of the country—to consider certain principles. If the people were not interested in reciprocal trade yesterday, it compels their attention today, by reason of the kind of reception which was accorded our Vice President in South America, and the reception which American institutions are having in many parts of the free world based on economic relations.

I recognize that world leadership also means world responsibility. World responsibility means that we do not go after the last $10. World responsibility means that once in a while we must overlook some particular advantage because a principle vital to our security and destiny is involved. We do it domestically. We say that we would rather see a few guilty men go free than to see one innocent man imprisoned. That is the foundation of our institutions. We must apply such principles in our reciprocal trade relations.

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

Mr. JAVITS. I yield.

Mr. GORE. It was partly upon my request that the bill was not reported from the committee when it was first presented, but was withheld until a hearing could be had, at which hearing both proponents and opponents had an opportunity to testify.

Like the distinguished junior Senator from New York, I found it disturbing that, after Congress had passed a special bill on this particular subject, relating to this particular type of commodity, Congress should be asked again to legislate upon the same subject because the importers had modified the product to comply with the law.

At first I was not favorably disposed toward the bill, but after hearing both sides I became convinced that this was an extraordinary case, which would justify the action proposed. I submit that it is a bad precedent for the Congress to pass repetitive legislation because an industry has modified products to meet the rules and regulations. But obviously, as the Senator has said, this was a case in which a slight modification had been made to qualify what are essentially rubber-soled shoes with fabric uppers, as something which they are not, namely, leather shoes.

So upon careful consideration I concluded—as did the Finance Committee unanimously—to support the bill.

I take it that the Senator shares the concern which I have expressed; and I hope he shares the view that these are extreme circumstances, which justify unusual treatment.

Mr. JAVITS. My dear friend from Tennessee has been a Member of this body much longer than I have. He is known to be a devoted friend of reciprocal trade. I have never had the presumption to parade my virtue above that of other advocates of a particular cause. I agree with the Senator from Tennessee that undoubtedly, based upon the facts of this particular case, I would have been moved to the same position. But laying that question aside, as I did when I began my discussion, laying aside the specific question with respect to this particular bill, let me point to the very narrow limits within which we are acting. We should not cause anyone to feel that the Congress of the United States intends, by circuitous means, to whittle away at the foundation of a trade policy which, to my mind, represents the best hope for the peace and security of the United States.

That is the whole point of my speech.

Mr. GORE. I thank the Senator. I concur in his view. It is my view that the fault, if there be any, lies not with the importer, but rather with the inadequacy and inaccuracy of the import classifications. The pending bill seeks to make that correction.

Mr. JAVITS. I thank the Senator. As I said before I can understand and, indeed, come pretty close to agreeing with the Senator on the facts presented and perhaps even on the merits of the proposed legislation. However, in view of the present situation throughout the world, and of our being in favor of reciprocal trade—and undoubtedly the trade agreements bill will be passed—we feel very deeply convinced, at least those who favor such legislation—and I believe that represents a majority of Congress and a majority of the people of our country—that it is inherent in America's peace leadership and is extremely important to the rest of the world not to whittle away at it.

Therefore I sound a note of warning against niggling on little things and thereby corrupting the whole climate in which we operate and damaging the enormous issues which are at stake.

I know the distinguished majority leader has been very understanding of my desire to say these things. As I said when I began my remarks, historically we find that when these points are made—and I do not mean that they affect this particular situation or the measure we are considering—they nevertheless indicate in respect to the total policy of the United States, in the minds of many people, that there are many in the Senate and in the other House who have very deep convictions on these subjects when it comes to a showdown and actually taking action.

Mr. FREAR. I should like to say to the Senator from New York that I do not believe there is in the mind of any member of the committee any intention to accuse importers of any maliciousness in connection with the matter. The committee found there was a tariff loophole, and attempted to close it.

Mr. JAVITS. I understand perfectly what the Senator has stated with reference to the situation. I merely wish to point out that when we undertake to solve very little problems we may bedevil the big problems and issues, and corrupt a fundamentally big national purpose. If I do nothing else today, I sound a note of warning in that respect. That is all.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. FREAR. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion of the Senator from Delaware.

The motion to lay on the table was agreed to.

SUSPENSION OF DUTIES ON METAL SCRAP

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1648, H. R. 10015.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 10015) to continue until the close of June 30, 1959, the suspension of duties on metal scrap, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. JOHNSON of Texas. Mr. President, I should like to announce that we hope to be able to consider the unemployment compensation bill, when it is reported by the Committee on Finance, next week, perhaps on Tuesday.

We also hope to be able to consider the mutual security authorizing legislation next week.

We do not plan to have a session on Friday, Memorial Day. The Senate may sit late on Tuesday evening, Wednesday evening, and Thursday evening of next week, in order to avoid the necessity of having to meet on Friday, Memorial Day.

I am pleased that our plans are such that Senators can plan to have Friday and Saturday free, and, so far as I am informed, there will be no controversial legislation before the Senate on Monday. Senators may make their plans for Friday and Saturday of next week with the knowledge that there will be no rollcalls.

I should like to announce the possibility that the Senate will consider on Monday of next week the following measures:

Calendar 1649, H. R. 6006, to amend certain provisions of the Antidumping Act, 1921, to provide for greater certainty, speed, and efficiency in the enforcement thereof, and for other purposes.

Calendar 1650, H. R. 7870, to amend the act of July 1, 1955, to authorize an additional $10 million for the completion of the Inter-American Highway.

Calendar 1652, H. R. 12356, to amend the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," approved August 30, 1954.

Calendar 1653, H. R. 12377, to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City.

I believe those bills have been cleared with the minority leader. If not, I will not call them up.

AUTHORITY TO FILE COMMITTEE REPORT WITH MINORITY VIEWS ON TEMPORARY UNEMPLOYMENT BILL

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

Mr. JOHNSON of Texas. I yield.

Mr. FREAR. The Senator from Texas referred to the unemployment compensation bill. I should like to ask unanimous consent that the majority report of the Committee on Finance, on the temporary unemployment bill, H. R. 12065, may be filed not later than May 22, and the minority views may be filed not later than midnight, Monday, May 26. I am sure the majority leader recognizes those two dates.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX EQUALITY FOR THE SELF-EMPLOYED

Mr. BRICKER. Mr. President, I ask unanimous consent that I may proceed for 10 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Ohio may proceed.

Mr. BRICKER. Mr. President, for more than 30 years Ohio has had a most distinguished Member of Congress. People have trusted him by reelecting him time and time again. It was necessary, at a late date in the primary election in my State, for him to ask the voters not to support him because of health conditions, which we all regret very much. His record has been a distinguished one, and I do not believe his contribution has been any greater in any field than in the one to which I now wish to invite the attention of the Senate. It is the field of tax equality for the self-employed.

I hope the 85th Congress will not adjourn without ending Federal income tax discrimination against self-employed Americans. The Jenkins-Keogh bills—H. R. 9 and H. R. 10—and it is to Thomas A. Jenkins, that I refer today—would end this unjust discrimination. An identical bill (S. 3415) was introduced in the Senate on March 6, 1958, by the distinguished senior Senator from Nevada [Mr. MALONE]. These bills have my wholehearted support.

The purpose of the Jenkins-Keogh bill is to offer almost 10 million self-employed individuals the same retirement income protection now enjoyed by almost 14 million employees. Today, a self-employed person must set aside funds for his retirement from what is earned after, rather than before, taxes. A corporation officer or employee, on the other hand, pays no tax on his employer's contribution to his retirement fund until he begins to draw the benefits. The discrimination, taxwise, against millions of doctors, lawyers, dentists, farmers, engineers, small-business men, and other self-employed Americans is so severe and so obviously unjust that it ought to be wiped out of our tax structure immediately.

The Jenkins-Keogh bill is quite simple. It merely provides that a self-employed person may deduct each year amounts paid into an approved retirement fund up to 10 percent of his net earnings or $5,000, whichever is less. Special provisions apply to individuals over 50 years of age. No person covered by a public or private pension plan would be eligible for the retirement income protection made available by the Jenkins-Keogh bill.

Retirement benefits would be taxed to the individual when he received them—normally after his retirement. Favored tax treatment is provided for lump-sum distributions made after reaching the age of 65 and after the accumulation of contributions for 5 years or more, or if made after death.

There is no sound reason why voluntary saving for retirement should be discouraged. To the maximum extent possible, the Federal Government should encourage people to supplement the necessarily modest benefits authorized by the Social Security Act. Congress has encouraged retirement income for employees by providing that money paid into employee pension plans is a deductible item of business expense for the employer. An accountant, for example, who is his own employer, should have the same privilege.

There are many good reasons why the Federal Government should encourage voluntary saving for retirement by the self-employed, in addition to the demands of simple justice.

In the first place, employee pension plans are providing a growing percentage of the funds available for capital investment. This is only natural in view of the high individual income-tax rates which are in effect today and which will prevail for many years to come. Our economy cannot expand and the American standard of living cannot rise unless funds available for capital investment increase by an amount sufficient to satisfy the economic needs and aspirations of a rapidly growing population. The Jenkins-Keogh bill would provide a large additional source of money for capital expansion.

Secondly, during this period of economic readjustment, we are apt to forget that runaway inflation is still the No. 1 economic danger. By encouraging

long-term savings by millions of the self-employed, the Jenkins-Keogh bill would dampen the smoldering fires of inflation.

Finally, the Jenkins-Keogh bill would promote individual self-reliance—a social policy which Americans have traditionally regarded as a bulwark of human freedom and national independence. Social scientists and other close observers of our society view with alarm various signs of mass conformity and dehumanization. I do not think the next generation is in any serious danger of becoming a race of faceless men, but books such as the Organization Man, by William H. Whyte, Jr., are disturbing nevertheless.

Therefore, if any tax discrimination between occupational groups could be justified, one would expect it to be aimed at the employees of huge corporate entities rather than at the most independent members of our society. So long as there are millions of self-employed druggists, salesmen, real-estate brokers, and professional people, America will never become a nation of robots taking orders from a handful of Government, business, and labor leaders.

However, the self-employed are not asking for an advantage, taxwise, over their employed friends and neighbors. They ask only for tax equality; for an equal opportunity to save their own money for their own retirement.

I ask unanimous consent to have printed at this point in the RECORD an article entitled "Keeping Up With the Joneses," published by the American Thrift Assembly for Ten Million Self-Employed, Inc.

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

KEEPING UP WITH THE JONESES

The old saw about "keeping up with the Joneses" has a new twist: Just about the time you catch up with them, they refinance. Actually, it can be well-nigh impossible to catch up with the Joneses at all—if Jones is a typical employee and you are 1 of the 10 million individuals in America who works for himself.

Let's take an example: Two neighbors, one named Jones, one named Smith. Each is 45 years old. Each has a wife and 2 children. Each is a pharmacist. Jones is employed by a well-known pharmaceutical company. Smith owns and operates his own corner drugstore. Each makes $6,000 a year before taxes. Each pays the same amount of taxes. Yet Jones winds up with the equivalent of $1,404 more each year than Smith because what isn't showing in Jones' tax return is the legally hidden compensation from his company that will provide him with $150 a month beginning at 65, for the rest of his life.

The law allows Jones' employer to set up this retirement plan for him with tax deductible dollars. The law does not require Jones to declare this compensation as a part of his taxable income but that same law bars Smith from setting up a tax-deductible pension plan. Why? Because Smith runs his own business and the law does not permit the self-employed to deduct anything for his old age.

Let's see how just one item—the pension plan—in what is popularly called the fringe benefit package, can provide Jones with nearly a 25-percent tax advantage over neighbor Smith plus the assurance of a guaranteed retirement income over and above social security.

	Jones	Smith
Gross annual income	$6,000.00	$6,000
Exemptions and standard deductions	3,000.00	3,000
Taxable income	3,000.00	3,000
Income tax	600.00	600
Net spendable dollars	5,400.00	5,400
Untaxed additional compensation employer-paid contribution to pension plan to provide $150 a month for life beginning at 65	1,146.03	0
Net actual annual compensation, spendable and deferred	6,546.03	5,400

If Smith, in order to keep up with the Joneses, were to buy an annuity to provide himself a $150-a-month income for life, beginning at 65, Jones and Smith would each have the actual spendable income shown below:

	Jones	Smith
Net spendable dollars	$5,400	$5,400.00
Gross 1st-year premium on annual premium retirement annuity	0	1,146.03
Net spendable dollars after taxes and after providing for $150 a month retirement income plan	5,400	4,253.97

In other words, Smith either will have to be satisfied with a net spendable income of $4,253.97 (while Jones has $5,400) or he will have to somehow increase his yearly income from his drugstore by an additional $1,404.03 before taxes in order to keep up with Jones.

	Jones	Smith
Gross annual income	$6,000	$7,404.03
Taxable income	3,000	4,263.62
Income tax	600	858.00
Net spendable dollars	5,400	6,546.03
Gross 1st-year premium on annual premium retirement annuity	0	1,146.03
Net after taxes and after having provided for $150 a month on which to retire	5,400	5,400.00

Actually, if you are self-employed, it is considerably harder than even these figures indicate to keep up with the Joneses. If Jones' relationship with his company is fairly typical, he will pick up in addition to his salary and in addition to his pension benefits one or all of the following security provisions. Contributions by Jones' company for each of these benefits are tax deductible by the corporation and although additional compensation, nonetheless tax-free to Jones:

Paid vacations, sick leave without loss of income, group life insurance, group hospitalization, group medical protection and long-term salary continuance in case of disability.

It is obvious that the self-employed Smiths cannot begin to catch up with the Joneses. The reason is not hard to find.

The income tax law allows—it encourages—Jones to defer or escape altogether the tax on his fringe compensation, but Smith, the law says, must pay tax on all of his compensation. And with the steeply graduated rates of taxation, the higher Smith's income climbs, the greater the tax advantage enjoyed by Jones.

Mr. BRICKER. Mr. President, self-employed men and women are not seeking to avoid paying taxes on one penny of their income. They are asking only for an equal opportunity to provide economic security for themselves and their families.

Of course, the deferral of tax liability on a portion of earnings until the years of retirement will result in some revenue loss to the Government. Roger F. Murray, associate dean and adjunct professor of finance, Graduate School of Business, Columbia University, in his statement before the House Ways and Means Committee on January 24, 1958, estimated that the Jenkins-Keogh bill would result in an annual revenue loss of $100 million or less for the first few years. The Treasury Department estimated that the loss in current revenues might go as high as $430 million. These are mere guesses, since nobody knows how many self-employed would contribute to retirement funds, or when they would begin to do so. I believe, however, that Dean Murray's figure is more realistic.

Even if the Treasury's estimate of revenue loss is correct, I would still urge prompt action to remove the tax discrimination against millions of self-employed men and women. The principle involved is far more important than dollars and cents. It will be a sad day for America when discrimination is tolerated on the ground that its elimination would be expensive.

VISIT BY GOVERNOR WILLIAMS OF MICHIGAN TO LATIN AMERICA IN 1956

Mr. McNAMARA. Mr. President, the recent disastrous visit of the Vice President to South America recalled to my mind a far happier journey to the same area by another well-known American.

In late 1956, following his triumphant election to a fifth term, Gov. G. Mennen Williams, of Michigan, toured six Latin American nations to study first-hand the relations between our country and our closest neighbors. In all, he visited Peru, Argentina, Uruguay, Brazil, Chile, and Mexico, as well as Puerto Rico.

Characteristically, Governor Williams did not limit his discussions and fact-finding to the officialdom of the nations he visited. He went among the people in the cities and far into the back country.

Governor Williams was not greeted by stones. He was met with bouquets. He was not jeered. He was cheered.

The newspapers of the countries he visited acclaimed him as a genuine goodwill ambassador. There were parades and other celebrations in his honor—and no impetuous President needed to send armed American troops to enforce a safe return home.

I call attention to this sharp contrast between the recent visit to South America of the Vice President and the 1956 visit of Governor Williams because it shows the rapid deterioration of our relations.

Even then Governor Williams could see what was happening to the firm bond of friendship that had been built up between the United States and Latin America.

Upon his return, in December 1956, Governor Williams discussed his visit with the press in Chicago. He made

special note of the reception he and Mrs. Williams received, stating:

South Americans were extraordinarily hospitable to us and I found all kinds of real friendship. F. D. R. is a most popular figure here and Woodrow Wilson comes second.

But Governor Williams then went on to sound this warning:

Within a generation, the South American nations are going to be world powers of great importance. In their own development, they prefer to look to the United State for cooperation, but if we won't work with them, they will look elsewhere. * * *

Today, many South Americans consider that they are being given insufficient attention. They feel that, in the recent past, we have not sent them first-rate ambassadors, and, of course, one we sent to Brazil had to be recalled.

Many South Americans feel, too, that the United States is too friendly to South American dictators and that our representatives and emissaries have sometimes unnecessarily embraced dictators.

The Senate Foreign Relations Committee is now studying this tragic breakdown in our relations—relations which must remain strong for our mutual protection.

In this regard, I am pleased to submit for the RECORD the comments Governor Williams delivered to the press in Chicago on December 20, 1956. I call particular attention to a list of recommendations he offered to promote greater friendship and mutual strength.

Mr. President, I ask unanimous consent that the text of the remarks made by Governor Williams be printed at this point in the RECORD.

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

The United States should vigorously and imaginatively implement the good neighbor policy and point 4 program. We should do this not only as good will toward South America, but also in our own best interests. Within a generation, the South American nations are going to be world powers of great importance. In their own development, they prefer to look to the United States for cooperation, but if we won't work with them, they will look elsewhere.

There is no question of the tremendous economic vitality of South America. Wherever you go there is building. The potential is enormous because of the vast physical resources and for the most part eager workers. The lacking ingredients are capital, and in some cases know-how. The lack of capital results in interests rates that run from 9 to 24 percent regularly, and crop loans as high as 40 percent are reported. While there are some segments of the population willing to get by on what a lush tropical climate provides, most South Americans seem ambitious and industrious. This is particularly true where there seems to be a chance to get out of the old rut. A point 4 program in Chile modeled on Puerto Rico's "build your own home" program has workers going at a run. At an Argentine plant, young men offered to work for nothing just to acquire a skill.

Brazil, with 60 million inhabitants, is building so fast that the coming of age is just around the corner. With my own eyes, I saw a modern city of 100,000 which 30 years ago was pretty much jungle. Argentina, too, has vast potential, but 15 years of Peron has severely wasted the country's economic and human resources. The other South American countries are presently smaller but have huge possibilities.

Under these circumstances, opportunities for investment are good. Some American businessmen are serving as ambassadors of good will while making a good profit. They are providing much needed technical know-how and helping to build a solid economic and democratic state. Americans have real competition from German, English, and Italian businessmen, along with others. I feel the United States should consider reasonable encouragement to provide foreign investments. Productivity must be increased in these countries to give the people a chance to get a decent standard of living. The per capita income of $400 a year is high, and many live on around $100 a year, as compared with a United States per capita of $1,847.

Where there is industrialization, however, unskilled wages are often around $60 to $80 a month. Many South American countries have more advanced social legislation than we, and many fringe benefits but living standards are not high yet and there is considerable abject poverty in most countries.

This situation is made to order for a demagogic dictator. It gave Peron his big chance. Unionists estimated that 30 percent of workers in Argentina are democratic, 30 percent Peronistic, and 40 percent undecided.

In Brazil, I spoke to the manufacturers association and they seem to be working on social programs of merit. In both Brazil and Argentina, I spoke to reasonable and intelligent labor leaders. There are, however, radical leaders, too, and there are some true Communists. Incidentally, from many different quarters, I heard good things said of George Meany's visit.

The South American farmer is often caught in the same squeeze as is North American labor: low returns from farm products and high costs for necessities due to exchange controls.

South Americans were extraordinarily hospitable to us and I found all kinds of evidence of real friendship. F. D. R. is a most popular figure here and Woodrow Wilson comes second. However, today many South Americans consider they are being given insufficient attention. They feel that, in the recent past, we have not sent them first-rate ambassadors and, of course, one we sent to Brazil had to be recalled. I expressly except all serving ambassadors.

Many South Americans feel, too, that the United States is too friendly to South American dictators and that our representatives and emissaries have sometimes unnecessarily embraced dictators.

United States has one tremendous asset we fail to recognize sufficiently and one which can be a vital factor in building hemispheric solidarity. That is Governor Muños-Marin and Puerto Rico. Puerto Rico's story is an excellent example of cooperating with an undeveloped economy to help them achieve rapid maturity and political autonomy.

In conclusion, my recommendations are as follows:

1. Cultural exchange of persons, with encouragement of South American visits to Puerto Rico as well as the United States.
2. The encouragement of private loans.
3. Further development of point 4 program.
4. Government loans.
5. Exchange of visits among labor union people.
6. United States businessmen can be great ambassadors and technical assistants.
7. Further contact between universities in the two continents.
8. Rapid completion of the Pan-American Highway.
9. Encouragement of tourism.

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

Mr. McNAMARA. I yield.

Mr. MANSFIELD. I express my commendation of the interest which the distinguished Senator from Michigan has taken in Latin America, and of the fact that the great Governor of his State, on his return from that area, made some worthwhile recommendations on the basis of personal observations.

Mr. McNAMARA. I thank the Senator from Montana.

LARGE PAYMENTS TO INDIVIDUAL FARM OPERATORS UNDER THE MULTI-MILLION-DOLLAR SOIL BANK PROGRAM

Mr. WILLIAMS. Mr. President, on previous occasions I have questioned the wisdom of the multi-million-dollar Soil Bank program, the purpose of which is to retire acreage from production; and I have suggested that the acreage removed would be the less-productive acreage, and the money paid therefor could be spent by the recipients for increased fertilization of other acreage, with the result that no reduction in surplus commodities would be achieved.

I joined other members of the committee in questioning the wisdom of not putting a limitation on the amount of payments to any individual; we did so on the basis that, otherwise, the real benefits of the Soil Bank program would be a bonanza for the absentee owners, rather than assistance to bona fide farmers.

At the time when the proposed legislation was considered, several amendments were offered to limit these payments; but each one was rejected by the Congress, even in the face of warnings by the administration that without such limitation the program could develop into windfall payments to the absentee owners.

Therefore, any criticism in connection with these large payments should be directed against the Congress, which passed the bill and rejected any limitation amendments, rather than against the persons who have accepted the payments.

The report just released by the Department of Agriculture shows that in 1957, 1,260,000 farmers were paid a total of $613,838,570, or an average of $487 per person, for removing 22 million acres from production. With no ceiling on the payments incorporated in the law, there were 2,422 individuals who received in excess of $10,000, with 1 individual receiving $322,012.89.

A statistical breakdown of the payments for the calendar year 1957 is as follows:

The 3 highest paid individuals received sums in the amounts of $322,012.89, $278,187.38, and $209,701.80.

Approximately $1 million was paid to 8 individuals whose payments were between $100,000 and $140,000 each.

Another $1 million was paid to 12 individuals, with each payment being between $75,000 and $100,000.

Twenty-three were paid between $60,000 and $75,000 each, or approximately $1½ million.

Twenty-one were paid another $1¼ million, with payments ranging between $50,000 and $60,000 each.

Thirty-eight were paid approximately $1¾ million, with each payment being between $40,000 and $50,000.

Approximately $3¾ million was paid to 106 individuals, with payments ranging between $30,000 and $40,000.

Approximately $3¼ million went to 122 individuals whose payments were between $25,000 and $30,000.

Approximately $4½ million went to 213 individuals, with payments being between $20,000 and $25,000.

Approximately $8½ million went to 496 individuals who received payments between $15,000 and $20,000.

Approximately $16½ million went to 1,380 individuals who received payments between $10,000 and $15,000.

The remainder, representing payments below $10,000 down to a few dollars per farm, went to the other 1¼ million farmers signed up under the program.

SAFETY IN THE AIRWAYS

Mr. STENNIS. Mr. President, for the past 2 or 3 days I have been attending meetings of the Armed Services Committee's subcommittee which has to do with the military construction bill. Included in the bill are items for proposed sites and for the authorization of funds for our early warning system—the so-called DEW line—and for a number of other early warning systems. These systems are costing the Nation many billions—not millions—of dollars, in the effort to set up a warning system against an enemy attack which may never come. The purpose is to protect the Nation from the possibility of an enemy attack by air.

At the same time, Mr. President, it seems that far too little is being done regarding some kind of a warning system to protect the people of the Nation now—in their daily affairs—as they travel on our commercial airlines.

In the newspapers we read accounts about military planes which collide with passenger airliners, causing the death of many persons; and we read that there is to be an investigation of some kind. But I have not been able to find that many reports have ever been made, following such investigations.

A great deal has been said about who has jurisdiction of such matters and about who is responsible for them, but we do not get results.

Certainly the commercial airline passengers of the country are entitled to more protection than they are receiving today. It appears to me that they are entitled to greater cooperation, let me say, between the military and the commercial airlines.

I am not one to place fault at the door of anyone, unless there is provable blame. But the impression in the American mind—and the impression is growing very rapidly, as I see it—is that those who operate the military planes are not as conscious of their responsibility regarding the commercial airlanes as they should be.

I know it is a fact that there is much unnecessary danger in our air travel. More could be done than is being done to remedy the situation.

That is why I joined, on yesterday, with the Senator from Oklahoma [Mr. MONRONEY] in his introduction of a bill providing greater regulation. Perhaps the expenditure of large sums of money will be necessary in order to perfect the necessary detection system. If so, we have already "burned too much daylight" while delaying the beginning of such a system.

I have learned from the morning news that one of the airlines reported a "near miss" within the past few hours, following the death of many persons in the past 30 days, as the result of the crashing into 2 different passenger planes. I commend that airline for reporting that "near miss." I think all such incidents should be reported publicly, so as to make us more conscious of what the true situation is. It may be that reports of "near misses" have been withheld because of a belief that such reports might be disturbing to the minds of the traveling public. I do not know; on that point, I make no statement of fact. But I commend the airline which reported the recent "near miss".

I believe a complete investigation should be made, in order to develop the facts, whatever they may be—bad as they may be, or good as they may be—and to determine who is to blame.

I do not have sufficient facts to be able to censure anyone as to blame in these recent collisions.

However, it is an old rule that a commanding officer is responsible to a degree for the men who go out from the post which he commands. Certainly no commanding officer can be an insurer against the dereliction of all who go out from his post to use the air; but certainly injury inflicted by one of his men places upon him the responsibility of proving that he has used every possible precaution, that he has warned the men in his command of the danger of the commercial airlanes, and that they have been fully instructed, and have had drilled into them the fact that it is their duty to observe the rules very carefully.

It may be that the speed of jet planes is so great that those who fly them have no chance to know just where they are. There is need to know more about the entire facts; and I believe that in connection with this very grave matter, Congress has a responsibility that is more serious than the facts which have yet been disclosed would indicate.

So I hope those who are pursuing this highly important matter will pursue it to the utmost, and that soon we shall have the facts, because then, and only then, shall we be able to apply the proper remedy. We owe it to the American people, and particularly the traveling public to develop the facts and, so far as possible, supply the remedy.

Mr. FREAR. Mr. President, I should like to pay high tribute to the junior Senator from Mississippi [Mr. STENNIS] for the remarks he has made regarding safety in our airways. I think we should all become more conscious of the need for safety in the air and should work diligently to bring it about.

Mr. GOLDWATER subsequently said: Mr. President, much has been said, and properly so, during the last month, and particularly the last 2 days, concerning tragic accidents which have occurred on civil airways by collision between military aircraft and commercial transport aircraft. I do not condone such collisions. None of us can condone such tragedies occurring in the skies. But it is not a problem we have had with us merely for a week or a month. It has been with us ever since flying started in this country. It is a problem for the solution of which pilots have asked for many years.

I think we in the Congress have been about as much to blame for the situation as has any other governmental body or any group of pilots. Repeatedly we have been asked for money with which to modernize our airways. Repeatedly we have not provided adequate funds. It is a problem which must be met.

I desire to mention some facts concerning the Air Force, because the Air Force has been brought into the discussion. Naturally, there is an inclination to blame the Air Force. I do not in any way want to absolve the Air Force of any portion of the blame which may be properly ascribable to it.

There are certain requirements for military flight into civilian airlanes. The United States Strategic Air Command must fly over targets in this country that simulate targets in our possible enemy's homeland. They have to be made at altitudes which might in some ways conflict with civilian flights.

The Tactical Air Command and the Air Defense Command likewise have to fly in airways. An enemy will not come over our country on a certain numbered airway. Therefore, the Air Force has to participate in flights which are unscheduled, even though they may cross civilian airways.

Whenever flights are made by the Air Force—and I am sure this applies to other military services using the air—they are made in accordance with airway traffic control procedure. Clearance is filed, even if it is for visual flight, and it certainly has to be filed if it is for instrument flight.

While the accidents are certainly regrettable, so long as we have problems of defense and men flying instruments of war, there will be danger involved.

The Air Force has been very active in promoting safety. In 1921 in the infancy of air operations the Air Force flew 77,351 hours, with an accident rate of 467 per 100,000 flying hours.

During the war, when the Air Force was flying many millions of hours a year, this ratio was reduced to 71 accidents per 100,000 flying hours.

To give Senators some idea of what 100,000 flying hours means, even at the comparatively slow rate of speed of 200 miles an hour, it means 20 million miles.

In the first quarter of this year, the Air Force and National Guard again flew in the millions of hours and the accident rate dropped to 12 accidents per 100,000 hours.

Mr. President, there are answers to this problem. Speaking both as a civilian pilot and as an Air Force pilot, I desire to mention three proposals which

I think can and should be implemented as quickly as possible.

First: There should be closer cooperation between the military and the CAA, particularly the airways traffic control.

Second: We should immediately increase our efforts to provide radar stations on the numbered airways, so they will be in control of the airways, and so there will eventually be what on the railroads is called the block system.

Third: There should be absolute control of all airways at all altitudes from the ground up to 35,000 feet, with flights on these airways to be under instrument flight rules even though they be on sunny days.

In closing, Mr. President, I point out that we have another and possibly more serious problem. There is no doubt that since the day before yesterday there have been killed in automobile accidents at least as many persons as were killed in the air accident. We do not seem to be overly concerned about such automobile accidents. I suggest we attack the air problem and the ground problem, too. So long as there are human beings flying airplanes and driving automobiles, the chances are accidents will occur. As human beings, we can do only the best we can with electronic devices to control such accidents. I urge that Congress give immediate consideration to these proposals.

Mr. SYMINGTON subsequently said:

Mr. President, I am much impressed with the bill to create an independent Federal Aviation Agency, sponsored by the distinguished junior Senator from Oklahoma [Mr. MONRONEY], and, as he says "to provide for the safe and efficient use of the airspace by both civil and military operations, and to provide for the regulation and promotion of civil aviation in such manner as to best foster its development and safety."

I am not impressed with the protest from the Civil Aeronautics Administration about such proposed legislation, and do not think we can wait any longer in the taking of prompt steps to settle the question of who has what right-of-way in our skies.

This is a case where "too little and too late" can only result in more fatalities; therefore, it should be handled now. If this is not done, all aviation, civilian as well as military, will come under an increasing cloud, and airpower itself may well be retarded.

As it is, people are now prone to put most of the blame on the military, although the Civil Aeronautics Administration has at least as much repsonsibility in this matter as anyone else.

I commend the able Senator from Oklahoma for his prompt action in this matter. Action is what is needed, and I am glad to cosponsor S. 3880.

RESOLUTION OF BOARD OF GOVERNORS, AMERICAN BAR ASSOCIATION, OPPOSING S. 2646

Mr. KEFAUVER. Mr. President, the board of governors of the American Bar Association has just adopted a resolution opposing S. 2646, the so-called Jenner bill, which would strip the Supreme Court of certain of its appellate powers.

I opposed this bill, and, along with several of our colleagues, voted against it in Judiciary Committee. I doubt if there are any of us present who have not disagreed with some decision or other of the Supreme Court. Indeed, the reason that we have a Supreme Court is that there are these differences of opinion. There has to be a pro and a con argument before a case ever reaches the Supreme Court.

The method proposed in the Jenner bill for expressing displeasure at certain Supreme Court decisions is nevertheless a most dangerous one. It would reverse years of judicial and legislative history, and set a precedent of removing jurisdiction in one field after another. The result would be chaos.

I want to compliment the American Bar Association for its thoughtful action, and ask that the report to the board of governors be printed at this place in my remarks. The resolving portion of this report is the resolution adopted by the board of governors.

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

REPORT TO THE BOARD OF GOVERNORS BY THE SPECIAL COMMITTEE ON INDIVIDUAL RIGHTS AS AFFECTED BY NATIONAL SECURITY OF THE AMERICAN BAR ASSOCIATION

RECOMMENDATIONS

The special committee on individual rights as affected by national security recommends that the board of governors adopt the following resolutions:

I

Resolution adopted Tuesday, May 20, 1958.

"*Resolved*, That the American Bar Association opposes the enactment of the so-called Jenner Bill, S. 2646, as amended and reported by the Judiciary Committee of the Senate, which combines a limitation on the appellate jurisdiction of the Supreme Court and a threat to the independence of the Judiciary with substantive changes of far-reaching significance which should be considered independently of each other and only after adequate public hearings at which the organized bar and others interested can be heard. This action does not constitute approval or disapproval of the substantive changes proposed by sections 3 and 4; be it further

"*Resolved*, That in expressing its opposition to the enactment of S. 2646 as amended, the American Bar Association reaffirms its position as expressed in the resolution on this subject adopted by the house of delegates of the American Bar Association at Atlanta, Ga., on February 25, 1958."

REPORT

At the Atlanta meeting of the house of delegates, the house, acting on the recommendation of the board of governors, adopted a resolution opposing enactment of S. 2646, known as the Jenner bill, which had as its purpose the withdrawal of appellate jurisdiction of the Supreme Court of the United States in five areas which have been the subject of recent decisions by the Supreme Court. Since the action of the house of delegates, there have been the following developments in connection with this proposed legislation:

1. While S. 2646 was under consideration by the Senate Judiciary Committee, Senator BUTLER, of Maryland, offered proposed amendments of S. 2646 as to each of its provisions except admission to the bar of State courts.

2. On April 30, 1958, the Senate Judiciary Committee announced that by a vote of 10 to 5 it was reporting favorably S. 2646 as amended by the committee.

As reported by the Judiciary Committee, S. 2646 contains four sections which may be summarized as follows:

(a) Section 1 is identical with the provision of section 1 as introduced by Senator JENNER which would withdraw the appellate jurisdiction of the Supreme Court to review cases involving admission of attorneys to practice in the courts of the States.

(b) Section 2 would have the effect of withdrawing the jurisdiction of all courts to pass upon the pertinency of questions propounded by committees of Congress in Congressional investigations. The decision of the committee as to the pertinency of the question would be final and not subject to review by any court.

(c) Section 3 of the bill would allow the States to enact statutes concerning subversive activities without running afoul of the prohibition which normally results from occupation of a sphere by the United States.

(d) Section 4 of the bill refers to the Yates and Schneiderman cases, involving construction of the Smith Act, by name, and states that the distinction found to exist in those decisions is one never intended by Congress and is undesirable. It would then amend the statute to prevent such a construction of the act in the future.

From the foregoing summary of the provisions of the bill it is apparent that it is still objectionable for the reasons specified in the resolution adopted by the house of delegates of Atlanta, the difference between the original and the amended bill being merely a matter of degree.

It is further apparent that the portion of the amended bill which does not propose to curtail the appellate jurisdiction of the Supreme Court deals with matters of substance and basic questions having no relation to each other except in the respect that the subject matter of each has been involved in a recent controversial decision of the Supreme Court of the United States. The effect of combining these unrelated amendments into a single bill, which includes as its first section the withdrawal of appellate jurisdiction of the Court in the area of bar admissions, inevitably makes of the committee bill exactly the same character of legislation as proposed by the Jenner bill originally; i. e., an act to penalize the Supreme Court because of the disagreement of Congress with certain of its decisions and, hence, an attack upon the independence of the judiciary.

Legislation in the important and difficult areas affected by the committee's amendment to the Jenner bill merits the most careful and deliberate consideration of the Congress with public hearings thereon by the appropriate committees of Congress. Each of the amended provisions of the bill is one involving difficult questions of individual rights or of the delineation of legislative power as between the States and the Federal Government.

By this report the committee does not take any position upon the merits of the individual amendments now incorporated in S. 2646 which do not affect the appellate jurisdiction of the Court or the independence of the judiciary. Such a position would be appropriate when and if these measures are considered at public hearings upon their merits by committees of the Congress at which adequate opportunity is afforded for the presentation of views thereon.

The committee recommends that the association oppose the present bill as contrary to the action of the house of delegates at Atlanta, and as an attempt to legislate in these important fields on a "shotgun" basis without adequate consideration of each of

the proposed measures upon its merits. The committee further recommends that the association oppose the bill as an attack on the independence of the judiciary, destructive of the separation of powers contemplated by the Constitution.

Copies of S. 2646 as amended by the Judiciary Committee of the Senate will be distributed at the time this matter is considered by the board of governors.

Respectfully submitted.

ROSS L. MALONE, *Chairman.*
ARTHUR J. FREUND.
WILLIAM J. FUCHS.
CHARLES G. MORGAN.
WHITNEY NORTH SEYMOUR.

BRANDYWINE HUNDRED (DELAWARE) FIRE COMPANY

Mr. FREAR. Mr. President, recently there occurred in Delaware a dedication ceremony conducted by one of our State's finest volunteer fire organizations—the Brandywine Hundred Fire Company. This group of men, together with their ladies' auxiliary, have, for the past 35 years, given devotedly of their time and efforts to provide fire-fighting services to the large rural and suburban area of my State known as Brandywine Hundred.

America is a nation of volunteer fire departments, due to its widespread rural population, the vastness of the country, and the number of small towns and villages, both incorporated and unincorporated, all requiring some sort of fire protection. Indeed, Mr. President, a volunteer fire company is more than a group of individuals with fire-fighting equipment. It is, rather, a splendid example of that quality which has made America great—individual initiative.

The history of the Brandywine Hundred Fire Company parallels, I am sure, that of many similar organizations in other States. It had a humble beginning, but has demonstrated a steady and progressive growth in keeping with the needs of the citizens which it serves.

Mr. President, I ask to have printed in the RECORD, in connection with my remarks, a brief history of this fine fire-fighting organization as it appeared in the dedication program of April 26, 1958.

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

COMPANY HISTORY

The Brandywine company had its origin back in 1923 after a group of citizens in the Bellefonte area became alarmed over the increasing number of fires in Brandywine Hundred and the lack of firefighting apparatus in the northern suburban area. By this time, buildings and populations were increasing in the hundred.

After several meetings called to discuss the organization of a volunteer fire company, Martin Ainscow, deputy chief of the Wilmington Bureau of Fire, was invited to Bellefonte to outline plans for organization of such a group. The meeting was attended by about a hundred persons who contributed a dollar each to get the company started.

It was about this time that the volunteer fire companies of Wilmington were sold and the paid fire department of Wilmington was put into operation.

Several of the "runners" of the former Reliance Fire Co. No. 2, the Brandywine Co. No. 10, and the Fame Hose No. 6, all of Wilmington, were residents of Bellefonte and the Brandywine Hundred area seeking a volunteer fire company.

On March 19, 1924, a group of citizens organized the Brandywine Hundred Fire Company No. 1, and the late Joshua Kelley, last president of the Reliance Co., was elected temporary president.

The late John H. Wigglesworth, of Bellefonte, who was one of the organizers of the fire company, was elected vice president.

Other officers elected who served until January 1925 were: the late Harry D. Carson, secretary; Frank R. Heaton, Jr., now of Detroit, treasurer; the late Harry Draper, also of Bellefonte, chief engineer; Charles Honey, Sr., of Bellefonte, first assistant chief; and former Senator Burton S. Heal, Holly Oak, second assistant chief.

Hon. Chief Honey served as assistant chief, chief, and later president of the company for his many years of active service he was made a lifetime member and was presented with a gold badge.

Incorporation papers were applied for in September after the organization by Harry G. Little, James Montgomery, deceased, and Joseph Billingsley.

Mr. Kelley was elected to head the permanent officers selected on January 1, 1924, and Charles Murphy, deceased, was elected vice president. Carson and Heaton were again elected secretary and treasurer. Mr. Wigglesworth was elected chief engineer; Mr. Honey, first assistant chief; Mr. Heal, second assistant chief; Wm. Dunlap, president of the board of managers.

The new company met each week for a while and the first piece of apparatus owned by the new company was a 35-gallon chemical tank costing $5,500 ordered from the United States Fire Apparatus Co. in Kirkwood Park of Wilmington.

The apparatuses were housed in a building rented on the property of Chief Wigglesworth on Rosedale Avenue.

Later ground was purchased along Brandywine Boulevard and Rosedale Avenue, and a building built by residents of Bellefonte, and known as the Bellefonte community hall, was used by the company for a meeting place.

The community hall was also used by the Bellefonte Civic Club and later by the Bellefonte town commissioners as a meeting place.

The Brandywine Hundred Company later purchased the community hall and added to the building as the company expanded. The building was demolished several months ago after construction of the new fire-hall had been started on the site owned by the company in back of the original building.

Until the organization of the Claymont and Talleyville fire companies, the Brandywine Hundred Company was the only volunteer fire company in the territory north of Wilmington to the Pennsylvania line and from the Delaware River to the Pennsylvania line on the west.

Proceeds from carnivals, the first held on the site of Villa Monterey, which netted the company approximately $1,000 were the main source of revenue for operation of, and maintenance of the fire company. Minstrel shows, were also sponsored by the company for a number of years.

The Brandywine company for a time attempted to contact people in the fire-protected area served by the firemen, for contributions by mail after the carnivals were eventually dropped from the agenda following a ruling by the attorney general's office, that games of chance and the wheels used at the carnivals, were illegal.

The campaign for funds by mail has more recently been replaced by a door-to-door solicitation appeal for contributions or donations to the fire company, for funds for operation, the purchase and upkeep of equipment, and for funds for the new building which is an outgrowth of the expansion program instituted to provide better service to those living in the suburban area served by the company.

A summary report released by Paul L. Taylor, Jr., president of the Brandywine Hundred Company, which has a membership of more than 145, discloses the firemen have answered approximately 2,000 fire calls during their 35 years of service, which represents 1,400 hours of service for the fire-fighting apparatus, which traveled 14,000 miles.

The report also shows that more than 15,000 firemen have responded to fire calls and that they laid 61,000 feet of hose in fighting the fires and put in 20,000 man-hours. Assessed value of property in the territory served by the company is around $70 million.

The new fire-hall, approximately 136 feet by 60 feet, is a 2-story building of concrete block with brick veneer. About 76 tons of steel has gone into the construction of the building.

The first floor with 6 bays, houses 4 pieces of fire apparatus, a civil-defense rescue truck, and 2 ambulances.

On the second floor is a stage, kitchen, and a banquet hall capable of seating from 350 to 400 persons, finished in mahogany paneling. There is a recreation room and lounge, a committee room and an office for president and secretary.

The chief's room located at the center of the mezzanine, is situated so that the chief at a glance is able to check the equipment on the floor below. It is equipped as a radio room. A storage space is provided at each end of the mezzanine.

On the first floor is a fully equipped first aid room which may be used as a first aid emergency room in case of a disaster. It has been equipped through contributions made by organizations and individuals for that purpose.

A meeting room on the first floor used by the Bellefonte Town Commissioners and the Bellefonte Building and Loan, was equipped by the Building and Loan Association.

Also on the first floor is storage space, chief engineer's shop for mechanical repairs, and a hose tower. In the center at the back on the first floor is the boiler room which houses the gas hot-water heating plant for the three-zone heating system.

There are entrances to the new building on Brandywine Boulevard, Elizabeth Avenue and Rosedale Avenue, with a fire escape at the rear of the building on Rosedale Avenue.

Allen W. Ridgaway, Jr., captain of the ambulance division of the Brandywine company, has done much to develop one of the best trained ambulance crews in the State, since the purchase of the ambulance by the company about 2 years ago.

Even before the ambulance was purchased, Captain Ridgaway was busy on a training program for the crew of 26. Today in addition to all of the crew being trained in standard and advanced first aid courses of the American Red Cross, seven of the crew members are instructors.

Many of the crew have taken extra lectures at the Delaware Memorial and Riverside Hospitals to learn extra techniques, and several have served more than 100 hours in volunteer service at the hospitals under the supervision of doctors, nurses, and special technicians in handling emergency first aid victims. Captain Ridgaway himself has more than 200 hours of volunteer service at the hospitals, to his credit. It has been through his efforts that Brandywine Hundred was one of the first companies to have an all-trained ambulance crew in standard and advanced courses, with seven instructors.

"Promoting a strong education program for the ambulance crew is one way the company may better serve the community" Captain Ridgaway declares. He reports the ambulance is making an average of 30 calls a month. Charles Honey, Jr., is co-captain of the ambulance division of the Brandywine Hundred company, and John Mallen is secretary. Dr.

Allen C. Wooden is medical adviser to the ambulance division.

Mr. FREAR. I am sure that through the medium of the CONGRESSIONAL RECORD the activities of the Brandywine Hundred Fire Company will be brought to the attention of other fire-fighting organizations throughout the United States. We in Delaware look with pride to all of our State volunteer fire companies because of the cooperative spirit and the fraternal association which accompanies their work in protecting life and property.

It goes without saying that thousands of Delawareans and millions of other Americans and their families sleep more peacefully each night, secure in the knowledge that if danger from fire should come the volunteer companies will be ready to assist them.

Mr. President, the dedication ceremonies at the Brandywine Hundred Fire Company are an important milestone to this organization and to the entire State of Delaware. It is with much pleasure that I take this occasion to bring them to the attention of the Senate of the United States.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. CAPEHART. Mr. President, a couple of months ago Congress passed what was known as an emergency housing bill, which resulted in an unusual amount of new housing starts, to the extent that the Federal Housing Authority soon will exhaust its authority to guarantee FHA loans. We are informed the authority will run out on May 28. That means the legislation reported from the Senate Committee on Banking and Currency, the joint resolution introduced by the Senator from Alabama [Mr. SPARKMAN] and myself, should be acted upon today, if it is possible, because the resolution will have to go to the House and be passed by that body. It is possible the House may be considering a measure; I do not know.

I should like to suggest that, if it is possible to do so, the joint resolution be acted upon by the Senate today. I do not think there is any controversy concerning the measure. If the joint resolution cannot be acted upon today I ask that it be considered on Monday, with an understanding to be reached with the House that the proposed legislation will be passed, so that the President can sign the measure prior to midnight, May 28, which is the date I understand the FHA will run out of authority to guarantee FHA loans.

The Congress did an exceptionally good job in passing the emergency housing bill. We do not want to fail to give the FHA authority to guarantee the loans, thereby holding up the program to the point where there will be inability to guarantee FHA loans.

May I ask the distinguished acting majority leader: Does he know when the bill will be considered?

Mr. MANSFIELD. Mr. President, I will say to the distinguished Senator from Indiana that the matter evidently has not been referred to the leadership. On the basis of the public notice given by the able Senator I anticipate action perhaps can be taken on Monday, if proper arrangements are made with the distinguished minority leader, the Senator from California [Mr. KNOWLAND] and the distinguished majority leader, the Senator from Texas [Mr. JOHNSON].

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

Mr. MANSFIELD. I yield.

Mr. CAPEHART. I bring the matter up at this time because I understand when the Senate concludes its business today it will adjourn until Monday.

Mr. MANSFIELD. The Senator is correct.

Mr. CAPEHART. We shall not have an opportunity to consider the measure tomorrow. I have been trying to get in touch with the leadership over the telephone, to see if we could consider the bill today.

Mr. MANSFIELD. I believe it would be impossible to consider the bill today, because too many Members have left to attend committee assignments and other duties. The Members have been given assurance there would be no further legislative action this afternoon.

THE CARLISLE BARRACKS, PA.

Mr. MARTIN of Pennsylvania. Mr. President, the Carlisle Barracks, located at Carlisle, Pa., will be 201 years old May 30. The guard house constructed by Hessian prisoners is still in use. The barracks was the home of the celebrated Carlisle Indian School, which produced some of our greatest athletes, among them being James Thorpe. It is now the home of the Army's senior educational institution, the Army War College, and the very able Maj. Gen. Max S. Johnson is the commanding general.

I ask unanimous consent that a statement from the Army, Navy, Air Force Journal be printed at this point in the RECORD as a part of my remarks.

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

CARLISLE BARRACKS WILL BE 201

One of the oldest active military installations in the United States, Carlisle Barracks, Pa., marks the 201st anniversary of its founding May 30.

Founded by Col. John Stanwix, of the British Army, with a mixed force of British Army regulars and Provincial troops May 30, 1757, Carlisle Barracks is the home of the Army's senior educational institution, the Army War College. A school post almost since its founding, a school for artillerists, was founded there by Capt. Isaac Coren in 1777, by direction of Gen. George Washington.

Maj. Gen. Max S. Johnson is the present commanding general and commandant of the War College. Brig Gen. Edgar C. Doleman is deputy commandant of the college. Deputy post commander is Col. Alvin A. Heidner.

TENTH ANNIVERSARY COMMEMORATIVE SESSION OF THE WORLD HEALTH ORGANIZATION

Mr. HUMPHREY. Mr. President, "He who has health has hope," runs the old Arab proverb, "and he who has hope has everything."

Mr. President, millions of people have acquired health, and therefore hope, within the last decade as a result of the work of the World Health Organization. Millions more now have the hope of acquiring health—and it is more than a hope; it is a reasonable prospect.

This is a historical development of the first magnitude, and we have no more than glimpsed its consequences. In the past, disease has changed the course of history, as when the Black Death rolled over Europe in the 14th century. We may be sure that the absence of disease will have repercussions equally profound, equally challenging, and—if we are alert enough to deal with them—a great deal more hopeful.

This medical revolution has occurred with such startling swiftness that we tend to take it for granted—almost to ignore it. Yet it has transformed society within a generation. I remember that not too long ago—indeed, in my own childhood—my parents lived with a haunting fear of diphtheria. Infant and childhood mortality was so commonplace, even in the relatively rich and comfortable United States, that the family with all its children living was a rarity. Today nobody worries about diphtheria, and the principal hazard of childhood is the automobile. Within the last few years, we have seen the dread of polio banished from millions of homes. All of us could think of many other examples of the progress of medical science.

Mr. President, it is the function of the World Health Organization to organize the effective sharing of this progress throughout the world. But WHO is not satisfied simply with fighting disease. Its constitution defines health as a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity.

The WHO constitution also lays down other principles, which are as revolutionary in their way, as the new drugs that WHO doctors and nurses dispense. The WHO constitution declares that—

The enjoyment of the highest attainable standard of health is a fundamental human right.

Governments have a responsibility for their people's health;

Unequal health development in different countries is a common danger;

The health of all peoples is fundamental to the attainment of peace and security.

Mr. President, this is potent doctrine. And yet it is no more than the adaptation of long-recognized social principles to the scientific revolution which has been occurring in medicine. Consider the points 1 by 1.

"The enjoyment of the highest attainable standard of health is a fundamental human right." Those who would question this statement ought to turn it around. Are they prepared to say that a child in Haiti, for example, has no right to be cured of yaws when we have the penicillin and the knowledge of how to use it? Maybe he does not have a right that is enforcible. But it is a right existing in the heart of everybody who believes in the brotherhood of man.

"Governments have a responsibility for their people's health." Every city and town in America has long had health regulations of one kind or another to meet

this responsibility. As far as I am concerned, WHO simply broadens, but does not change, this fundamental principle.

"Unequal health development in different countries is a common danger." This can hardly be denied in an age of rapid and large-scale travel. Within the year, we have seen a new influenza virus in Asia close public schools in Pennsylvania.

'"The health of all peoples is fundamental in the attainment of peace and security." Remember the old Arab proverb about health and hope. Wars are born of despair; hope begets peace.

The World Health Organization sprang from a proposal by Brazil and China at the 1945 United Nations in San Francisco that an international health organization be established. An international health conference met in New York under the auspices of the United Nations in June 1946, and drafted the WHO constitution, which was signed by representatives of 61 countries. By its terms, the constitution was to come into force April 7, 1948, when 26 member countries had ratified it. The first World Health Assembly met in June of that year, and WHO's ambitious program was launched in a fairly modest way. Next week, Mr. President, the 10th anniversary will be celebrated, I am proud to say, in my hometown of Minneapolis. I am honored to be a delegate and Congressional adviser on that occasion.

The achievements of the past 10 years are impressive:

WHO membership has grown from 61 countries to 88.

It carries on programs of technical assistance in more than 100 countries and territories.

It has a staff of about 1,000 professionals of 54 nationalities.

It operates a worldwide epidemic reporting service.

It has adopted international quarantine regulations which at once speed travel as they control disease.

It has published the first International Pharmacopoeia and more than 200 other technical works on more than 40 health subjects.

WHO's regular work is financed by contributions from its members according to an agreed scale of assessments, ranging from one-third for the United States—about $4.5 million this year—to less than 1 percent for the smallest, poorest members. WHO also receives funds—about $5 million a year—from the United Nations expanded technical assistance program and additional contributions from the United States—about $5 million this year—for its malaria eradication program.

All of this comes to something less than $25 million a year, surely a modest sum for the achievement of goals as ambitious as WHO's. But rarely, if ever, have dollars been stretched further.

WHO works in cooperation with the health services of the countries which request its assistance. It does not try to do the world health job itself. Rather, it tries to supply the technical expertise which is missing from some national health services. It convenes worldwide committees of experts to study specific problems. It sends consulting experts to advise health officials and to train health personnel. It provides training scholarships. On many occasions, it enters a fruitful partnership with UNCEF—the U. N. Children's Fund—under which UNICEF furnishes the supplies and materials and WHO the technical and professional personnel for a project.

Of course, WHO welcomes the interests of private and voluntary agencies who want to help humanity everywhere.

In recent years, more and more voluntary agencies have given material help and have cooperated with the World Health Organization in establishing hospitals and clinics.

There are 43 nongovernmental organizations with whom WHO maintains official relations. The World Medical Association, which stemmed from the American Medical Association, is among these. Among others is the International Pharmaceutical Federation, the International Council of Nurses and the League of Red Cross Societies.

WHO is collaborating with 1,800 scientific institutions in the world, including laboratories, research units, and scientific studies. Most of these institutions are devoting time and energy on a voluntary basis in the interest of the advancement of science. I understand that only 40 of the 1,800 organizations get any funds from WHO at all. Research is being coordinated in more than 50 laboratories in the field of influenza. Another large number are busy in polio research.

The moral is plain: There is nothing exclusive about WHO or its place in the world. It welcomes, and is designed for, the active support and cooperation of voluntary groups.

It is difficult—even, perhaps, invidious—to attempt to single out one field of WHO activity for special emphasis and discussion. But I would like to talk particularly for a few minutes about the malaria-eradication program which, so far as I know, is history's biggest concerted health activity.

Many diseases are controlled; few are eradicated. And of those few, none in modern times has had the worldwide incidence of malaria. The year WHO was born, 300 million people—about 1 out of every 8 in the world—had malaria. Because even then the disease was virtually unknown in most of North America and northern and western Europe, the proportion in other parts of the world was much higher than 1 in 8. Indeed, in some areas, it could practically be taken for granted that everybody had, had already had, or would have, malaria.

The malaria mortality rate is low—only 1 percent. But even at 1 percent, that meant that in 1948, 3 million people died from malaria.

Over and above this really appalling loss of life, malaria's greatest damage is not as a killer but as a disabler. The customary chills and fever of malaria attacks last only 6 days, but the disease's enervating effects last much longer. It has been estimated that malaria decreases efficiency by about 25 percent for a whole year. Further, it makes its victims more susceptible to other diseases, as for example, pneumonia, and is thereby indirectly responsible for an increased number of deaths from other causes.

As the world's greatest single disabler, malaria is the world's most expensive disease in economic terms. A person with malaria is less than fully productive, if indeed he is productive at all. His food and his clothing have to be produced, and his housing has to be provided, by somebody else. When substantial numbers of people are in this position, it is a burden even on the wealthiest society. But the countries where malaria occurs are mainly underdeveloped. In this kind of economy, the loss of productivity caused by the disease becomes well-nigh insupportable and operates as an effective bar to economic development.

Eradication of malaria, therefore, pays immediate and spectacular dividends, not only in the reduction of human suffering, but also in cold dollars and cents. One of the contributory factors in the increase in food production in India has been the fact that malaria eradication has made it possible for people to live in and cultivate fertile areas which malaria had previously made uninhabitable.

The tools for malaria eradication did not become available until the development of DDT insecticide in World War II. Some national malaria-control programs were already under way when the World Health Organization entered the picture in 1948 and made malaria control a top priority. The distinction between control and eradication is important. WHO's original goal was simply to eliminate malaria from the world as a major public-health problem, and its technique was mainly in DDT-spraying of houses.

It soon became apparent, however, that mosquitoes were developing resistance to DDT, and WHO concluded, in 1955, that the only way to control the disease successfully was to eradicate it totally before the mosquitoes had time to develop complete resistance. This can be done in any given area over a 3-year period by breaking the man-to-mosquito-to-man cycle by which malaria is transmitted. Malaria stays in the blood stream for about 3 years. If mosquitoes can be controlled for 3 years, the disease will die out.

WHO has plans to cover the world in this program over a 5-year period beginning in 1957, and encouraging progress has been made.

The incidence of malaria has been reduced by one-half in the 10 years since 1948.

Mr. President, if WHO had done nothing else, it would have performed a monumental public service. But, as I indicated briefly a moment ago, it has done much else.

Its most dramatic and spectacular accomplishments have been in the field of the infectious diseases—malaria, tuberculosis, yaws, syphilis, yellow fever, influenza, and so forth. This is a reflection of the fact that this is the field in which medicine itself has made its most dramatic advances.

WHO, however, is taking on two other functions which will become increasingly important and significant as the traditional infectious diseases fade into the background. These other functions are in the field of mental health and the field of atomic radiation.

As more people live longer, and as they live under the increasingly complex conditions of modern society, mental illness becomes an ever greater health problem. This is true in highly developed countries such as the United States, I suspect, and it is particularly true in countries undergoing the social stress of changing from a primitive to a modern economy. This is one of the big health problems of the future—perhaps the biggest single problem. Every country on earth needs more knowledge and more professional people trained to attack it. WHO has started none too soon and can, I hope, devote increasing resources to the problem of mental health. The problem particularly needs the approach embodied in WHO's constitution as a state of affirmative well-being and not simply the absence of disease.

The study of the health hazards of atomic radiation is also of the utmost urgency. In view of the controversy surrounding this question and of the division of respectable scientific opinion on the subject, this seems to me a peculiarly appropriate subject for WHO.

The health revolution to which I referred in the beginning has come about through solution of the problem of infectious diseases. This in turn is creating other problems of a social, political, and a medical nature.

The most dramatic result is the increase in population stemming largely from reduced infant mortality. At the present rate, total world population will double by the end of the 20th century, which is not so very far off. That will mean almost five and a half billion people. The demand which these people will make on the natural resources of the world are almost incalculable. The problems of international political organization in such a crowded world—the problems of how this number of people can live peacefully together on the same crowded planet—are equally great.

As more people survive into middle age and old age, the nature of their health problems changes. When life expectancy at birth is no more than 30 or 35 years, not many people live long enough to worry about heart disease or cancer. These two diseases, however, are already the largest killers in the United States and most of Europe; they can be expected to increase in other parts of the world as WHO and its collaborators win the battle of the infectious diseases.

Mr. President, I should like to see WHO take the lead in organizing a concerted worldwide attack on cancer and heart disease. These are certainly appropriate matters for international scientific concern. They should be outside the cold war. There is no ideology in a cancer cell.

In his state of the Union message to Congress in January of this year, President Eisenhower made this proposal to the Soviets. He said:

> We now have it within our power to eradicate from the face of the earth that age-old scourage of mankind: malaria. We are embarking with other nations in an all-out 5-year campaign to blot out this curse forever. We invite the Soviets to join with us in this great work of humanity.
>
> Indeed, we would be willing to pool our efforts with the Soviets in other campaigns against the diseases that are the common enemy of all mortals—such as cancer and heart disease.

The World Health Organization, of which the Soviet Union is a member, seems to me a good place to start these efforts at medical collaboration.

The first decade of WHO has seen more progress in public health than the preceding century. This is a strong statement, but I believe a warranted one. In some countries, life expectancy has increased by 12 years in the last 10. When, previously, in all history, was such progress made?

WHO is, indeed, off to a running start, and it will have to run even faster if in its second decade it matches the progress of its first. Scientific discoveries are outrunning our ability to apply and utilize them. Despite the enormous work which has been done, there are still millions of people who are sick and who could be made well by a single dose of an antibiotic and who could be kept well by simple measures of environmental sanitation.

WHO's work will never be done. This is not cause for despair. It is cause, rather, for pushing ahead even more vigorously. WHO deserves the support of all of us. Mr. President, I am particularly pleased that in the next few days, my own home city of Minneapolis will be host to the World Health Organization and will honor all the good will and solid achievement which WHO represents.

SPECIFIC RECOMMENDATIONS FOR UNITED STATES ACTION

Mr. President, in conclusion, I should like to spell out a few specific points which might in some measure serve to further the great work of WHO.

In particular, I should like to summit recommendations for 7 specific actions.

We in Congress might consider these actions in seeking to help strengthen WHO, as well as furthering the mutual pursuit of WHO's high objectives by the United States, itself.

SUPPORT OF GOAL OF SENATOR HILL'S BILL

First, it is my understanding from newspaper reports that there is in the process of preparation a major bill which is aimed at increased international scientific research and cooperation against the worst diseases of mankind.

I understand that this bill is being prepared and will be introduced by the distinguished senior Senator from Alabama [Mr. HILL], who is universally acknowledged as the dean of legislation in the field of health.

I commend my good friend from Alabama.

I assure him that I, for one, together with my colleagues, will welcome this legislation which, the press indicates, he is preparing and which will be the latest in a long line of outstanding health bills which rightly bear his name.

TWO AMENDMENTS TO MSA BILL

My second and third recommendations bear upon the Mutual Security Act of 1953, S. 3318, which our Senate Committee on Foreign Relations is in the process of marking up.

As I have indicated to my associates, this bill can become a major landmark in the unfolding story of the World Health Organization and related efforts. It can become such a landmark by our adding two relatively brief amendments.

(a) Invitation for widening WHO research: The first amendment would supplement the provision on eradication of malaria which is to be found in this bill, and in previous legislation.

Under this proposed amendment, the Congress of the United States, in addition to restating its policy aimed at the eradication of malaria, would, for the first time, state its overall policy that there should be a strengthening of international research aimed against the major diseases of mankind, such as heart disease, cancer, and so forth.

Under this proposed amendment, the Congress of the United States would specifically invite the World Health Organization to explore the possibility of strengthening of such research.

In response to such a proposed invitation, a detailed study might be made by a WHO committee. This committee would report back to the WHO at a later date. Therefore, no United States funds would, at present, be authorized under the amendment. Funds under the present malaria program would, of course, be continued.

Let me point out that, as the WHO explores this research issue, it would enlist, I hope, the cooperation of Soviet Russia. Such cooperation could in my judgment, prove exceedingly fruitful; not only for the health of mankind, but for the peace of mankind.

I shall have more to say about this in just a moment.

Time is unfortunately short. Since, as I have indicated, the World Health Organization commences its assembly next week and since the mutual-security bill will not have been completed by then, I am stating this matter publicly now in order to help encourage the thinking of interested Members of the Congress and members of WHO.

The policy statement on research, then, would be one of the brief amendments which I would propose to the MSA bill.

(b) Public Law 480 funds for research: A second brief amendment would simply authorize the use of funds generated under Public Law 480 for the specific purpose of coordinated research against the major diseases.

This amendment would be an addition to an amendment which I have already introduced in the form of S. 3313.

Under my S. 3313 amendment—which the administration proposes to accept, but in amended form—Public Law 480

funds could be utilized for the purpose of collecting, collating, translating, abstracting, and disseminating scientific and technological information.

I should like to point out that already, over and above S. 3313, Public Law 480 funds are being effectively utilized for international exchange, education, and information activities.

Under this additional phraseology which I am now suggesting, the Congress would be pinpointing medical research as one of the major purposes for which Public Law 480 agreements might be designed and executed, just as it would pinpoint the dissemination of scientific information as one such purpose.

Consumption of nutritious foods from the farms of the United States help to build and sustain healthy bodies of our friends overseas.

Is it not, therefore, completely logical that, from the sale of these very foods, the currencies which are generated, shall be used to make still healthier the bodies of those who consume those foods?

A healthy individual can help his or her own country. A healthy individual can help make his land a better friend of the United States, a better customer of United States products; a better salesman to the United States.

FOURTH SUGGESTION—SPECIAL UNITED STATES-RUSSIAN RESEARCH FUNDS

I have earlier referred to enlisting the cooperation of Russia. Let me now make my suggestion specific.

If the World Health Organization does act favorably upon the invitation which I am recommending, it is my hope that Soviet Russia may play a major part in such a constructive effort.

How can it do so?

Ultimately, it can do so by contributing a major share of the funds which would be necessary for strengthening research.

We have an excellent precedent for such United States-Soviet contribution of funds.

Under the WHO's malaria program, the United States is making heavy contributions to a special malaria fund. Russia is contributing also; but on a much smaller basis.

I hope that all the nations would contribute to a special research fund, usable against heart disease, cancer, and so forth. Naturally, however, the United States and the Soviet Union might be expected to make the principal contributions.

But allocation of Soviet funds, alone, is not enough. I hope that—

(a) There will be increased Russian attendance and contributions at international medical conferences;

(b) Increased exchanges of Soviet doctors and scientists with American doctors and scientists;

(c) Strengthening of the translation program which is already being effectively carried out at the National Institutes of Health. I refer to the translation of Soviet medical journals, abstracts, and monographs.

These, then, are but a few of the ways which the Russian Government could cooperate with all of the other nations in helping to dedicate science for peace. We, in the Congress, should, in my judgment, provide maximum encouragement for this purpose.

In my judgment, we have hardly scratched the surface in cooperation of this nature between the United States and Russia. In my judgment, this is a field for the pooling of East-West efforts which can strike a major blow, not only for the well-being of mankind, but, indirectly, for the peace of mankind, as well.

FIFTH SUGGESTION—GOVERNMENT OPERATIONS COMMITTEE STUDY

It has been my privilege, as my colleagues may be aware, to serve as chairman of a subcommittee of the Senate Committee on Operations which has been reviewing S. 3126, to create, among other goals, National Institutes of Scientific Research.

In the course of hearings which we have held, we have reviewed the problems of stimulating basic research in mathematics, engineering, the physical sciences; including physics, chemistry, astronomy, geophysics, oceanography, meteorology; biological sciences; and the social sciences.

It is my feeling that this subcommittee might give further attention specifically to the interrelation of basic research into the many fields whose ultimate effect may be the eradication of the major afflictions which beset mankind.

This is a subject which admittedly tends somewhat to cross over committee lines.

Like my colleagues, I have a deep respect for the separate jurisdictions of the various Senate committees. The Senate Committee on Labor and Public Welfare, under the legislative reorganization law, is responsible for health legislation, as such.

The Senate Committee on Government Operations, for analysis of the organization of the executive branch. The Senate Committee on Foreign Relations for the international phases of our activities.

Here, then, are three committees which are now, or will be at work along somewhat parallel paths. It is my hope that there can be the closest cooperation between these three committees without, in any way, impairing their separate functioning.

SIXTH SUGGESTION—BETTER ORGANIZATION OF RESEARCH

My sixth suggestion is for improved coordination of the various medical research activities of the Government, at home and abroad.

Such improved coordination would be particularly necessary if the WHO research, which I envison, is carried out.

It is fortunate that there is a considerable amount of basic and applied medical research already under way in the international field.

The United States Public Health Service, with its great National Institutes of Health, is, of course, the expert medical organization directly responsible for our research against the major diseases. It is bringing in foreign scientists and sending out United States scientists to foreign research facilities.

The United States State Department is responsible for the educational exchange program, which the Nation rightly knows as the Fulbright program. And it is responsible for the Smith-Mundt program. Both of these programs have brought to our shores, and have sent overseas, many outstanding scholars in the field of health.

A third agency, the International Cooperation Administration, has long been responsible for providing technical assistance to strengthen public health and to achieve related objectives, especially in underdeveloped countries.

So, too, in the field of research against disease, important contributions are being made under the research programs of the United States Atomic Energy Commission, and the United States Veterans' Administration.

In my judgment, neither of these research programs is proceeding at the high level of authorization which is essential, respectively, for (a) using atomic energy, that is, radio isotopes, for healing, and (b) for coping with the illnesses faced by the 22 million veterans of the United States.

And I could cite other agencies of the United States Government such as the Department of Defense, which, directly or indirectly, are involved in health, research, and rehabilitation.

Long ago, the Commission on Reorganization of the executive branch of the Government stressed the importance of better coordination of Federal health and research activities. In my judgment, there should definitely be such improved coordination both at home and abroad without, in any way, sacrificing the legal prerogatives of the respective agencies as authorized by the Congress.

SEVENTH SUGGESTION—CONTRIBUTIONS FROM PRIVATE MEDICINE AND DRUG INDUSTRIES

And now, I submit my seventh suggestion. It is a cordial invitation to the splendid nongovernmental groups to make a still greater contribution to the health of mankind.

This is, of course, a Nation of private medicine and of a private pharmaceutical industry.

It is my hope that, from the great private medical, and related professions, and from the great pharmaceutical industry of this land, will come the continued leadership which they can give and, I hope, will give so as to stimulate the "revolution in health" of which I have spoken.

CONCLUSION

WHO can achieve the noble purposes under its Constitution if we and all other nations reexamine what we ourselves can do and should do to help it.

He who has health has hope.

Perhaps these seven suggestions may help, if only in some small way, to provide both health and hope to ourselves and to all mankind.

Mr. President, the State of Minnesota, as the Members of Congress know, will be host to the 10th anniversary commemorative session of the World Health Organization and the 11th session of the World Health Assembly, beginning on

Monday, May 26, 1958. This is a great honor for our State, one for which we express our gratitude and appreciation.

The State of Minnesota is well known not only in the United States but throughout the world for the outstanding skill in medicine at the University of Minnesota. We have indeed gained fame because of the outstanding accomplishments in medical technology and efficiency of the great Mayo Clinic at Rochester, Minn., and in more recent years the Mayo Foundation of both Rochester and Minneapolis, Minn., a foundation which is associated with the University Medical School.

We are very proud, and humbly so, in our State, for the singular advances in the field of medicine, science, and the healing arts. We also feel that we have made considerable progress in hospitalization, both in terms of general hospitals and hospitals for specific illnesses, organic disturbances, or diseases.

Mr. President, I invite the attention of the Senate to the fact that the 10th anniversary commemorative session of the World Health Organization will open at the Leamington Hotel in Minneapolis, Minn., at 1:30 p. m. on Monday, May 26. On that evening at 8:30 p. m. a formal ceremony of the 10th anniversary commemorative session will be held at the Municipal Auditorium of Minneapolis, Minn. The Secretary General of the United Nations, Dag Hammarskjold, will be the featured speaker.

Mr. President, on Tuesday, May 27, there will be a meeting of the respective delegations of the nations in attendance at the session. At the noon hour the Secretary of Health, Education, and Welfare, Mr. Folsom, who is chairman of the United States delegation to the 10th anniversary commemorative session, will be the featured speaker. In the evening of Tuesday, May 27, the speaker will be Dr. Milton Eisenhower.

Wednesday, May 28, will be the opening plenary session of the 11th World Health Assembly.

I invite the attention of the Senate to the fact that two occasions are being celebrated, in a sense.

The first is the 10th anniversary commemorative session, and the second is the 11th World Health Assembly.

At the conclusion of my remarks, Mr. President, I ask unanimous consent to have printed in the RECORD a press release from the Department of State, which outlines the United States participation in the important World Health Assembly and also lists the honorary delegates, the honorary members of the delegation, the alternate delegates, the Congressional advisers, and the advisers who will attend on behalf of the United States Government.

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

President Eisenhower has designated the Honorable Marion B. Folsom, Secretary of Health, Education, and Welfare to head the United States delegation to the 2-day 10th anniversary commemorative session of the World Health Organization (WHO) opening on Monday, May 26, 1958, in the Municipal Auditorium at Minneapolis, Minn.

At the same time, the President designated Leroy E. Burney, M. D., Surgeon General of the Public Health Service, Department of Health, Education, and Welfare, to be chief delegate and chairman of the United States delegation to the 11th World Health Assembly convening on Wednesday, May 28, at Minneapolis.

The Honorable Francis O. Wilcox, Assistant Secretary of State for International Organization Affairs, and Charles Mayo, M. D., of the Mayo Clinic at Rochester, Minn., have been designated delegates to serve with Secretary Folsom. Dr. Mayo and John W. Hanes, Jr., Deputy Assistant Secretary of State for International Organization Affairs, were designated to serve with Dr. Burney as delegates to the 11th World Health Assembly.

Honorary delegates and honorary members of the delegation to the 10th anniversary commemorative session are:

HONORARY DELEGATES [1]

The Honorable HUBERT H. HUMPHREY, United States Senate.

The Honorable EDWARD J. THYE, United States Senate.

The Honorable EUGENE J. MCCARTHY, House of Representatives.

The Honorable JOSEPH P. O'HARA, House of Representatives.

The Honorable WALTER H. JUDD, House of Representatives.

The Honorable ROY W. WIER, House of Representatives.

Leroy E. Burney, M. D., Surgeon General, United States Public Health Service, Department of Health, Education, and Welfare.

David Allman, M. D., president, American Medical Association, Chicago, Ill.

Frank G. Boudreau, M. D., director, Milbank Memorial Fund, New York, N. Y.

Ulrich Bryner, M. D., Salt Lake City, Utah.

Howard B. Calderwood, Ph. D., Office of Economic and Social Affairs, Department of State.

Lowell T. Coggeshall, M. D., dean, Division of Biological Sciences, University of Chicago.

Albert W. Dent, president, Dillard University, New Orleans, La.

Martha M. Eliot, M. D., professor, Harvard School of Public Health, Boston, Mass.

John W. Hanes, Jr., Deputy Assistant Secretary of State for International Organization Affairs.

Ira V. Hiscock, professor of public health, Yale University, New Haven, Conn.

H. van Zile Hyde, M. D., chief, Division of International Health, Bureau of State Services, United States Public Health Service, Department of Health, Education, and Welfare.

Virgil T. Jackson, Sr., D. D. S., New Orleans, La.

Frank H. Krusen, M. D., professor of physical medicine and rehabilitation, Mayo Clinic, Rochester, Minn.

Mrs. Oswald B. Lord, United States Representative to the Human Rights Commission of the United Nations, New York, N. Y.

George F. Lull, M. D., assistant to the president, American Medical Association, Chicago, Ill.

Edward J. McCormick, M. D., surgeon, St. Vincent's Hospital, Toledo, Ohio.

Aims C. McGuinness, M. D., special assistant for health and medical affairs, Department of Health, Education, and Welfare.

Mrs. Katherine B. Oettinger, Chief, Children's Bureau, Social Security Administration, Department of Health, Education, and Welfare.

Arthur S. Osborne, M. D., international health representative, Division of International Health, Bureau of State Services, United States Public Health Service, Department of Health, Education, and Welfare.

Thomas Parran, M. D., dean, graduate school of public health, School of Medicine, University of Pittsburgh, Pittsburgh, Pa.

James E. Perkins, M. D., managing director, National Tuberculosis Association, New York, N. Y.

Dean Rusk, president, Rockefeller Foundation, New York, N. Y.

Jonas E. Salk, M. D., commonwealth professor of experimental medicine, University of Pittsburgh, Pittsburgh, Pa.

Leonard A. Scheele, M. D., president, Warner-Chilcott Laboratories, Morris Plains, N. J.

Mary Switzer, director, Office of Vocational Rehabilitation, Department of Health, Education, and Welfare.

Herman G. Weiskotten, M. D., dean emeritus, College of Medicine, New York State University, New York, N. Y.

Louis L. Williams, M. D., consultant, Pan American Sanitary Bureau, Washington, D. C.

HONORARY MEMBERS OF THE DELEGATION [2]

Donald M. Alderson, colonel, USAF (MC), Office of the Assistant Secretary of Defense, (Health and Medical).

Ray Amberg, hospital administrator, University of Minnesota Hospitals, Minneapolis, Minn.

Gaylord Anderson, M. D., director, School of Public Health, University of Minnesota, Minneapolis, Minn.

Guillermo Arbona, M. D., secretary of health, Puerto Rico Department of Health, San Juan, Puerto Rico.

R. N. Barr, M. D., secretary and executive officer, Minnesota Department of Health, Minneapolis, Minn.

Ann Burns, chief, Division of Nursing, Ohio Department of Health, Columbus, Ohio.

Eugene P. Campbell, M. D., chief, Public Health Division, International Cooperation Administration.

H. Trendley Dean, D. D. S., secretary, Council of Dental Research, American Dental Association, Chicago, Ill.

Harold S. Diehl, M. D., dean, School of Medical Sciences, University of Minnesota, Minneapolis, Minn.

Charles L. Dunham, M. D., Director, Division of Biology and Radiation, Atomic Energy Commission.

Herman E. Hilleboe, M. D., commissioner of health, State Health Department, Albany, N. Y.

Charles A. Janeway, M. D., Thomas Morgan Rotch professor of pediatrics, Harvard School of Medicine, Harvard University, Boston, Mass.

Richard K. C. Lee, M. D., president, Board of Health, Honolulu, Hawaii.

Philip E. Nelbach, executive secretary, National Citizens Committee for the WHO, Inc., New York, N. Y.

Mrs. Owen B. Rhoads, Paoli, Pa.

Robert O. Waring, Office of International Administration, Department of State.

Abel Wolman, M. D., professor of sanitary engineering, Johns Hopkins School of Public Health and Hygiene, Baltimore, Md.

Laurence R. Wyatt, International Health Representative, Division of International Health, Bureau of State Services, United States Public Health Service, Department of Health, Education, and Welfare.

The following have been named alternate delegates, Congressional advisers, and advisers to the 11th World Health Assembly:

ALTERNATE DELEGATES

Howard B. Calderwood, Ph. D., Office of Economic and Social Affairs, Department of State.

Lowell T. Coggeshall, M. D., dean, Division of Biological Sciences, University of Chicago.

H. van Zile Hyde, M. D., Chief, Division of International Health, Bureau of State Services, United States Public Health Service, Department of Health, Education, and Welfare.

[1] The honorary delegates in accordance with WHO procedures will be officially accredited as alternate United States delegates.

[2] The honorary members of the delegation in accordance with WHO procedures will be officially accredited as advisers.

George F. Lull, M. D., assistant to the president, American Medical Association, Chicago, Ill.

Aims C. McGuinness, M. D., Special Assistant to the Secretary of Health, Education, and Welfare for Health and Medical Affairs.

Arthur S. Osborne, M. D., International Health Representative, Division of International Health, Bureau of State Services, United States Public Health Service, Department of Health, Education, and Welfare.

CONGRESSIONAL ADVISERS

The Honorable HUBERT H. HUMPHREY, United States Senate.

The Honorable EDWARD J. THYE, United States Senate.

The Honorable EUGENE J. MCCARTHY, House of Representatives.

The Honorable JOSEPH P. O'HARA, House of Representatives.

The Honorable WALTER H. JUDD, House of Representatives.

The Honorable ROY W. WIER, House of Representatives.

ADVISERS

Donald M. Alderson, colonel, United States Air Force (medical corps), Office of the Assistant Secretary of Defense (Health and Medical).

Ray Amberg, hospital administrator, University of Minnesota Hospitals, Minneapolis, Minn.

Gaylord Anderson, M. D., director, School of Public Health, University of Minnesota, Minneapolis, Minn.

Guillermo Arbona, M. D., Secretary of Health, Puerto Rico Department of Health, San Juan, P. R.

R. N. Barr, M. D., secretary and executive officer, Minnesota Department of Health, Minneapolis, Minn.

Ann Burns, chief, Division of Nursing, Ohio Department of Health, Columbus, Ohio.

Eugene P. Campbell, M. D., chief, Public Health Division, International Cooperation Administration.

H. Trendley Dean, D. D. S., secretary, Council on Dental Research, American Dental Research, American Dental Association, Chicago, Ill.

Harold S. Diehl, M. D., dean, School of Medical Sciences, University of Minnesota, Minneapolis, Minn.

Charles L. Dunham, M. D., Director, Division of Biology and Radiation, Atomic Energy Commission.

Herman E. Hilleboe, M. D., Commissioner of Health, State Health Department, Albany, N. Y.

Charles A. Janeway, M. D., Thomas Morgan Rotch professor of pediatrics, Harvard School of Medicine, Harvard University, Boston, Mass.

Richard K. C. Lee, M. D., president, Board of Health, Honolulu, Hawaii.

Philip E. Nelbach, executive secretary, National Citizens Committee for the WHO, Inc., New York, N. Y.

Mrs. Owen B. Rhoads, Paoli, Pa.

Robert O. Waring, Office of International Administration, Department of State.

Abel Wolman, M. D., professor of sanitary engineering, Johns Hopkins School of Public Health and Hygiene, Baltimore, Md.

Laurence R. Wyatt, International Health Representative, Division of International Health, Bureau of State Services, United States Public Health Service, Department of Health, Education, and Welfare.

Harry V. Ryder, Jr., Office of International Conferences, Department of State will serve as Secretary of the United States delegation to both the commemorative session and the 11th World Health Assembly.

This is the first time that WHO has met in the United States since its organization meeting at New York in 1948. Some 300 official delegates from among the 88 member nations of WHO will attend the 1958 assembly. Observers from the United Nations, the specialized agencies and other intergovernmental organizations, as well as from many nongovernmental organizations in the health and medical fields, will also participate.

The 10th anniversary commemorative session will be a ceremonial review of 10 years of health progress.

The World Health Organization, a specialized agency of the United Nations with headquarters at Geneva, Switzerland, is the worldwide agency through which the nations of the world coordinate health action on an international scale. The past decade of achievements (made possible through the cooperation of local, national, regional, and international health organizations) embraces three major types of activity: the first type includes technical assistance to health programs of member states to combat major communicable diseases such as malaria, tuberculosis, yaws, smallpox; as well as the raising of health levels to better environmental sanitation, and the expansion of maternal and child health projects and other health measures.

Secondly, aiding countries to develop training schools and teaching staffs, awarding fellowships for international study to health personnel, and other forms of educational assistance with a view to strengthening indigenous health services of member countries.

Thirdly, providing health programs benefiting all countries, such as worldwide reporting of the appearance and spread of epidemics, development of standard specifications and common names for drugs, promotion of uniform international quarantine measures, and stimulation and coordination of research and prompt dissemination to all nations of information on advancements made in health and medicine.

The assembly meets in regular annual session and determines the policies of the organization. At the 11th Assembly various plenary sessions will, among other things, review the work of WHO in 1957, elect 6 member countries to designate health experts to fill the 6 annual vacancies on the 18-man executive board, and review and approve resolutions recommended by the two main committees (program and budget, and administration, finance and legal). A plenary session will witness the award of the 1958 Leon Bernard Foundation Prize to Dr. Thomas Parran, former Surgeon General of the United States Public Health Service, for outstanding achievements in the field of public health. Other agenda items of special interest include the Director General's proposed program and budget for 1959; the first report on the world health situation based on reports from member countries on health programs and progress; proposals relating to WHO's program in peaceful uses of atomic energy; worldwide eradication of smallpox; and a proposed program in sports medicine to be undertaken by WHO.

Selection of the site of the 12th World Health Assembly will also be determined at this session.

The 11th session of the World Health Assembly is scheduled to close on June 14.

THE MUTUAL SECURITY PROGRAM

Mr. SMITH of New Jersey. Mr. President, during the past winter, two public-spirited Representatives, CARNAHAN, of Missouri, and MERROW, of New Hampshire, traveled across America conducting forums and answering questions on the mutual security program. During the debate on the bill in the House last week, they gave a resume of their findings of public reaction to the program.

On May 5 Mr. Roscoe Drummond devoted his column to a description of the work of these two Congressmen, and he reports the significant fact that:

After the facts of the foreign-aid program had been set forth, they never found more than 5 percent in any of their many audiences who were against continuing the program.

This is the voice of a goodly cross section of the people of America. It is plain that they want Congress to enact a strong mutual-security bill this year.

I ask unanimous consent that the article by Mr. Drummond, entitled "Congressmen Get Public's Own Ideas of Foreign Aid," which appears in the Herald Tribune of May 5, 1958, be printed in the RECORD at the conclusion of my remarks.

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

CONGRESSMEN GET PUBLIC'S OWN IDEAS OF FOREIGN AID

(By Roscoe Drummond)

WASHINGTON.—Very soon now, Congress is going to hear from the grassroots as to what a large cross section of people really think about the mutual-security program and economic aid.

It will be a rather surprising report. It will be delivered in person on the floor of the House by two highly respected members of the Foreign Affairs Committee, Representative A. S. J. CARNAHAN, Democrat, of Missouri, and Representative CHESTER E. MERROW, Republican, of New Hampshire.

Congressmen CARNAHAN and MERROW have earned their credentials. They know what they are talking about and they didn't learn it from a Government handout or by reading public opinion polls or by sitting behind their desks in the House Office Building.

Over several 2-week periods since the opening of Congress they have been traveling and tromping across the whole country talking with people, listening to people, asking questions, answering questions, and providing facts about the foreign-aid program in order that their audiences could make up their minds on the basis of the facts.

During this period they have traveled 15,000 miles to 36 cities in 25 States, made 90 platform appearances, appeared on 33 TV shows, delivered 31 broadcasts, and held 28 press conferences.

And shortly, when the mutual aid bill comes to the floor, they are going to tell Congress what they heard and what they found. They will do it at the request of the Foreign Affairs Committee. It will be an unusual procedure in that Mr. MERROW and Mr. CARNAHAN will reenact for the whole House one of their typical question-and-answer sessions with typical grassroots audience.

Anyone talking with Congressmen CARNAHAN and MERROW can see why their audiences liked to question them and listen to their answers. Neither is a Bryan or a Dale Carnegie. They are as unpretentious and solid and authentically American as doughnuts and a sharp single through shortstop. Both are former school teachers, one in the social sciences and the other in the physical sciences. They are accustomed to offering facts in answer to questions, so that the questioner can better think for himself. One night they went on a disc jockey show for 30 minutes and ended up answering telephoned questions for 3 hours.

What they found was this:

That the foreign-aid program is just about the most misunderstood thing in the whole United States—more misunderstood than the sack, the dismal showing of the Los Angeles Dodgers or Einstein's $E=MC^2$.

That when the people get the facts in their hands about the real results of the program—the way it strengthens the defenses of the United States and helps our

own economy as well as other economies, they favor it overwhelmingly and want to see it carried forward.

That many critics of mutual security are absolutely flabbergasted to learn that the United States never did build shower baths for Egyptian camel drivers or send striped pants to Greek undertakers or penguins to the King of Saudi Arabia—that these are simply tall tales made up by those who try to show that economic aid is a senseless giveaway.

That while their audiences wanted hard, factual answers to practical questions—and got them—Congressmen MERROW and CARNAHAN were impressed by the number of people who, quite apart from self-interest, believed it was morally right for America to help others help themselves.

That after the facts of the foreign-aid program had been set forth, they never found more than 5 percent in any of their many audiences who were against continuing the program.

The House Foreign Affairs Committee has just approved this year's mutual security legislation with a cut of $339 million in the appropriations ceiling. But the real test is still ahead in the Appropriations Committees and in the Senate.

The judgment of Representatives CARNAHAN and MERROW is that Congress will do what the American people want if they make their voices heard.

THE USIA PROGRAM FOR DISSEMINATION OF INFORMATION REGARDING UNITED STATES FOREIGN POLICY

Mr. SMITH of New Jersey. Mr. President, within a short time, the Senate will be considering the State Department-Justice-USIA appropriation bill. The importance of the USIA program and its excellent objective of making other peoples in the world aware that their aspirations for economic development and independence are compatible with the aims of our foreign policy, is often overshadowed by sniping, budgetary and otherwise.

The legitimate growth needs of this organ for the dissemination of our foreign policy must, in this era of psychological and political cold war, be seriously considered by the Congress.

In this connection, Mr. President, I ask unanimous consent that an editorial on the USIA, entitled "Truth Is the Only Weapon," which appeared in the Herald Tribune of May 20, be printed in the RECORD at the conclusion of my remarks.

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

TRUTH IS THE ONLY WEAPON

We hear so much of Soviet propaganda victories we sometimes wish we had a few more ourselves. How easy it would be to undertake huge enterprises merely for the sake of the effect they produced, to let off bunches of hot-air promises like so many circus ballons.

How easy and how wrong. For in the battle for the allegiances of men's minds now being fought from one corner of the globe to the other, there is only one weapon—truth. And, despite the eager and unremitting labor of Soviet propagandists—who in fact can no longer tell one from the other—truth cannot be forged from falsehood.

That is why, as George Allen, director of the United States Information Agency, remarked the other day, the American aim is a "steady long pull" to tell the world the plain facts about this country. We are not interested in staging stunts to amaze the eyes and ears. We do not want a machine to fire off lies or screech boats according to the exigencies of the moment. We never want to become the kind of people who could say what the Soviets said about their crime in Hungary. In the propaganda struggle, our only objective is for people to know us as we are.

But we should remember at the same time that it is never easy for people, particularly if they are remote and poorly educated, to know another country. That is why the USIA has such a tremendous job to do all over the world. It is a hard job too, and not made easier by the sniping, budgetary and otherwise, which Congress regularly subjects it to. It is a sad commentary that Mr. Allen's post is known as the most inglorious in Washington.

We have the reputation of yearning to be liked and understood by foreigners. They have to be given the chance first.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 378) to authorize the President to proclaim annually the week which includes July 4 as National Safe Boating Week.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10746) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes, and that the House receded from its disagreement to the amendments of the Senate numbered 14, 18, and 22 to the bill, and concurred therein.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1466. An act for the relief of Dr. Thomas B. Meade;

H. R. 2763. An act for the relief of Hong-to Dew;

H. R. 6176. An act for the relief of Fouad George Baroody;

H. R. 6731. An act for the relief of Harry Slatkin;

H. R. 7203. An act for the relief of Dwight J. Brohard;

H. R. 9395. An act for the relief of Cornelia V. Lane;

H. R. 9490. An act for the relief of Sidney A. Coven;

H. R. 9514. An act for the relief of Valleydale Packers, Inc.;

H. R. 9775. An act for the relief of William J. McGarry;

H. R. 9991. An act for the relief of Felix Garcia; and

H. R. 9992. An act for the relief of James R. Martin and others.

THE MANSFIELD AMENDMENT AND THE MIDDLE EAST RESOLUTION

Mr. MANSFIELD. Mr. President, in his press conference on May 20, the Secretary of State had occasion to refer to the Eisenhower doctrine which he described as the "Middle East resolution." He noted that—

There is a provision of the Middle East resolution which says that the independence of these countries is vital to peace and the national interest of the United States. That is certainly a mandate to do something if we think that our peace and vital interests are endangered from any quarter.

Later in his remarks he referred to this provision as the so-called Mansfield amendment.

I ask unanimous consent to insert at this point in the RECORD the relevant portions of the transcript of the Secretary's press conference.

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

Question. Mr. Secretary, during the earlier stages of the Lebanese crisis there seemed to be some nonundertsanding as to whether the Eisenhower doctrine applied in this case. However, it seems that later we came to feel that we liked Lebanon, although the Eisenhower doctrine probably did not specifically apply, and, therefore, would aid her if requested. I wonder if you could clear up this confusion that some of us have, sir?

Answer. I suppose that by the Eisenhower doctrine you refer to the Middle East resolution that was adopted by the Congress. That resolution contains several provisions. It is not just one thing. It authorizes the United States to assist economically and militarily nations which want such assistance in order to preserve their independence.

It says that the independence and integrity of these nations of the Middle East is vital to world peace and the national interest of the United States. It says that if they are attacked from a country under the control of international communism then the President is authorized, upon request, to send forces to resist that attack.

DOES NOT FORESEE ATTACK

Now we do not consider under the present state of affairs that there is likely to be an attack, an armed attack, from a country which we would consider under the control of international communism. That doesn't mean, however, that there is nothing that can be done.

There is the provision of the Middle East resolution which says that the independence of these countries is vital to peace and the national interest of the United States. That is certainly a mandate to do something if we think that our peace and vital interests are endangered from any quarter.

There is the basic right, and almost duty, at the request or with the consent of a Government, to assist in the protection of American life and property. There is the program of military assistance which we render to many countries, including Lebanon, in terms of giving them equipment and certain measures of military training and techniques, and helping them train technicians to use this equipment. So that there are a number of areas of possible action if the situation calls for it.

I would say that we are not anxious to have a situation which would be in any sense a pretext for introducing American forces into the area. We hope and believe that that time will not be called for and the situation, to date, does not suggest that it would be called for.

Question. Mr. Secretary, I would like to clear up one point on this Middle East doctrine or Middle East policy you talked about awhile ago. You said that there is a provision in the resolution which states that the independence of the countries of the Middle East is vital to security of the United States—the peace and security of the United States.

Answer. Yes. That's the so-called Mansfield amendment.

CITES CONGRESS ROLE

Question. Yes. Then you said that this surely is a mandate to do something if we think that the peace and security of those countries is threatened from any quarter. Does this represent a broadening by interpretation of the possibility of action to be taken under that resolution? The reason I ask is that I think most of us had always believed that the authority of the resolution applied almost exclusively to actions against international communism.

Answer. You recall that as the resolution was sent up to the Congress by the President there was not in the resolution the particular sentence to which I refer; that was introduced by the Congress itself.

And I assume that the introduction of that resolution had a meaning and had a significance. You cannot, as a matter of legislative history, assume that when you put a new sentence into a resolution that it is utterly meaningless. We assume that the Congress does not do things that are utterly meaningless.

Mr. MANSFIELD. Let me note, to keep the record straight, that there was only one so-called Mansfield amendment adopted to the Middle East resolution. It had nothing to do with the provision to which Secretary Dulles referred in his press conference.

A resolution which I offered on the floor and the only so-called Mansfield resolution which was adopted reads as follows:

The President should continue to furnish facilities and military assistance, within the provisions of applicable law and established policies, to the United Nations Emergency Force in the Middle East, with a view to maintaining the truce in that region (sec. 4, Public Law 85–7, 85th Cong.).

This amendment was adopted.

Let me say again for the record that there may have been and undoubtedly was some understandable confusion by the fact that I did offer several amendments to the Eisenhower resolution, for purposes of discussion and clarification, which were considered and rejected in committee. One of these did have something to do with the matter to which the Secretary referred. As for the intent of these amendments, however, it was made perfectly clear in a speech in the Senate on February 21, 1957. I ask unanimous consent that the text of this speech be printed in the RECORD at this point.

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

Mr. MANSFIELD. Mr. President, President Eisenhower's original proposal on the Middle East, in my opinion, had two basic weaknesses. In the first place, the proposal distorted the constitutional principle of separation of powers. In the second place, the manner in which it was presented was such as to suggest a bold new policy, a new doctrine for dealing with the grave problems of the Middle East. In fact, the approach is not new, and the most critical problems of the Middle East are touched hardly at all by the resolution.

The actions of the members of the combined Committees on Armed Services and Foreign Relations and the initiative of the able and distinguished Senator from Minnesota [Mr. HUMPHREY] have helped to correct the first weakness in the President's proposal, namely, the constitutional weakness.

The amended resolution, Senate Joint Resolution 19, the version which has come from the committees, is similar to the President's in one respect. It states at least as clearly that this country regards as vital to our national interests and world peace the preservation of the independence and integrity of the nations of the Middle East. It states at least as clearly the determination of the United States to use whatever legitimate means may be necessary to prevent armed aggression from destroying the independence and integrity of those nations.

Yet there is a difference. It is a difference in words, but it is an enormous difference. It does not affect the principal purpose of the resolution which is to forestall Communist aggression in the Middle East. On the contrary, it strengthens that purpose. It does affect, however, and it affects most profoundly, the constitutional processes by which this purpose shall be pursued.

Under the original version, Congress was asked to authorize the President to use Armed Forces in the Middle East. "Authorize" was the key word. The committee version strikes that dangerous constitutional concept from the resolution. By so doing, it places responsibility for the use of Armed Forces, short of a declaration of war, more definitely where it belongs under the Constitution—on the President alone.

Is this a mere quibbling over words, Mr. President? I do not believe it is. I do not believe the Senate will so regard it. We shall not so regard it if we stop to consider that in almost 170 years of constitutional practice, the Formosa resolution and this resolution are, so far as I am aware—and I have done some research on this matter—the only cases in which a President has asked Congress in this fashion for authority to employ the Armed Forces prior to a declaration of war. Yet the Armed Forces have been used to protect American interests abroad many times throughout our history without a declaration of war.

Mr. President, if in almost 170 years of constitutional practice there are only two cases of this kind, both under the same President and both in the last few years, then it ought to be clear that this change which the committees have made involves far more than a mere quibbling over words. What is involved is perhaps more fundamental than the action we may or may not take in the Middle East crisis. It is a matter which goes to the heart of our system of government.

I realize, Mr. President, that in trying to remove the constitutional weakness in the resolution, the committees were dealing with a very difficult question. It may not be possible ever to draw with words that precise point at which the President's responsibilities as Commander in Chief of the Armed Forces divides from the Congressional authority to declare war. It is a distinction that lies in a twilight zone of constitutional power between the executive and legislative branches of the Government.

The committee's effort, however, has the merit of reversing the possibly dangerous precedent set by the Formosa resolution several years ago, a precedent which would have been reinforced by the acceptance of the President's version of the pending resolution. Carried to a logical extreme, an accumulation of precedents in which Congress authorizes the President to use the Armed Forces, could have only two possible outcomes.

I speak now not of what should be likely today or tomorrow or next year but of the decades which lie ahead. It is the responsibility of each Senator individually and of the Senate as a whole to measure actions taken by this body not only against the needs of the hour but for the long future when others will have to live with the consequences of our acts.

Carried to a logical conclusion, precedents of authorizing the President to use the Armed Forces could lead on the one hand to this result: They could eventually convert a fundamental power of the Presidency—the power to command the Armed Forces—into a Congressional function.

If the President comes to us now for permission to order the Armed Forces to fire if necessary in the Middle East, how long will it be before other Presidents will feel impelled to come to Congress for permission to move the Armed Forces to the firing line? Where would this trend leave the country in a nuclear age when instant decisions by the President may be necessary?

Reduced to their logical extreme, these precedents, authorizing the President to use the Armed Forces, could bring about slowly, almost imperceptibly, fundamental changes in our system of government. We could be moving it on the one hand in the direction of a parliamentary form of government, with the President reduced either to a figurehead or to a mere agent of Congress.

As the able majority leader, the distinguished senior Senator from Texas [Mr. JOHNSON], has said in discussing the word "authorize" in the original resolution, it would "create a precedence for a weaker Presidency." The resolution as amended strengthens, reaffirms, and reasserts the constitutional authority of the President as Commander in Chief of the Armed Forces of the United States.

The new wording reasserts that Presidential power, moreover, at the same time that it shuts off still another avenue of distortion of our constitutional system which was possible under the original resolution. In authorizing, Congress would accept responsibility for the actions which will be taken pursuant to the authorization. It would assume responsibility for actions which have not yet taken place and whose nature we cannot anticipate. It would endorse, in effect, whatever employment the President sees fit to make of the Armed Forces. Under a system of separate powers, however, Congress does not control that employment. Congress would approve in advance whatever uses are made of the authorization, whether they are wise uses or foolish uses, whether they are cautious uses or reckless uses. Congress, in short, would impair its right of independent criticism and correction. That course invites the irresponsible use of executive power by sharing responsibility in matters over which Congress has no control and little specific knowledge. At the end of that road lies executive tyranny.

It may be contended, I suppose, that the original language of the resolution could not have worked both ways, that it could not have provided precedence both for a parliamentary system of government and arbitrary Executive power. Mr. President, that is precisely what I believe to be the case. In its original phraseology, the resolution was a significant step away from the system of checks and balances. That much is certain even though the direction of the step might not be clearly visible except in retrospect.

I do not suggest that if we had accepted the initial version, we would reach under the Presidency of Mr. Eisenhower the extreme of Executive tyranny any more than we would find ourselves suddenly functioning under a parliamentary system of government. I do say, however, that both pos-

sibilities were implicit in the language of the original resolution.

I know that the Senate shares my conviction that the form of government under which we live is worth preserving beyond the lifetime of the President or any of us in the Senate. That is why I believe the committees of the Senate were not quibbling when they altered the language in the pending resolution. They were performing a distinguished service to the Nation.

The President came to Congress for authority to use the Armed Forces prior to a declaration of war. By this change, the committees have reminded the President that only the Constitution can give him that authority.

The President came to Congress with a request that it assume responsibility for actions which may involve the use of armed forces short of a declaration of war. The committees have reminded the President that under the Constitution that only he can assume that responsibility.

At the outset of my remarks, I noted that the original version of the resolution had not one, but two weaknesses. Amendment by the committee has corrected the constitutional weakness. As for the second, the hearings and the report of the committees reveal its presence but I believe it remains uncorrected in the present version. It was for that reason that I voted against reporting this measure. I wished to reserve unimpaired my right to bring to the attention of the entire Senate what I believe to be this second basic weakness.

Mr. President, only two major provisions are involved in the pending resolution, as the distinguished Senator from New Jersey [Mr. SMITH] so ably pointed out in his analysis the other day. The first emphasizes our determination, in the defense of vital national interests, to act to prevent Communist aggression in the Middle East. The second gives the executive branch greater flexibility in dispensing $200 million in public funds already appropriated for military and other assistance to the nations of that region. In connection with the latter provision, the executive branch originally sought total flexibility; but again the work of the two committees has served to retain at least some restraints. The distinguished majority leader [Mr. JOHNSON], the senior Senator from Virginia [Mr. BYRD], the senior Senator from New Hampshire [Mr. BRIDGES], and the senior Senator from Massachusetts [Mr. SALTONSTALL] were instrumental in securing in committee adoption of amendments to that effect.

If I may reiterate, then, the joint resolution, as reported, has only two principal elements: First, it emphasizes the national determination to take whatever measures may be necessary to defend our vital interests against Communist aggression in the Middle East. Second, it gives the executive branch greater flexibility in spending $200 million already appropriated. That is all the resolution does in law.

Is that all it does in fact? Is that the impression the resolution has created at home and abroad? Was that the actual intent of the resolution?

If the President believed it was essential merely to emphasize what is already known—namely, our determination to oppose Communist aggression—then a resolution confined to that purpose would have sufficed. The distinguished senior Senator from Georgia [Mr. RUSSELL] repeatedly noted that point during committee consideration of the measure.

However, the executive branch was adamant in its insistence that the expression of opposition to Communist aggression must not be separated from the aid provisions of the resolution. But as I have already noted, these provisions involve merely the granting of greater flexibility to the President in the use of $200 million in funds already appropriated. In itself, Mr. President, that is not an inordinate demand. If that was all that was desired, a simple request from Mr. Eisenhower, I believe, would have brought prompt changes in existing legislation.

That was not the way, however, in which the matter was handled by the executive branch. On the contrary, the manner of presentation gave the proposed resolution a tremendous and worldwide significance. I recall, as do other Members, I am sure, the personal appearance of the President at a joint meeting of both Houses of Congress. I recall the sense of urgency and crisis which was injected into the proceedings.

We found ourselves dealing with more than a simple reiteration of opposition to Communist aggression. We found ourselves dealing with more than minor changes in appropriations legislation. We were confronted with what was promptly labeled in this country and throughout the world as a new policy for the Middle East—or, even more, a new doctrine. A change to a new policy, Mr. President, is always a matter of great importance to the people of the United States. A new doctrine is of even greater moment. It implies a course of action with which we shall have to live for decades to come.

That is the impression which this resolution created, both at home and abroad. If the executive branch did not deliberately create the impression, that branch certainly did nothing to allay it. The committee's hearings and report have attempted to correct it, but I am afraid that the distortion is now too widespread. Even here in the Senate, during the present debate, we have heard repeated reference to the Eisenhower doctrine.

Mr. President, I do not know whether a new doctrine is required for the Middle East. I do know that we need, and need urgently, a new policy. The manner in which this resolution has been handled by the executive branch has created the illusion of one, but in my opinion it does not even begin to provide the basis for one.

What it does do is to restate in more emphatic tones, as the result of the committee's amendment, our determination, in our national interests, to oppose Communist aggression in the Middle East. I would have thought that repeated statements by former President Truman and President Eisenhower and the Secretary of State had made clear that opposition. Nevertheless, if the President wishes a reaffirmation in which Congress joins, I can see no objection to the resolution as now phrased. But neither can I see a new policy.

The resolution also promises to continue military and economic aid to the Middle East in the same pattern into which it has fallen of late. If anything, with the removal of legislative restraints at the request of the President, the pattern may now become more aimless and more questionable.

What the resolution does not promise, but what it ought to promise, is action directed at the basic causes of the present tensions in the Middle East. It ignores the Suez difficulties. It ignores the Arab-Israeli dispute. It touches hardly at all on the real economic instability in the region. It ignores Soviet and other arms traffic in the Middle East which has intensified all the problems in that area.

Mr. President, if the Senate is going to join with the President in a national statement of policy, then I believe that statement ought to be more worthy of the United States than is this resolution. I believe the statement ought to illuminate our long-range purposes in the Middle East. It ought to express our deep concern over threats of aggression in that region, from whatever direction they may stem. It ought to make clear our opposition to the indiscriminate pouring of arms into that region from Soviet and other sources. It ought to emphasize our support of the efforts of the United Nations emergency forces which have performed a major service to mankind in preventing, to date, a renewal of the bloodbath between Israel and Egypt. It ought to make clear that this country is not going to subsidize endlessly with aid funds the prejudices and oppressions which for years have kept the Middle East on the brink of turmoil. It ought to make clear that if we are going to ask the citizens of the United States to appropriate hundreds of millions of dollars for activities in the Middle East, then the expenditure of those funds by the executive branch must be linked, as was the Marshall plan in Europe, to constructive programs of specific nature, amount, and duration.

Mr. President, the work on the constitutional question by the Senate's committees has already made this resolution a far better measure than it was when it reached us. I hope the Senate, before it completes action, will act to bring about additional improvement. I hope we shall set forth the guidelines of a policy in the Middle East, a constructive policy which the people of the United States can accept in good conscience, a policy which will evoke the support of decent people in the Middle East and elsewhere in the world.

In the committee, I submitted three amendments to the resolution. These amendments were defeated, as the Members know, by virtually a straight party vote. I regret that division. There was nothing partisan in the intent of the proffered amendments, and I cannot believe that the Senators on the other side of the aisle are united in opposition to their purposes. For what are those purposes, Mr. President?

One amendment was designed to encourage the President to seek international control over the flow of armaments into the Middle East from Soviet and other sources. As the Secretary of State made perfectly clear in his testimony before the committees, this traffic is a major source of tension. It was this traffic which set the groundwork for the recent conflict in the Suez region. Unless it is controlled in the interests of peace, it may well set off another explosion, perhaps this time with the involvement of American forces. I cannot believe the Senators on the other side of the aisle are united in their determination to prevent the inclusion in a national statement of policy on the Middle East, a clear expression of our desire to control the dangerous flow of arms into that area.

The second amendment which I proposed, Mr. President, reaffirms our moral and material support of the United Nation emergency force which is maintaining the truce in the delicate situation surrounding Suez. The acceptance of this amendment will emphasize that this country stands with the United Nations whenever that organization is really contributing to the preservation of peace. The United States, the entire world, owes a debt of gratitude to the smaller nations whose armed forces make up the United Nations emergency force in the Middle East. Without that force, it is not impossible that the great powers, including ourselves, might now be locked in combat in that area. In these circumstances, I cannot believe that the Senators on the other side of the aisle are united in opposing an expression of support for the United Nations forces in the Middle East in a statement of the policy of this Government.

The third amendment, Mr. President, represents an attempt to clarify a matter which I know has troubled members of both parties. It is the uncertainty as to where our aid policies respecting the Middle East are headed. It is the fear that in granting flexibility in the use of $200 million for several months we shall be setting the stage for programs which will run on for years and

into many times that amount, without bringing any closer the elusive goal of peace in the Middle East.

This amendment, if it is adopted, Mr. President, will not foreclose assistance to the Middle East. It will emphasize, however, that before we go much further in this respect, the Senate expects to know how much is involved, what kind of aid is involved, and how long it will be involved. Most of all, it will make clear that the Senate expects aid to be related to a specific program that facilitates a settlement of the Suez dispute and the Arab-Israeli conflict, and otherwise promotes lasting stability in the Middle East. That kind of aid program, Mr. President, and only that kind, promises to serve our long-range interests in the Middle East. I cannot believe, Mr. President, that the Senators on the other side of the aisle are united in their opposition to this effort to make clear that aid programs, if they are to be a part of our policy at all, must hold rational promise of dealing with the real problems of peace and stability in the Middle East.

I believe, Mr. President, that the adoption of the amendments which I have been discussing, when added to the excellent changes already made in committee, will make this resolution something which it is now widely presumed throughout the Nation and the world to be. It will make this resolution a better guide to the kind of action in the Middle East which holds hope of coping with the key difficulties confronting us in that area. It will make this resolution a better instrumentality for serving the interests of all the people of the United States and for the preservation of world peace.

Mr. President, I should like at this time to submit three amendments, ask that they be printed and lie on the table; and express the hope that the State Department will consider the amendments and come up with some reasons as to why they should or should not be adopted. I am certain they will give them serious consideration.

Mr. MANSFIELD. It was not necessary for the Secretary, however, to assume that the introduction of that resolution had a meaning and had a significance. You cannot, as a matter of legislative history, assume that when you put a new sentence into a resolution that it is utterly meaningless. We assume that the Congress does not do things that are utterly meaningless.

The Secretary of State is quite right when he assumes that when the Congress and the Senator from Montana as a part of it, submits amendments to a resolution he hopes that they are not utterly meaningless, even if they are not adopted.

I submitted these amendments because the Eisenhower resolution seemed to me faulty in several respects. It was placed before the world with a fanfare of publicity as a kind of possible salvation of the Middle East situation when it did not begin to get at the basic causes of the difficulties. The so-called Mansfield amendments were, in part, an attempt to direct the resolution more to the basic causes of Middle Eastern difficulties.

The Eisenhower resolution was faulty, too, in that it obscured, as did the Formosa resolution before it, the constitutional division of powers and responsibilities as between the President and Congress. It was to correct this fault, too, that a so-called Mansfield amendment was introduced. It was rejected in committee but a modified version proposed by another member, the distinguished Senator from Minnesota [Mr. HUMPHREY] was adopted by Congress. It is this amendment, I believe, which the Secretary had in mind when he referred to the so-called Mansfield amendment. I supported that amendment which had only one objective, the clarification of the constitutional question of the division of powers as between the President and the Congress. That it was urgently needed is, perhaps, best illustrated by the Secretary's remarks at his press conference on May 20.

What that amendment tried to make clear was that the President had the constitutional power, as Commander in Chief, to act in a military fashion in a situation involving the vital interests of the United States but that he could not expect Congress to be bound in advance by his action. There was no intent to enlarge the scope of the President's proposed resolution and, if there is any doubt about this, the facts can be easily ascertained by reading the transcript of the record of the discussion on the point which took place in committee.

In short, Mr. President, the sole purpose of the so-called Mansfield amendment, which was not, as adopted, a Mansfield amendment at all, was to make clear that Congress conceded the right of the President to act in the Middle East but it did not concede the Congressional right to approve or to question his judgment as to how he acted. It was not a mandate but a strengthening, a reaffirmation, and a reassertion of the constitutional authority of the President of the United States as Commander in Chief of the Armed Forces of the United States. The amendment was simply designed to bolster the President in the execution of the powers of his office, a bolstering which he apparently felt that he needed.

In short, Mr. President, it seemed to me essential that the President act as the President of the United States and not as an agent of Congress and that he be willing to assume the responsibilities for his actions, as other Presidents before him have assumed them. I thought it necessary for both the Senate and the administration to set the record straight on this matter. This statement is made in good faith—as was Secretary Dulles' statement at his press conference. Further, Mr. President, the Secretary's comments at his press conference on May 20 make it all the more essential, it seems to me, to explore a new approach to policy in the Middle East. This I now propose to attempt.

TOWARD A DURABLE PEACE—III. AN AFFIRMATIVE POLICY IN THE MIDDLE EAST

I take the time of the Senate, today, to consider another aspect of the problem of building greater stability into the international situation. This is the third time I have alluded to the subject in recent days.

In this series of addresses, I am dealing with some of the major pressure points of potential conflict in the world. I am trying to search with the Senate for ideas which may serve to relieve these pressures. In short, Mr. President, I am exploring the possibilities of an American initiative for the more durable peace which the world so deeply desires, and so deeply needs.

In my previous statement, I reviewed the realities of the situation in Europe, as I see them, and suggested measures which may help to break through the dangerous impasse to peace in that region. Today, I turn to another area of potential conflict—to the Middle East.

At this moment, Mr. President, the Middle East is not at war and not at peace. We may assume, I suppose, if we are given to wishful thinking that this situation of neither war nor peace will hold more or less indefinitely.

We cannot rest safely, however, on that assumption. The most casual reflection will tell us that it is a highly dangerous assumption since the underlying tensions of the Middle East remain virtually unchanged. It seems to me appropriate, therefore, to examine these tensions once again, to determine what, if anything, can be done to abate or control them; to replace, with something more durable, what has heretofore been a pattern of recurrent ruptures of stability.

At the outset, let me make clear that I do not subscribe to views which hold either Soviet penetration or western imperialism or both primarily responsible for the difficulties in the Middle East. If we are looking for a target in the propaganda war, then the deviltry of Soviet penetration certainly provides one. If the Russians are looking for the same, then I suppose western imperialism is not a difficult mark. And if Middle Easterners must have a scapegoat for their troubles, then, they can vent their wrath on Soviet penetration, on western imperialism, or on both simultaneously.

But if the world wishes in earnest to find a more durable peace, then we shall have to look deeper, much deeper, into the sources of Middle Eastern tensions. Certainly, the policies pursued by the Soviet Union, the western European nations and the United States at any given time, are relevant to this matter. More basic to the problem of peace, however, are the implications of the vast transition which is taking place within the Middle East. The transition and the tensions it brings have a vitality independent of the policies of nations outside the region.

Mr. President, a fundamental change involving the lives of tens of millions of people is never made with ease. Change in the Middle East is no exception. Change in the Middle East is exceptional only in its massiveness. What this change involves is an enormous effort by millions to leap over forgotten generations of political obscurity into the mainstream of international life. It involves a desperate struggle to push aside the accumulated sands of social inertia and to emerge several hundred years later into the 20th century. It involves an endeavor to rid the earth of one of its heaviest concentrations of stagnating poverty, superstition, fear, and disease, of the ugliest forms of human subjugation—and to do it virtually overnight.

The basic pressure for this desirable, this constructive change is produced by nationalism. Whatever difficulties na-

tionalism may bring, let there be no mistake, Mr. President, about its necessity. Nationalism is essential in the Middle East to produce the change essential for durable peace. To deny its validity is to deny our own history.

The difficulty in the Middle East arises not from nationalism as such. The difficulty arises from the unpredictable course which Middle Eastern nationalism may take at a highly critical moment of history, at a moment when the peace of the world balances on a razor's edge. By its very nature, this force is not easily channeled. When a whole people break out of an existing pattern of life into something new, it is not easy to calculate or control the direction of the great human surge which is released by the fission.

There was a time, perhaps, when mankind could sustain the excesses, the errors, the random scattering of the power of an explosive nationalism. That is no longer the case. In the present state of international affairs, nationalism on a rampage endangers not only those who release it; it endangers peace and, hence, the peoples of the entire world.

The needs of mankind require that nationalist leaders, today, not only lead national awakenings but that they lead them soberly and responsibly. The needs of mankind require that these leaders lead with due regard for the dangerous complexities of current international life.

In the Middle East the world skirts the edge of disaster, not because of nationalism, but because nationalism has not fully established a new pattern of constructive and peaceful progress to replace the older and no longer acceptable pattern which it has destroyed. The force of nationalism, at present, plunges headlong into western interests established many decades ago—special interests, perhaps, but interests, nevertheless, which cannot be liquidated overnight if they are to be liquidated in peace. Further, this force divides into shifting political and regional alinements, which clash one with another and, in so doing, threaten the stability of the region. It collides with or scoops into its fury ancient focals of power which have a vested interest in the preservation of the accumulated social rot of centuries. It recharges tribal feuds that go back to Biblical times. It plays with the dangerous fire of great-power balance in the naive belief that it is too clever to get burned. Too often, it pushes precious human energies into the wasting-pit of militarism, terrorism, and mobism. Too often, Mr. President, it sidesteps the one path which will lead, more quickly than any other, to full national and human equality—the path of unremitting effort to establish orderly, progressive societies with responsible governments.

These, Mr. President, are some of the less desirable spawns of nationalism in the Middle East. They are products of the nationalist fission in that area, its destructive products, and they are, in my opinion, the principal source of the region's instability. We overlook this source when we see the problems of peace in the Middle East as arising solely from Soviet machinations, as the Eisenhower doctrine in 1957 did and still does, despite clarification and modification by the Senate. The Russians overlook it, if, in fact, they see these problems as arising primarily from western imperialism. If we continue to overlook it, we shall have policies which deal primarily with shadow rather than substance—costly policies and in the end, probably futile policies.

An affirmative policy for peace, sooner or later, must look squarely at the inner difficulties of the Middle East. Before this Nation can have that kind of policy, however, we must have a better understanding of American interests in the region.

It is not difficult, Mr. President, to catalog the most significant of these interests. They are legitimate interests and we need not hide or obscure them. Certainly, we need not apologize for them.

United States companies have heavy investments in Middle Eastern petroleum development; that is an American interest. We have bases or other defense arrangements against aggression in the Middle East; that, too, is an American interest. We have trade, cultural, educational, and other ties with the Arab States and Israel; these are American interests. We have a commerce through the air and sea lanes and the petroleum pipelines of the region; these, too, are American interests. We have a stake in a stable Western Europe which, in turn, is now heavily dependent for economic stability on Middle Eastern petroleum, trade, and trade routes; that is a highly important, if indirect, American interest.

Beyond all these specific concerns, however, we have one national interest that is overriding. That is an interest in the peace of the entire Middle East. I speak, now, not of a peace at any price, of a peace of inertia, appeasement, or repression. I speak of a durable and vital peace which will provide an opportunity for essential change to take place in the Middle East, the change which will enable the peoples of that region, if they have the will, to live in a satisfying national independence in the 20th century.

On that kind of peace depends the long-run survival of all the particular interests of Americans. On that kind of peace in the Middle East may well depend the peace of all Americans and the world.

I do not know, Mr. President, whether any policies pursued by this Nation will be able to assist in producing such a peace in the Middle East. It seems to me highly unlikely that they will do so, however, if these policies are made subservient in concept or in administration to any special American interest, whether it be petroleum concessions, defense arrangements, ties with the Arab States or Israel, or any other.

Certainly, it is desirable, Mr. President, for Americans to participate in the development of Middle Eastern petroleum, if this development profits them and serves the people of that region. It is not desirable, however, for all Americans to go hat and pail in hand to any country to beg for oil. That, in effect, is what we may be doing if American policies are made subordinate to this particular American interest.

Certainly it is desirable to have bases and other defense arrangements in the Middle East if they grow out of a common concern with security against aggression. It is not desirable to have these arrangements, however, if we must grovel before any nation in order to obtain or to keep them. That, in effect, is what we may be doing if these defense arrangements are elevated into the principal objective of policy.

Certainly, it is desirable for Americans to have cultural, trade, educational, or other friendly ties with the Arab States and Israel. It is not desirable, however, if these attachments mean that all Americans must acquiesce in an aggressive hatred of Arab toward Israeli or Israeli toward Arab or Arab toward Arab. That, in effect, is what we may be asked to do if our national policy is subordinated to these specific attachments.

Finally, I may say, Mr. President, that it is certainly desirable for us to recognize the need of Western European allies and other friendly nations for access to the petroleum, the trade and trade routes of the Middle East. It is not desirable, however, to recognize this need without also recognizing that the unequal privileges of yesterday's colonialism must yield to the requirements of a constructive nationalism today.

Mr. President, that is the first step in an affirmative policy for the Middle East: to get clearly in our own minds that the national interest in a vital peace in the Middle East takes precedence over any particular American interest. Those who conceive and administer United States policy must understand that. Other nations must understand it. It is particularly important that those who play dangerously with a destructive nationalism and those who seek to repress a constructive nationalism know it.

I am afraid, however, that we shall not impress anyone by words, whether they be the soft generalities on peace or the violent terms of the propaganda war. What cannot be done by words, perhaps, can be done by acts, acts which make clear that the primary American interest in the Middle East is an interest in a vital peace and that we are determined to pursue it.

No single act in this connection is more important than to develop alternatives to Middle Eastern petroleum and to the pipelines and waterways through which it now moves. In 1956, Mr. President, a year before the Suez crisis, I urged in a speech in the Senate on April 18, 1956, that this country begin to plan in concert with oil-consuming countries against the possibility of a temporary cutoff in the flow of Middle Eastern oil. What was needed then, was an immediate increase in the supply of seagoing tankers of large tonnage; preparations which would have permitted a prompt expansion in the petroleum output of the Western Hemisphere; and a speed-up in the development of nuclear energy for power. So far as I know, however, nothing was done along these lines until

the following year, when the Suez crisis was already upon us.

I do not say, Mr. President, that the immediate availability of alternatives to Middle Eastern oil would have prevented the Suez crisis. It seems to me very possible, however, that it might have mitigated it. And it seems to me very possible now that the availability of alternatives to petroleum from that source may discourage similar crises. Certainly, is will help to meet such crises if they should come.

What is true of alternatives to petroleum is also true of alternatives to defense arrangements in the Middle East. I assume that any arrangements we now have serve the mutual benefit of ourselves and the Middle Eastern countries which participate in them. I hope that they will go on serving a common interest. By the same token, however, I hope that the Defense Department will begin now to plan to safeguard this country without these arrangements, if the price of retaining them is a servile submission to one-sided terms, to conditions which degrade this Nation.

Finally, it ought to be made clear, if it is not already clear, that this country has a deep interest in the survival and progress of Israel. This country's policies should unashamedly sustain that interest so long as the Israelis pursue their progress in peace. We can, and must, be prepared to override the particular interest, however, in the greater national interest, if Israel abandons the ways of peace.

What applies to Israel applies equally to the Arab States. I should say that the administration has already gone out of its way to make clear that this country has a deep interest in the survival and progress of these states; but, if by some chance, further assurances are necessary, then they should be given. This country's policies should sustain the interest, so long as the Arabs pursue their progress in peace. We can and we must be prepared to override the particular interest, however, in the greater national interest, if the Arab States, singly or collectively, abandon the ways of peace.

Whether we demonstrate our concern in the peaceful progress of the Arab States and Israel by public statements, by the channels of diplomacy, or by some other way, is a secondary question. The important point is that the interest be made clear to both sides, and that the word "peaceful" be emphasized for both sides.

What I have been trying to suggest, Mr. President, is that we need to inject into national policies in the Middle East, a clarity of purpose, of primary national purpose, which they do not now have. I am also suggesting that we develop alternatives to present particular American interests which will permit sufficient flexibility in the pursuit of this purpose.

I believe, Mr. President, that since World War II, we have been groping toward an affirmative policy of this kind, under both Democratic and Republican administrations. There has been an obvious official appreciation of the importance of a durable peace in that area. There has been an appreciation of the importance of nationalism in achieving that peace. There has been a desire to support its stirrings, modified by the fear of alienating the nations of Western Europe, which formerly held most of the area as colonies, protectorates, or mandates. It has been modified, too, by the fear of jeopardizing the particular interests of Americans in that region.

Despite good intentions, policy in the Middle East is now encased in a gigantic, expensive holding action. It is not directed primarily toward building a vital durable peace in that region. It is directed primarily toward preventing the inner tensions of that region from snapping.

The result has been a broadside effort to please all, which obviously pleases none. The result has been a vast decline in the prestige of this country. The result has been a growing contempt and antagonism toward Americans, despite hundreds of millions of dollars expended in various kinds of aid. The result, Mr. President, was a conduct of foreign policy bordering closely on appeasement of arrogance and submission to blackmail, until the Secretary of State put a stop to this nonsense by withdrawing the Aswan Dam proposal. Putting aside the question of the manner in which that was done, I can only endorse what was apparently his determination not to permit this country to be made a pawn in someone's balancing game.

Mr. President, I am afraid that if we go on as we have we shall not, in the end, prevent the tensions from giving way in the Middle East; in the end we shall not prevent communism or some other form of totalitarianism from sweeping through the region; in the end the particular interests of Americans may well be lost, along with the general interest of all Americans in a durable peace.

Good intentions, as I have said, have not been lacking in Middle Eastern policies during the past decade. What we have lacked is a full appreciation of the priority of the interest of the whole Nation in that kind of peace. What we have lacked, I believe, is an acute sense of discrimination as between constructive and destructive nationalism as the primary instrument for producing that kind of peace.

If there has been one great error of policy in the past decade, it has been this failure to draw a line of distinction between these two expressions of nationalism. There have been those who have advocated indiscriminate support of Arab nationalism in the Middle East. There have been some who have advocated indiscriminate support of Israeli nationalism in the Middle East. There have not been, or at least we have not heard, the voices of those who distinguish between constructive and destructive nationalism, regardless of whether it is Arab or Israeli.

That error must be rectified if we are to move toward an affirmative policy in the Middle East. There is little value in going back into the history of the past decade in a search for scapegoats for failure in the Middle East. What is vitally important to the American people is not what was done or not done in the past. What is vitally important is what is done from now on.

It seems to me Mr. President, that what we require first is a new concept of policy, a concept which puts first things first, a concept which recognizes that the interest of all the people of the United States is a vital and durable peace in the Middle East takes precedence over any particular American interest. We require, too, officials to administer this policy who are able to put aside personal interests, predilections, and bias in their pursuit of that interest. We require, further, officials who are able to draw a distinction between constructive and destructive expressions of nationalism, and to appreciate the relevance of this distinction in building a vital and durable peace in the Middle East.

I know that the distinction is a subtle one in the case of a region as complex as the Middle East. Nevertheless, I believe it can be drawn; indeed, it must be drawn. Unless is it drawn, we shall find ourselves applying such influence and resources as we have in that region impartially as between those who would destroy and those who would construct; and the one effort will cancel out the other, as, in fact, has been happening.

Such influence and resources as we can apply—if we are to apply any at all—must be channeled largely in line with those who are working to build stability and responsibility in the Middle East. If we are not to waste our strength in well-meaning, but futile gestures, this Nation must stand, not indiscriminately with Middle Eastern nationalism; rather, we must stand with its constructive expression, whether it emanates from Israel, particular Arab States, or all the Arab States.

We may well ask ourselves, is it really so difficult to determine what is constructive or destructive in the nationalism of the Middle East? It seems to me there are simple guidelines which may be applied if we wish to use them.

Certainly, a constructive nationalism will insist that the unequal privileges of a past colonialism go. It will exercise, however, in the larger interests of mankind, the patience and restraint which will permit these privileges to be liquidated in an orderly manner. When nationalism exercises that kind of patience and restraint, it deserves the support of this Nation and the rest of the world. Similarly, when Western nations manifest a willingness to liquidate their special privileges in an orderly fashion, they deserve our support against the buffetings and blows of a nationalism on a rampage.

A constructive nationalism will seek to encourage a peaceful commerce with the rest of the world on a mutually beneficial basis. It will not seek to parlay an accident of geography—whether it be petroleum beneath the ground, or whether it be the sealanes, or the airlanes, or pipelines through and over its territories—into an economic stranglehold on the peoples of the world; it will

not use a natural blessing of this kind as a lever to upset the peace of the world.

A constructive nationalism will apply the resources and the energies of its people primarily to the enormous tasks of stamping out hunger, ignorance, disease, and injustice within its borders. It will not command these resources and energies for the personal pleasures of a ruler; it will not direct them into militarism, terrorism, conspiracy, mobism, or subversion. It will not divert these energies into an unremitting campaign of all-consuming hatred—whatever its real or imagined grievances—against other peoples in the region or outside the region.

A constructive nationalism, in short, will work for the orderly progress of its own people. It will work for peace in the region and for peace in the world.

I know, Mr. President, there are few black and white results if these tests are applied to the course of nationalism in the Middle East during the past decade. All of the countries involved, in one degree or another, have manifested destructive and constructive tendencies. They will undoubtedly continue to do so in the future, in one degree or another. For the foreign policy of the United States, however, the critical questions are: How destructive? How constructive? The questions are questions of degree, and the answers can only rest on the judgment of the administration, which is charged with responsibility for carrying out foreign policy.

I would be less than frank if I did not express my view that this judgment has been faulty in the past. For too long this administration has shown a lack of discrimination toward nationalism in the Middle East. For too long it has tended to coddle destructive expression. For too long it has treated with something approaching reluctance, if not disdain, the constructive manifestations of this force in Lebanon and Israel. We have reaped consequences of this faulty judgment in the past, in the Suez seizure, in the spread of conspiracy, subversion, and terrorism throughout the region. We are reaping others now in the ordeal in Lebanon, one of the most progressive and peaceful of the Middle Eastern States. We may reap them elsewhere unless this servile tendency to flirt with a rampant nationalism is finally curbed.

I know, Mr. President, that the question of distinguishing between constructive and destructive nationalism is complicated by the persistence of the Arab-Israeli dispute. Perhaps the time has come to make clear, however, that as far as United States policy is concerned, we shall no longer permit ourselves to be stopped, by fear of a breakdown in this situation, from pursuing a constructive course in the Middle East. Perhaps the time has come to make clear that as far as the United States is concerned there is going to be no going back in this situation. Those leaders in the region who look to an eventual solution of the Arab-Israeli dispute by force, with American acquiescence, do a disservice to their own people and to all the peoples of the world. They permit a disgraceful hatred to gnaw at their vitals and, in the end, they will not solve the problem. On the contrary, unless they come to grips with it soon, not only will they destroy the promise of a constructive nationalism for their own peoples; they will destroy it for all the peoples of the Middle East.

It is time to make clear, once and for all, that United States policy cannot and will not support the fantasy of some Arab leaders of eventually pushing Israel into the sea. Equally the policy of this Nation cannot and will not support a fantasy of Israeli expansion at the expense of the Arab States. To permit the illusion to remain any longer that we may be drawn in time into the web of one dream or the other serves no useful purpose. Perhaps it may put off the reckoning from today until tomorrow. In so doing, it may even help to create an illusion of peace, but it will not contribute to a durable, vital peace in the Middle East.

What the United States can support, indeed, what we must support, is international efforts to put at rest any genuine fears of aggression, Arab of Israeli, or Israeli of Arab, or, indeed, Arab of Arab. To that end, Mr. President, it seems to me high time for this country to take an initiative for peace. It seems to me high time to propose in the United Nations the extension of the United Nations Emergency Force to the borders of any country in the Middle East which is concerned with aggression from a neighbor and which asks for that safeguard. It is time, in short, to determine who is really afraid of war and who is really afraid of peace in the Middle East.

It is time, too, Mr. President, for this country to take the initiative in the United Nations and to call again upon Israel and the Arab States to end their state of belligerency. It is time to call upon them to meet face to face, to meet as honest men, as decent human beings, and try to make at least the beginnings of a beginning on reducing the deep-seated bitterness between themselves, in their interest and in the interest of the world. If they do so meet, if they do make a beginning, then whatever we or any other nation can reasonably do to bring stability between them should be done. It is time, in short, to see who seeks peace and who is afraid of peace in the Middle East.

Mr. President, in making these suggestions, I do not prejudge any nation, any leader any position in the Middle East. I suggest only that, regardless of what has happened in the past, it is time for Middle Eastern nationalism to come of age, to recognize its responsibilities, not only to itself, but to all mankind.

By the same token, it is time for the policies of this country to come of age. It is time for these policies to cease playing the role of indulgent father to errant son. It is time to direct these policies strictly in support of those nations which work sincerely for peace, which make an unremitting effort to put the energies of nationalism into the building of peaceful, progressive, and responsible states.

When these policies are so directed, perhaps then, and only then, will we be in a position to come to grips with Soviet penetration, as it may exacerbate the danger to peace in the Middle East. Perhaps then, we shall cease to waste hundreds of millions of dollars belonging to all Americans in seeking to safeguard the interests of particular Americans, in seeking to catch up with and to extirpate the elusive spector of communism as it flits from country to country, from the Maghreb to the Hindu Kush.

For, then, Mr. President, we shall be prepared to confront Soviet words of peace with acts of peace. We shall be prepared, as we ought to be prepared, to offer in the United Nations a proposal to establish an enforcible international control over the arms traffic in the Middle East.

And we shall be prepared to join with any nation with a stake in peace to assist the constructive forces of nationism in the Middle East dealing with the ancient tyranny of starvation, disease, ignorance, and inhumanity. The world will be able to see, then, and only then, Mr. President, who talks peace and who means peace.

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

Mr. MANSFIELD. I yield.

Mr. MORSE. I congratulate the Senator from Montana on the speech he has made today and on the series of speeches which he has made on foreign policy. They will stand to the everlasting credit and fine statesmanship of the Senator from Montana.

So often, in public discussion of foreign policy, we hear the question asked, "Well, what program do you propose to rectify what you consider to be mistaken policies which are presently being followed?"

The Senator from Montana in this notable speech is outlining an approach to foreign policy which, in my judgment, will greatly improve the standing of the United States in foreign affairs, if we follow the leadership of the Senator from Montana and the proposals he has suggested.

I commend the Senator from Montana for the comments he is reported by the newspapers to have made today with respect to the position of Secretary Dulles concerning the so-called application of the Eisenhower doctrine in the Middle East.

I wish to associate myself with the remarks of the Senator from Montana, and I refer the Secretary of State to his own testimony before the Committee on Foreign Relations and the discussion in that committee, as well as to the debate on the floor of the Senate when the Eisenhower doctrine was considered by the Senate.

The discussion in the Committee on Foreign Relations and the debate in the Senate clearly placed upon the application of the Eisenhower doctrine limitations which were much more restrictive than the Secretary of State, if he is correctly reported in the press, seemed to imply.

I thank the Senator from Montana for being the first to raise this question before American public opinion.

I intend to discuss it at some length either later this week or in the early

part of next week, because in my judgment the Secretary of State would be overstepping the constitutional prerogatives of the executive branch of the Government if he should implement what he told the press he thought to be within the authorized power of the President of the United States under the Eisenhower doctrine.

I think the position the Senator from Montana has taken is legally sound, and in my judgment there is no question as to the intent of Congress in the restrictions it imposed on the Eisenhower doctrine.

Mr. MANSFIELD. I appreciate the remarks of the Senator from Oregon. I should like to invite his attention to the fact that before I made my speech on the Middle East I tried to set the record straight relative to the amendments discussed by the Secretary of State at his press conference on May 20.

Mr. President——

The PRESIDING OFFICER. The Senator from Montana.

AUTHORIZATION TO SIGN BILLS AND JOINT RESOLUTIONS DURING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that notwithstanding the adjournment of the Senate from today until Monday next, the Vice President or the President pro tempore be authorized to sign bills and joint resolutions passed by the two Houses and found truly enrolled.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE CIVIL AERONAUTICS ACT OF 1938

Mr. THURMOND. Mr. President, on behalf of myself, the Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], the Senator from Louisiana [Mr. LONG], the Senator from Kentucky [Mr. MORTON], and the Senator from Wisconsin [Mr. PROXMIRE], I introduce, for appropriate reference, a bill to amend the Civil Aeronautics Act of 1938.

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

The bill (S. 3887) to amend the Civil Aeronautics Act of 1938 with respect to the ratemaking elements for the transportation of mail by air carriers, introduced by Mr. THURMOND (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

Mr. THURMOND. Mr. President, the effect of the bill is to make the domestic trunk airline system ineligible for subsidy, either for domestic service or for service to points outside the continental limits of the United States, which are essentially integral parts of the system. It would also remove eligibility of a carrier for any route it may hereafter be awarded which precisely parallels, nonstop, a route over 50 miles in length which is operated by another carrier ineligible for subsidy on that route. The eligibilities of local service carriers and other carriers would not be changed.

Mr. President, it was never intended by the Congress or the air carriers that subsidies to trunkline carriers should be permanent. The subsidy was granted for the purpose of assisting the carriers during the period of their infancy. During the period 1939–57, total subsidies to air carriers was $779,357,000, of which approximately $190 million went to trunkline carriers. Now the time has come to emphasize the fact that the trunkline carriers have come of age. On July 1, 1957, the last trunkline carrier came off subsidy. This bill will put the American public on notice that the domestic trunk carriers are now competing on their own, without benefit of the unearned subsidies from taxpayers' dollars.

The reasons for the enactment of the proposed legislation, however, are not economic alone. The passage of this bill would lead to decisions more in harmony with the public interest, and to route assignment cases which are decided more on the basis of facts and less on the basis of pressure.

Although the Civil Aeronautics Act provides that certificates for new routes are to be granted by the Board on the basis of public convenience and necessity, there is doubt that the law is always administered in this way. The doubt, moreover, is often greater in the more important cases, for the rewards which are at stake in those cases are so much greater. In some respects the rewards are even greater than those represented by TV channels, and the recent hearings of the House Subcommittee on Legislative Oversight have shown the intense behind-the-scenes pressures which have been applied to the Federal Communications Commission in attempts to influence decisions.

The potentially greater value of an airline route, compared to a TV channel, lies in the subsidy available to the former. Under the Civil Aeronautics Act, once a carrier is certificated for carriage of mail, the Board fixes its rate of pay for carrying the mail at a sufficiently high level to give the carrier what it needs to enable it to serve the needs of commerce, the postal service, and the national defense. The Board has generally held this to mean enough money to make up any losses, and, in addition, to pay the carrier a profit—usually calculated as a return on investment of about 8 percent.

Thus, once a carrier gets a route, it is pretty well assured of a profit on it—or at least of breaking even. This is after all operating expenses, including, of course, salaries of top officers. The most dramatic single piece of evidence in point is that no one has ever heard of a certificated airline becoming bankrupt.

It is thus clear that it is to the interest of the airline managements merely to be in the business, which is almost riskless so far as their own personal security is concerned. Once in the business, it is to the airline managements' interest to build up the size of their route structure; because by so doing they acquire a greater number of local pressure groups throughout the country who will, often uncritically, support the company's aspirations. The more there are of such local interests, the more difficult it becomes for the Civil Aeronautics Board to develop a route structure which is sound and is best designed to serve the national interest. It is also in the interest of the airline managements to have a large, rather than a small, company, first, because subsidy claims in bad times will be larger. Secondly, insofar as they include a claim for operating profit, that profit will presumably be a larger dollar figure than in the case of a smaller company, since the percentage will be computed on a larger dollar base.

If subsidy is available to a carrier (certificated for the carriage of mail) over any route obtained by Civil Aeronautics Board assignment, there is no business risk faced by a carrier in its route applications. Although there is no absolute guaranty that the Board would grant subsidy, it is almost certain that it would—particularly if the alternative were bankruptcy or wholesale suspension of service to many small points.

Under the proposed legislation, the carriers would merely have to shoulder the normal business responsibility of taking calculated risks in their route applications. They would be forced to make a hard factual analysis of whether they could operate the route profitably. Obviously if they were sure they could not, there would be no application for the route, and no pressures on the Board to grant it.

Mr. President, I hope the committee will commence hearings on this bill at the earliest time possible.

Mr. MORTON. Mr. President, I am very happy to join the Senator from South Carolina [Mr. THURMOND] in sponsoring a bill which would make our domestic trunk airlines ineligible for any further subsidies for their domestic routes.

The domestic trunk lines have received almost $200 million in subsidy for domestic operations since the passage of the Civil Aeronautics Act in 1938. The subsidies may well have been necessary at the time the act was passed. But that is no longer true. They were intended to help the airlines get started, but they were never intended to underwrite them indefinitely.

In line with this, the President in his budget message for the fiscal year 1959 stated that we should do all we can to reduce and ultimately eliminate all airline subsidies. This legislation is an important step toward accomplishing that objective.

Because of subsidies still necessary in the international field, and for local

service and helicopter operations, it is not yet feasible to eliminate all airline subsidies. Consequently, we must take one thing at a time, and this legislation would prevent the recurrence of subsidies in an area where none are needed. The domestic operations of all 12 domestic trunk lines have been free of subsidy since last June. Nine of these carriers have been off subsidy for the last 6 years or longer. The year by year increase in the total amount of subsidy for local service and helicopter operations, which unlike the trunkline operations, would not exist except for those subsidies, provides all the more reason for making sure that subsidies cannot be paid where they are not necessary.

Subsidies can be justified only when necessary goods or services would not exist at all without the subsidy, or, although such goods or services would be available without subsidy, we feel that much greater amounts of them are desirable and we are, therefore, willing to subsidize additional production.

Neither of these conditions exist in domestic trunk air transportation today. There are three or more carriers competing directly on most major routes. Most of these carriers have had no subsidy for years. It is, therefore, clear that we do not have to provide subsidy in order to provide competition.

Nor is subsidy desirable in the interest of providing a greater amount of competition than we already have. The benefits to the public that flow from putting a fourth or fifth carrier on a route are conjectural at best, and certainly not great enough to justify subsidizing that additional carrier.

The Civil Aeronautics Board has, in fact, been indicating for many years its disapproval of new route grants which would lead to subsidy. One of the major route grants to a small carrier in the past 2 years was premised to a great extent on the belief that this route would free the carrier from subsidy. Shortly after the route was granted the Board indicated its intent to terminate the subsidy to that carrier, and did in fact so terminate it.

The problem, however, is to make absolutely certain that subsidy cannot be paid hereafter for domestic trunk air transportation. The only way to do this is by legislation, because we all know perfectly well that any applicant for a route can always make out some sort of case, and the complexity of the Government, and the growing complexity of aviation, are such that even a well staffed Federal agency cannot be expected to analyze all these cases with sufficient thoroughness so that a high percentage of the decisions will subsequently prove to have been sound. Thus, with the best will in the world, the Civil Aeronautics Board can grant routes expecting no subsidy to result, yet large subsidies could follow. This is apparent from the sizable subsidy application filed last year by one trunk carrier, and the subsidy requests in the all cargo industry which are being made in spite of frequent disavowals in past years of any intention on the part of those carriers to claim subsidy.

I think that if we do not take this step now we are risking tens of millions of dollars of subsidy payments in the future, and I repeat that if those payments actually develop they will be to underwrite duplicatory and fundamentally uneconomic and unnecessary services.

All my colleagues are conversant with the plight of the railroads today. Their grave problems are in part the long-term legacy of laying hundreds of miles of track in the 19th century, not to serve the public, but to sell stock. In the airline field, granting routes which turn out not to be needed by the public, and then subsidizing them, throws on the Federal Government the same losses and penalties for bad business judgment as have been suffered many times in the past by the stockholders of the railroads.

This in turn is one of the reasons why many of us have fought hard in recent years to get the Government out of private business, and obviously this legislation would conform generally to that approach. It would also reflect the reservations which some of us have as to the ability of administrative agencies, in the long run, to provide as sound and logical a development for an industry, and for the public which it serves, as would be provided by the industry operating essentially on its own and under a minimum of regulation. This is not to suggest that regulation is undesirable. In some instances it is necessary. But there are certain weaknesses inherent in the administrative process which have caused some to feel that where regulation can be minimized the public interest will eventually be better served. The legislation I am cosponsoring would remove from the regulatory sphere a complex and time-consuming matter which has been subject to much misunderstanding, misinterpretation, abuse, and criticism, and which is no longer a necessary part of the law.

In so doing, this legislation actually just reduces to concrete terms a clause which has been in the Civil Aeronautics Act since it was passed in 1938. Section 406 (b) of the act states that the Board is to pay subsidy to carriers if they need it and if they have "honest, economical, and efficient management." Thus it is apparent that Congress intended in 1938 to premise subsidy eligibility on highly efficient management performance. The Government, of course, has a right to expect no less than that for its money. But it is asking a great deal of any Government agency to determine from the outside whether a company is or is not efficient, and it is asking almost the impossible to expect the agency so to characterize a company publicly. This is evidenced by the fact that, so far as I know, the Civil Aeronautics Board has not once in the 20 years since the act was passed categorically labeled a carrier as inefficient. Now that the domestic industry has attained enough maturity and stability so that it is fair to test its efficiency by the normal business standard of profit and loss, I think it behooves us to discard the earlier generalized test with its inherent susceptibility to abuse.

I think this legislation would be good for the airlines themselves. The company that stands on its own two feet will be a stronger company. Over a period of time subsidy can have a deadening effect on an industry. There is all the difference in the world between a management which knows that it can be bailed out of its mistakes by subsidy, and one which knows that it is subject to the normal business risks. Subsidy was intended to help the airlines get started, and its termination now would be intended to help them be the best operators, during the maturity of their business existence, that they can possibly be.

I believe all 12 of the domestic trunklines have at one time or another reiterated their desire to operate without subsidy. They are all mature companies now, and they are all sizable ones as judged both by their routes and their annual revenues. It is time for them to match their actions to their words.

Mr. THURMOND. Mr. President, I am pleased to have the distinguished Senator from Kentucky join me as a coauthor of the bill, and I wish to thank him for his fine statement.

Mr. MORTON. I am happy to join with the Senator. I wish to support him in his request that the bill be given a hearing at this session of Congress.

RACIAL SEPARATION CUSTOMS IN THE SOUTH AND ANTI-AMERICAN FEELINGS OVERSEAS

Mr. THURMOND. Mr. President, a former Member of this body, speaking in Washington, D. C., on May 18 before a convention of the leftwing organization known as Americans for Democratic Action, has made a statement in regard to which I feel impelled to comment.

Former Senator Herbert Lehman of New York is quoted in the Washington Star as having declared that "we are losing the battle of Asia, Africa, and Latin America in Little Rock, Charleston, and Richmond."

This is the same old fallacious argument that racial separation customs in the South have inspired anti-American feelings overseas.

It is quite true that there has been an increase in anti-American sentiment in many foreign countries, but the cause of this has not been the southern policy of separate racial development, the time-tested policy which is the bulwark of good race relations.

Rather, the cause of this anti-American feeling has been the intensive drive by certain parties, pursuing their own highly questionable aims, to break down the tested southern pattern, by forcibly mixing the races in the public schools and elsewhere, and thus inevitably creating racial tension and sometimes racial violence.

Furthermore, these politicians have not hesitated to sacrifice America's foreign relations to their own political ends. They pretend that their primary concern is with our foreign relations, when actually they are mainly interested in bringing about racial integration. They are not even attempting to

take a constructive approach toward race relations as a means of improving our foreign relations. They are using our foreign relations as a weapon to bring about racial integration in this country.

As the late Herbert Ravenel Sass recently pointed out in the Atlantic Monthly:

> We have permitted the subject of race relations in the United States to be used not as it should be used, as a weapon for America, but as a weapon for the narrow designs of the new aggressive Negro leadership in the United States. It cannot be so used without damage to this country, and that damage is beyond computation. Instead of winning for America the plaudits and trust of the colored peoples of Asia and Africa in recognition of what we have done for our colored people, our pro-Negro propagandists have seen to it that the United States appears as an international Simon Legree—or rather a Dr. Jekyll and Mr. Hyde with the South in the villainous role.

In effect, these integration zealots are blackmailing the United States. They warn that our foreign relations will suffer if there is any resistance to their program of forced integration. Then they make quite certain that this will be the result, by giving the greatest possible and most highly distorted news coverage to any incidents that might occur, and by directing a constant barrage of antisouthern propaganda to overseas countries.

Instead of playing up the benefits enjoyed by the Negro race in the United States—far greater than those enjoyed by Negroes in any African country—the antisouthern propagandists have ground out horror stories to fan the flames of the integration crusade.

While this crude attempt to use the threat of bad foreign relations as a club to force the South to integrate has failed in its primary purpose, it has caused grave damage to United States relations with certain foreign countries.

There is mounting evidence that the racial issues stirred up for domestic political purposes are being turned against American interests abroad. The antisouthern propaganda, which has been circulated abroad by South-hating American politicians, has turned out to be anti-American propaganda as well. Reporting on this situation, an American correspondent in France recently commented as follows:

> At the moment when violent trouble broke out at Little Rock, the propaganda circulated by services under the control of the administration but paid for by American taxpayers, was bitterly and aggressively partial. Such considerations as American national interests and the influence of the United States in Western Europe were ruthlessly swept aside for the sake of proclaiming to the world the purity and righteousness of the administration. This policy did lasting harm to America as a whole.
>
> Here, the detestable anti-American agitation disseminated from America itself has continued to poison public opinion.
>
> There is much talk today among Americans themselves about the wave of hatred against them being propagated notably in France. How many stop to reflect upon the responsibility of the original Little Rock propagandists?

I might mention, Mr. President, that I was in Europe myself at the time of the Little Rock incident, and I was very much disturbed at the slant which was taken by the American newspapers on sale there, in their headlines and news stories as well as in their editorials. I was also very much upset at the tack which the United States Information Agency took in regard to this matter.

Now that we have placed the blame for the deterioration of America's foreign relations where it belongs, on the integration propagandists; now that we have exposed the fallacy of Senator Lehman's main underlying implication that it is the South's policy of racial separation which is responsible for anti-American feelings abroad, I should like to address myself to a more specific implication in the former Senator's remarks.

He speaks of this battle of Asia, Africa, and Latin America as being lost in Little Rock, Charleston, and Richmond. Admittedly, Charleston and Richmond are two of the most notable cities on this continent, and two of the most significant cities in all the annals of American history. But I should like to know just what it is that has occurred in Charleston, or in Richmond, in recent years, that the distinguished former Senator thinks has caused the attention of the colored peoples of Asia and Africa to be riveted on those two cities? By classifying them together with Little Rock, is he implying that Charleston and Richmond are focal centers of interracial violence?

True, there was interracial violence at Little Rock, though the major violence that occurred there was committed by United States Army soldiers against white southerners and by the President of the United States against a sovereign State and against the Constitution.

But what interracial violence has occurred in Charleston? If there has been any, during this century at least, I should like to hear of it. And when has there been any interracial violence in Richmond? I have not heard of any. It must exist only in the imagination of the distinguished former Senator. Perhaps he has been having nightmares about the wave of racial violence which is occurring in his own backyard and has, in his dreams, wishfully transported the locale of these disorders southward.

Certainly the depicting of the South, instead of the North, as the home of racial violence, bears no relation to reality. A distinguished Richmond editor has recently speculated, and I think correctly, that "there are more incidents of interracial violence on any Saturday night in Brooklyn than the whole of Virginia would experience in a year."

Yes, indeed, Mr. President, if former Senator Lehman is truly concerned over the effect that race tension and race violence in this country may have on our relations with foreign nations, he would do well to stop searching for interracial disorders in peaceful southern cities, such as Richmond and Charleston, and turn his attention instead to the violence-ridden cities of his own State, which has one of the worst records in race relations of any State in the Union.

We all remember the horrible race riot of 2 years ago that broke out on a lake steamer out of Buffalo. And we have before us now the sordid spectacle that is going on in former Senator Lehman's own New York City, especially in Brooklyn: The bloody interracial warfare engaged in by roving gangs of delinquents of different races; the interracial stabbings that occur almost daily; the interracial rapes; the total breakdown of discipline in the integrated school system; the assigning of policemen to patrol the schools to protect the pupils and teachers; and the necessity of setting up special schools to handle the more outrageous and more consistent perpetrators of interracial violence.

No, Mr. President, it is not in the peaceful and racially separate schools of Richmond and Charleston that students stab one another in the corridors, that teachers are assaulted by students, that 13-year-old girls are raped under the basement stairs by pupils. It is in the integrated school system of New York City that these things occur.

Mr. President, I know that former Senator Lehman was sincere when he made his remarks about these southern cities. I know that he is genuinely concerned about the effects of events in these cities on our foreign relations. I know, in short, that his crocodile tears are real. I am sure, then, that it will bring a flush of shame to his cheeks and a pang of regret to his heart when he stops to realize that, instead of criticizing the South for political purposes, he could have addressed his great talents to the fearful situation which exists in the crime-ridden integrated schools of New York, a situation which brings glee to our enemies and disgust to our friends abroad.

THE SUPREME COURT—ADDRESS BY R. CARTER PITTMAN

Mr. JENNER. Mr. President, on Wednesday evening, May 21, 1958, the Demosthenian Literary Society of the University of Georgia had the privilege, at its annual banquet, of listening to an extremely able address by Mr. R. Carter Pittman, of Dalton, Ga., one of the outstanding constitutional lawyers of this country.

Mr. Pittman's address dealt with a number of recent decisions of the Supreme Court of the United States and their effect. What he said was extremely pertinent to one of the questions pending before this body, the bill S. 2646, reported favorably by the Committee on the Judiciary on May 15, 1958, and now pending on the Senate Calendar.

Because of its pertinency, Mr. President, I believe many of my colleagues will wish to read the text of Mr. Pittman's address; accordingly, I ask unanimous consent that the full text of this address may be printed in the body of the RECORD at this point as a part of my remarks.

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

THE SUPREME COURT MUST BE PURGED

The place of the judiciary in government is a subject of extraordinary interest at this time. It commands thoughtful and imme-

diate consideration by all people who love freedom and want to keep it.

The framers of the Federal Constitution drew heavily on American, English, and world history when they came to frame the judiciary provisions of the Constitution in 1787. Article III of the Federal Constitution vests all of the judicial power of the United States in courts whose judges must be emancipated from the fear of loss of tenure or pay except for misbehavior, in the hope that such judges, amenable to none except to the people by impeachment, would obey their oaths to support a Constitution which assures their tenure and pay, and thus preserve for all time that freedom for all which is protected by the document that protects their tenure and purses.

In one of his orations Cicero said:

"To be ignorant of what happened before you were born is to be ever a child."

Samuel Gardner, historian of the Puritan Revolution, put it this way:

"A nation which easily casts itself loose from the traditions of the past loses steadiness of purpose, and ultimately wearied by excitement, falls into the arms of despotism."

In his Spirit of Laws Montesquieu said:

"The deterioration of a government begins with the decay of the principles on which it was founded."

A patriotic, learned, upright and Godfearing judiciary, emancipated from control, except by the people, is the pride of creation and the finest flower of history. A judiciary composed of servile, incompetent, and godless judges has always been the foul and effective tool of tyrants. The history books describe no characters of more infamy than the Jeffries and the Scroogs.

After James I, founded of the dynasty of infamous English tyrants known as the Stuart Kings, came to the throne in 1603, he made this significant statement:

"While I have the power of making judges and bishops, I will make that to be law and gospel which best pleases me."

The robes of the judiciary have, in all ages, lent an aura of respectability to the endeavors of designing men to assume and to exercise arbitrary power over the lives, liberties and properties of people. As Lord Camden said in the case of *Hindson* v. *Kersey* in 1780: "The discretion of a judge is the law of tyrants."

In 1942, Hitler said:

"Judges who do not recognize the needs of the hour will be removed from office."

So they were—and replaced by corrupt and servile tools of his tyranny.

In 1948, Vishinsky said:

"Law is an instrument of politics * * *. There are libraries full of books trying to prove the contrary, but it is known to be a legal fiction."

Indeed the contrary is a "legal fiction" in Russia.

In an address by E. Blythe Stason, dean of the University of Michigan Law School, before the Chicago Bar Association, published in the February 1958 issue of the Journal of the American Judicature Society, he emphasized that in Russia courts and judges are mere agencies of administration. He quoted from a leading textbook on the Soviet judiciary: "The judge of the Soviet courts * * * carry out unswervingly the policy of a totalitarian dictatorship as expressed in the statutes of the Soviet state."

Dean Stason continued:

"Legal training is not necessary to attain a position on the bench in the U. S. S. R. Indeed, the level of even the general education of the Soviet judge is rather low. As late as 1947, a report from a convention of Soviet jurists stated that only 14.6 percent of the judges have legal education on the university level, and only 21.8 percent have received legal training in secondary schools. Thus, it would appear that about 64 percent of Soviet judges * * * lack any legal training whatsoever."

The dean stated further:

"The ministers of justice and the heads of the regional bureaus of justice are * * * authorized to impose disciplinary penalties upon judges for violation of 'labor discipline,' or to recommend the dismissal of judges to the local Soviets. Under such conditions the judge becomes more or less a pawn in the hands of a political administration. The desire for a bench made up of persons of independence and ability seems not to have penetrated the steppes of the Union of Soviet Socialist Republics."

Communism may be safely and easily instituted where a congenial judicial climate exists. Communism cannot be instituted nor can it live in any country where all laws are made with the consent of the people, by representatives who may be defeated at the next election, and where learned, godly, and honorable judges, independent of all except the people, interpret the law.

The people consent to laws in two ways only: Either laws grow out of the immemorial customs of the people or they are made by the people themselves through representatives elected to assemblies for that purpose. James I and every other despotic English king, as well as Hitler, Mussolini, Stalin—and Roosevelt and Eisenhower, too—learned from history that government according to the will of rulers cannot be instituted or maintained where judges are selected by reason of their virtue and learning in law, in the science of government, in history, and in the fundamental principles of freedom and where they are emancipated from all controls except control by the people.

The indexes to legal periodicals in America have carried my name frequently during the last 10 years in connection with articles based on original research, in defense of the Federal judiciary and its constitutional powers. The subject has engaged my interest deeply because the judiciary is the key to liberty under law as it is the key to despotism. Hence what is here said is not said lightly.

The condition of the Federal judiciary in America is fast approaching that which exists in Russia. For example, who can explain with reason the appointment of Earl Warren as Chief Justice? President Eisenhower is said to have tried and failed. What was there in the background, legal training, or character of Warren to cause President Eisenhower to pass over every good lawyer and every good judge in America to elevate him above all of them to the highest judicial position in the world?

In all literature no clearer description of Earl Warren may be found than that spoken of a bureaucrat on the floor of the United States Senate in 1825 by John Randolph, of Roanoke:

"His mind is like the Susquehanna flats—naturally poor and made less fertile by cultivation. Never has ability so far below mediocrity been so richly rewarded since Caligula's horse was made consul."

The legal experience of Earl Warren, with that of two other members of the Supreme Court, does not add up to enough to make one of the three eligible to become a superior court judge under the constitutions of many American States.

In volume 1, page 49, of his history, Tacitus seemed to describe such a ruler as would innocently name such a man to such a post:

"He seemed greater than a private citizen while he was one, and by the consent of all would have been considered capable of government, if he had not governed."

In recent hearings before the Internal Security Subcommittee of the Judiciary Committee of the United States Senate it was brought out that all except two of the present Supreme Court judges have habitually and consistently held against actions of lower tribunals calculated to preserve our internal security as a nation and our safety as a people. Seven of the nine have consistently and habitually voted in favor of Communists and Communist causes. Part II of the hearings on Senate bill 2646 lists numerous cases in which the issue was clear cut between that which was American and anticommunistic and that which was un-American and communistic. It carries a tabulation of the votes of the present judges in 10 cases. To those cases 10 additional have been added, making 20 for a new tabulation. All of those 20 cases appear in bound volumes 76 and 77 of the Supreme Court Reporter, and the unbound advance sheets, later to be volume 78. The oldest of the 20 cases considered is not more than 2 years. Here is the rollcall of judges in the 20 recent cases involving Communists and the internal security of our country.

	For Communists and against America	For America and against Communists
Warren	20	0
Black	20	0
Douglas	20	0
Brennan	15	0
Frankfurter	19	1
Harlan	18	2
Whittaker	9	1
Burton	9	7
Clark	4	15

We describe these 20 cases briefly.

(1) In the *Nelson* case (decided April 2, 1956) the Court held that the American States, which created the Federal Government and whose republican forms of government are guaranteed by the Federal Constitution, may no longer exercise the right of self-defense against communistic traitors seeking to undermine and destroy our free State governments. The Benedict Arnolds, Alger Hisses, and American Quislings are now the wards of Warren and his Court.

(2) In the *Slochower* case (decided April 9, 1956) States and municipalities were denied the power to discharge communistic teachers who refused to admit or deny their disloyalty. Those who shape the minds of our children may not be discharged for silence in a matter or charge involving simple integrity and as to which any honorable man would welcome a chance to speak.

(3) In the *Communist Party* case (decided April 30, 1956) the Court held that a finding by the Subversive Activities Control Board, affirmed by the Circuit Court of Appeals for the District of Columbia, to the effect that the Communist Party of the United States was a "Communist-action organization" within the meaning of the Federal law, was a finding based on "tainted evidence" where it appeared that one or more of the witnesses might possibly have sworn falsely, even though there was ample evidence independent of such witness or witnesses to demand the conclusion. With becoming modesty, the Court said:

"Fastidious regard for the honor of the administration of justice requires the Court to make certain that the doing of justice [to Communists] be made so manifest that only irrational or perverse claims of its disregard can be asserted."

(4) In the Cole case (decided June 11, 1956) the Court denied to the Federal Government the power to discharge self-confessed Communist employees unless they hold "sensitive positions"—a phrase no one can define.

(5) In the Ben Gold case (decided January 28, 1957) the Court reversed the conviction of a Communist perjurer who had falsely denied under oath that he was a member or supporter of the Communist Party, because the FBI had made inquiries

of some of the individuals who were jurors in that case as to their qualifications to try an entirely different and unrelated case involving another Communist.

(6) In the Witkovich case (decided April 29, 1957) the Court denied to the Federal Government the right to question an alien, ordered to be deported, as to whether or not he had attended Communist meetings while awaiting deportation.

(7) In the Konigsberg case (decided May 6, 1957) the Court held that a State may not deny a license to an applicant to practice law who refuses to deny membership in the Communist Party.

(8) In the Schware case (decided May 6, 1957) the Court held that a State may not raise or enforce effective barriers to deny to Communists admission to the practice of law in the courts of the States, and that to be a Communist is not a stigma.

(9) In the Antonia Senter case (decided May 20, 1957) the Court enlarged its holding in the Witkovich case and rendered ineffective the laws carefully drafted by Congress to protect our country from alien subversives. The Court ruled that the Attorney General had no authority to require an alien, who slipped into this country without right and who was awaiting deportation, to desist from further Communist activities.

(10) In the Jencks case (decided June 3, 1957) the Court held that the Federal Government may not withhold from Communists, on trial for their treasonable perfidy, secret information gathered by investigators for the Government, so that American patriots are effectively prevented now from going to the aid of their country and informing against traitors, for fear of retaliation by Communist conspirators.

(11) In the Yates case (decided June 17, 1957) commonly known as the 14 California Communists case, the Court held that the teaching and advocacy of the violent overthrow of the Government of the United States, even with evil intent was not punishable under the Smith Act if it was divorced from any effort to instigate action to that end. In other words, Communist traitors were rendered immune from Federal prosecution unless such traitors are caught in the act such as lighting a fuse. Under that decision Benedict Arnold would have gone free during the American Revolution because the only evidence against him was just a plan divorced from any effort, found in the boot of André, a British captain. If Alger Hiss were to be tried again, presumably the stolen secrets in pumpkins would not count. Under that decision, thrusting a dagger into the back of one's country doesn't count unless it goes through the heart.

(12) In the Service case (decided June 17, 1957) the Court denied to the Secretary of State the absolute discretion given to him by law to fire any employee in the interest of the United States. Sexual queers and Communist traitors may now work like maggots among the secrets in our State Department without fear of losing their jobs. In that particular case the FBI had a recording of a secret conversation between Service and the editor of a communistic magazine, made in the latter's hotel room. The defendant may yet be heard from that recording whispering about certain military plans of which he knew and which were "very secret."

(13) In the Watkins case (decided June 17, 1957) the Court held that the Un-American Activities Committee of the House of Representatives was powerless to pursue simple inquiries that have been found essential to the existence of every free government in the history of the world. There the Court held that a witness who admitted "I frankly cooperated with the Communist Party" should not be required to name his associates. Six members of the Court confessed their inability to distinguish between that which is American and that which is un-American and ridiculed the idea that communism may be un-American. The Court violated or disregarded two plain and unambiguous provisions of the Constitution in its zeal to curb the constitutional powers of the House of Representatives.

(14) In the Sweezy case (decided June 17, 1957) the Court denied to the State of New Hampshire the right to question one of its university professors as to his advocacy of Marxism or his belief in communism, although the Constitution clearly leaves such matters exclusively to the States.

(15) In the Raley, Stern and Brown case (decided June 24, 1957) the Court denied to the State of Ohio the right and power to require one of its citizens to answer questions about Communist activities, asked of him by the Ohio Un-American Activities Commission, as authorized by the valid laws of Ohio and as to which the Supreme Court had no concern or jurisdiction.

(16) In the Flaxer case (decided June 24, 1957) the Court set aside the contempt conviction of a Communist who refused to produce records of his Communist activities, subpenaed by the Internal Security Subcommittee of the United States Senate, even though the Constitution plainly says that each House of Congress shall make its own rules and in spite of the fact the fifth amendment, by its words and history, has no application to any proceeding except in a criminal case in a judicial proceeding.

(17) In the Sacher case (decided June 24, 1957) the Court reversed the contempt conviction of an attorney at law who refused to tell the Senate Internal Security Subcommittee whether he was, or ever had been, a Communist. There again the Court usurped rulemaking power from the Senate and violated the Constitution.

(18) In the Rowoldt case (decided December 9, 1957) the Court canceled the deportation order of an alien Communist who entered the United States in 1914 and who admitted that he had been a member of the Communist Party and a worker in Communist causes such as a salesman of Communist literature during many of those years. The Court held that before an act of Congress designed to protect this country against Communist subversives could be applied against such an alien, it must be made to appear affirmatively that activity in the Communist Party was a meaningful association with political implications and that the alien committed himself to the Communist Party in consciousness that he was joining an organization * * * which operates as a distinct and active political organization. Who ever heard of such a rule as that? Who ever heard of anyone so ignorant as not to know the answer to such a fool question, without any proof whatever?

(19) In the Heikkinen case (decided January 6, 1958) the Supreme Court reviewed and reversed the conviction of an alien who was conclusively shown to have been a member of the Communist Party from 1923 to 1930, 1932, 1947, and 1948, and who had gone to a Communist school in Russia between 1932 and 1935 to learn the newest techniques for destroying free government in America. This Communist traitor was convicted in a Federal District Court of Wisconsin and his conviction was upheld by the Seventh Circuit Court of Appeals under the Immigration Act of 1917 which made it unlawful for an alien to willfully fail or refuse to leave the United States within 6 months on order of deportation, or to willfully fail or refuse to make application for travel or other documents necessary for departure, or who seeks to hamper his own deportation, or who willfully fails or refuses to present himself for deportation at a time when ordered to do so. The reason given by the Court for keeping that man in America was that the Government did not show the willingness of any country to receive him. Under that ruling Communists may not be deported to Russia if Russia will not receive them. Even a sociological judge should know that Russia will never accept one of its deported agents so long as that agent has a license from the Supreme Court of the United States, such as was given in the Witkovich case and the Senter case, to roam at large and ply his treasonable trade in the country it seeks to destroy.

(20) In the Harmon and Abramowitz cases (decided as companion cases on March 3, 1958) the Court required Wilber Brucker, Secretary of the Army, to cancel what is known as a general discharge under honorable conditions, for Harmon and Abramowitz and give to them an unqualified honorable discharge, which is the kind received by every honorable soldier that has ever tendered his life or spilled his blood at the altar of American freedom. The reason Harmon and Abramowitz were given qualified discharges was because of Communist activities on their part. Those traitorous soldiers did not contest the ruling that their retention in the Army was inconsistent with national security. What they contended and what the Supreme Court held was that to be and to play the part of a Communist traitor in the United States Army is Honorable—with a capital "H."

Eighteen of the cases listed above were cases in which the Supreme Court reversed the rulings of lower Federal courts or the highest courts of sovereign States. Only two were cases in which lower courts were affirmed and in each of those cases the lower courts would certainly have held otherwise, except for previous decisions of the Supreme Court which were thought to be controlling.

No fair person can read those 20 cases without suspecting that there are at least 5 members of the Court who have a fellow feeling for Communists. What else can explain why they exhibit evidence of personal insult and wounded feelings when a Communist is assailed? Why they should be so solicitous about the welfare and safety of Communists is a question for determination by those in the Congress who have the duty and power to investigate.

On February 22, 1957, the General Assembly of Georgia adopted a resolution requesting that impeachment proceedings be instituted against 6 members of the Supreme Court by reason of high crimes, misdemeanors, and misconduct, as set forth in that resolution. There was a hue and cry by some who never read the resolution. Fellow travelers and the ill-informed tried to laugh it off—and everyone was ill-informed who depended on the newspapers for information.

The Georgia impeachment resolution cited and analyzed 18 cases in which it was alleged that 6 members of the Court had been guilty of such high crimes and misdemeanors as to demand impeachment. Only 2 of those 18 cases are listed above. They are the Nelson case and the Slochower case. A new resolution should list at least 40 recent cases involving Communists that convict certain Supreme Court Judges of such misdemeanors as demands their removal from the bench, in the interest of the internal security of the United States, if for no other.

After referring to some of the cases analyzed above, one of the witnesses before the Internal Security Subcommittee of the Senate, a few weeks ago, an outstanding student of the Constitution and lawyer of Pennsylvania, said:

"Can the logical and orderly sequence of these cases be but an accident? There are not a few * * * who suspect one member of the United States Supreme Court as being under Communist discipline, and another as being subject to their blackmail, and another as knowingly following their desires out of political ambitions and another as being sympathetic with communism because of his associations with so many of them as personal friends, and including members of his family, and a fifth as being motivated by a resentment of a religious nature."

The late H. L. Mencken pointed in the same direction in his secret notebook, published recently under the title, "Minority Report." On page 172, he said:

"Probably the worst thing that has happened in America in my time is the decay of confidence in the courts. No one can be sure any more that in a given case they will uphold the plainest mandate of the Constitution. On the contrary, everyone begins to be more or less convinced in advance that they won't. Judges are chosen not because they know the Constitution and are in favor of it, but precisely because they appear to be against it."

If it had not been made to appear that some of the men named to the Court were violently against the Constitution, as Mencken said, it is unlikely that they would have been appointed. Not one man on the Court had, before his appointment, ever uttered a word or written a sentence that was ever published, so far as we can find, evidencing that he had studied the Constitution, understood it, and was in favor of it.

If there is any man living today who should know something about the Communist conspiracy, that man should be John Edgar Hoover, Director of the Federal Bureau of Investigation. At the national convention of the American Legion in 1957, he alluded to some of the decisions of the Supreme Court which give aid and comfort to the Communist enemy, saying:

"We face a regenerated domestic branch of the international conspiracy, making plans to exploit recent Court decisions and highly optimistic for the future."

Commenting on some of those decisions George Sokolsky, the noted newspaper columnist, and a Russian himself, who learned about communism at its source, said:

"When, in a court, the United States is consistently the loser, the subject requires very profound consideration. Maybe the United States needs an American Supreme Court."

After the decisions of May 17, 1957, which deprived our Government of the essential means for defending itself against traitors, Congressman Howard W. Smith, author of the Smith Act, said:

"I am not surprised. I do not recall any case decided by the present Court that the Communists have lost."

At about the same time the New York Daily News said:

"In decision after decision, the Warren Supreme Court has befriended the Communists and their Kremlin masters, and has weakened the defenses of the American people against this enemy."

Those quotations, with many others of like tenor, may be found on pages 290 and 291 of part II of the published hearings referred to above.

Shortly after the decisions of May 17, 1957, Miss Stephanie Horvath, an undercover detective of the New York City Police Department, testified before the Internal Security Subcommittee of the Senate. Her testimony may be found on page 4571 of part 79 of the subcommittee hearings. She testified that she attended a Communist meeting in New York City, held at Carnegie Hall on July 24, 1957, and that she made stenographic notes of the speeches made there.

She quoted John Gates, editor of the Daily Worker as saying:

"I am proud of the modest but very important part that the Daily Worker played in helping to bring about this victory."

John T. McManus, the brazen editor of the pro-Communist National Guardian and long known for his Communist associations, was heard to say:

"It is, in my opinion, no accident that the Warren Court—and Warren is no accident either—had the courage and determination to right the wrongs of the Vinson Court. * * * I think we must look back also over the behavior of some of the Federal judiciary, and set aside a special niche for Justices Black and Douglas."

When one of the leaders in the movement to substitute a government of flesh for a government of law boasts that "Warren is no accident" and is in their hands, and when Warren acts like he is no accident and is in their hands, it is time for the representatives of the people to start asking a few questions of those who should know the answers. It is time also for the people to replace those Members of the Congress who are afraid to ask questions.

In a series of lectures at Harvard University published only a few weeks ago, Judge Learned Hand, of New York, pointed out many instances in which the present Supreme Court has leaped the bounds of the Constitution to roam at large, tinkering here, experimenting there, and destroying landmarks everywhere. Commenting on the constitutional barriers that the Supreme Court laid waste so ruthlessly in the school cases, Judge Hand thought it "curious" that the Court could not see as big a thing as the 5th section of the 14th amendment which denied to it jurisdiction to decide as it did. He continued:

"I cannot frame any definition that will explain when the Court will assume the role of a third legislative chamber and when it will limit its authority to keeping Congress and the States within their accredited authority. * * * I hope that it may be regarded as permissible for me to say that I have never been able to understand on what basis it does or can rest except as a coup de main."

The Georgia impeachment resolution cites the case of *Bridges* v. *Wixon* (decided on June 18, 1945). There is a strange connection between that case and the School case that was not noticed in the Georgia resolution nor elsewhere.

In the Bridges case the Supreme Court reversed an order requiring the deportation of the alien Harry Bridges, because certain harmless, inconsequential unsworn, hearsay evidence was admitted in the record against Bridges. There the Court held that the use of such harmless, hearsay and nonlegal evidence "runs counter to the notion of fairness on which our legal system is founded."

Thus the Communist Bridges was saved to serve the cause of communism in America because something was allowed to creep into the record against Bridges that had no business there. Bridges was a Communist—mind you.

In *National Council of American-Soviet Friendship, Inc.* v. *McGrath* (decided April 30, 1951) a whole nest of Communists was involved. In that case the Supreme Court held that the use of nonlegal hearsay evidence to blacklist a Communist organization was "abhorrent to free men."

However, in the school cases of May 17, 1954, the Court based its decision entirely and exclusively upon nonlegal hearsay and unsworn evidence—not made a part of the records below but brought into the Supreme Court through a back door—not through the clerk's office—by sociological tramps—and secretly slipped into the record by the Court itself. Thus we have one rule for Communists in America and an entirely different and secretive rule for Americans in America. Communists are now the cherished mentors and privileged pets of some Supreme Court Judges who violate elemental rules of evidence to do for them that which would be "abhorrent to free men" if done against them.

The hearsay brought in by the Court itself in footnote 11 of the Brown School case was "claims of social scientists" as to the dependence of individual Negroes on the position of his racial group in the community. In the Beauharnais case (decided April 28, 1952) where racial questions were involved, Justice Frankfurter, speaking for a majority of six judges, rejected sociology, ecology, and authoropology as unworthy of consideration by upright judges in racial matters, saying:

"Only those lacking responsible humility will have a confident solution for problems as intractable as frictions attributable to differences of race * * *. It is not within our competence to confirm or deny claims of social scientists as to the dependence of the individual on the position of his racial or religious group in the community."

The lesson and the moral taught by the Supreme Court in these cases is that hearsay in any form may not be used against Communists, or Communist causes, but hearsay compounded with sociology and phychology may be freely used in favor of Communists or Communist causes—such as race-mixing for everyone except themselves.

We are nearing the end of a strange revolution and don't realize it. Successful revolutions do not come suddenly and dramatically. Revolutions are won or lost in the hearts and minds of men, long before they are dramatized on battlefields or consolidated in constitutional conventions. Successful revolutions result from long and careful preparation. Outbreaks of violence are but the outward evidence of change. They are but breakers on the shores of time. The American Revolution began 16 years before the Declaration of Independence and ended 16 years later when the Bill of Rights was adopted on December 15, 1791. We have lost the revolution. Our Constitution, our country and our freedom are ripe fruit for Communist picking.

It does not require unusual mental astuteness for a hunter to determine the species of an animal by the footprints he makes as he passes. Indians could tell at a glance. They could track white men by the leaves they disturbed long after they passed. To one who knows a smattering of history and has brains enough to reason, that which our Supreme Court has done and is doing is not difficult to understand. Some of those judges think they have found the bag of gold at the end of the rainbow. The gold at the end of their rainbow is in the mines of Siberia, and "Our harps are upon the willows."

Our Constitution contains the seeds of its own destruction. It also contains the seed of its own survival. The Members of the Congress may yet restore constitutional government in America by doing what they said they would do when they swore they would support the Constitution. Some cry "The Court must be curbed." That is not enough. The Court must be purged.

The Potomac in olden days was associated with grand men like George Mason and George Washington. One was the brains and the other the sword of revolution. In October 1792 George Mason was buried at the edge of an old field near Gunston Hall, 13 miles downstream from Mount Vernon. He had penned the most influential constitutional documents ever penned by man. He lived barely long enough to see the Bill of Rights he had written and fought for adopted as the first 10 amendments.

On the following day the 5 sons and 4 daughters gathered in the library at Gunston Hall for the reading of his solemn will. It had been written in 1773, just as the Revolution appeared to be one that would result in the loss of much American blood. One paragraph of that will mirrored the man:

"I recommend it to my sons from my own experience in life, to prefer the happiness of independence and a private station to the troubles and vexation of public business; but, if either their own inclinations or the necessity of the times should engage them in public affairs, I charge them on a father's blessing never to let the motives of private interest or ambition induce them to betray, nor the terrors of poverty and disgrace, or the fear of danger or of death, deter them from asserting the liberty of their country

and endeavoring to transmit to their posterity those sacred rights to which themselves were born."

If a majority of our Representatives in Congress would find themselves in Mason's mirror there would be no qualms about curbing the Court now, and purging the Court would follow in due course in accordance with Mason's liberal plan of impeachment for misdemeanors or misconduct which was embodied in section 4 of article II of the Constitution in 1787. Warren Hastings was then being impeached for high crimes and misdemeanors in the British Parliament. The impeachment provision proposed by George Mason in Philadelphia was adopted on September 8, 1787. At that time as now, the word "misdemeanor" meant misbehavior or misconduct. That was first made plain when Madison's Secret Notes were published around 1835. John Marshall and Jefferson, for example, were dead before that secret was revealed.

In the debate on the impeachment clause Mason pointed out the necessity of making impeachment easy in order, as he stated, that "attempts to subvert the Constitution" might be conveniently and adequately dealt with by the people, acting through their Representatives in the Congress. Over violent objection by Madison that Mason's proposal will be equivalent to a tenure during the pleasure of the Senate, the proposal was adopted by a vote of 8 States to 3. The Delegates from Virginia stood with Mason against the so-called Father of the Constitution in 1787. May God give us men with courage to stand with him now to thwart attempts to subvert the Constitution by the guardians of the Constitution.

R. CARTER PITTMAN.

DALTON, GA.

ACTION NEEDED TO STEM THE RECESSION

Mr. SYMINGTON. The economic recession has been under way—all downward—for almost 9 months.

During the past 4 or 5 months of this decline we have been greeted with many optimistic proclamations to the effect that the economy is leveling off; and that we are about to turn the corner.

Mr. President, the hard facts do not support such optimism and do not justify inaction.

Unless we take positive action soon, it is not pleasant to consider what we may find around the corner, if and when we do turn it.

Billions of dollars in production of goods and services have been, and are, continuing to be, lost, as capital and labor remain idle.

Much more than wishful thinking is required to get us back, even to the level of a few months ago.

I was much impressed by the analysis of the economy presented by the senior Senator from Illinois [Mr. DOUGLAS] in the Senate on May 19.

Further, in this connection, I ask unanimous consent to have printed at this point in the RECORD a thought-provoking editorial entitled "Time to Rout the Recession," published in the St. Louis Post-Dispatch of May 18, 1958.

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

[From the St. Louis Post-Dispatch of May 18, 1958]

TIME TO ROUT THE RECESSION

"Wait and see" has had a fair trial. The time has now come for the administration and Congress to move in massively to halt the recession. Let politics be adjourned. Let Republicans and Democrats unite to put the Nation back on the road to that economic growth which is indispensable to both our domestic welfare and international leadership.

Last week's business barometers established beyond question that the long-hoped-for upturn has not arrived, and that this is the severest of the three postwar recessions. Gross national product in the first quarter was revealed to have fallen farther than at first reported—to an annual rate of 422 billions, or 4 percent off the 1957 peak of 439 billions. This is not a catastrophic decline, but its gravity is illuminated by noting that to achieve the rate of growth which the Rockefeller report found desirable for the full employment of our human and material resources we ought to be producing this year at a rate of 460 billions instead of 422.

Nor does the second quarter show substantial improvement over the first. On the contrary, the Federal Reserve Board index of industrial production for April fell another 2 points to 126—14 percent off the peak, the lowest level since 1954. Steel shipments have recovered little from the first-quarter doldrums which found them 38 percent below last year. As pointed out by the guaranty survey, a most conservative source, capital spending has fallen much more drastically than in 1954 and shows no sign of recovering this year. Businesses are still liquidating inventories, but sales have shrunk even faster, with the result that inventory reduction—which means weak demand from business for new goods—is likely to continue. Unemployment remains about 5 million or 7.5 percent of the labor force, and is widely expected to reach 6 million with the influx of school graduates into the labor market in June.

There are some encouraging indices. Retail sales went up 2 percent in April. Housing starts rose by 6 percent over March. Some improvement in machine tool production is reported. But over-all, the upturn has failed so far to develop. The Guaranty Survey finds "no clear-cut improvement" in those basic business indicators which heralded the upturns of 1949 and 1954, and concludes that "there continue to be several formidable obstacles in the path of early revival." Briefly, the obstacles are that businessmen are spending much less than last year, consumers somewhat less, and Government not enough more to offset the deficit in other areas of demand.

Can we afford to go on waiting and seeing? The Post-Dispatch thinks not.

The case for waiting rests partly on the hope that continued stagnation will force prices and wages down to the point where demand will revive. But the factors working for rigidity in the wage and price structure seem to us formidable. Furthermore, the falling wages that would accompany falling prices represent a contraction of purchasing power which might mean merely continued stagnation at a lower level. In that case the measures needed to induce recovery would become more complex and drastic. Rather than go through a deflation which might or might not be suitably mild, the Nation would be wiser to build recovery on the existing price and wage structure—resolving, at the same time, to do better than it did last time in controlling the next inflation.

Another argument for waiting is that, assuming recovery to be just around the corner, antirecessionary measures taken now would come into full play at a time when they would aggravate inflation. This argument has considerable force, but on balance we think it must be rejected. Nobody can be certain that the assumed recovery is in fact around the corner, which seems to be a moving target. And though all can agree that inflation is a major long-term problem to be dealt with, the immediate problem of first priority is the idle mills, the bulging warehouses, the lagging trade, the shrinking transportation, the 5 million unemployed who are steadily moving nearer the end of their resources.

So it seems to us much preferable to tackle the recession now, with measures strong enough to rout it and yet flexible enough to be withdrawn once recovery is assured.

Action is needed not only for the Nation's domestic welfare, but because at a time of world struggle for leadership we dare not risk a prolonged economic crisis that would dangerously weaken the Free World. Britain and Western Europe are certain to be infected if our recession goes on much longer. Latin America is already feeling it: some of those stones thrown at Vice President NIXON might have been withheld had commodity markets been firmer.

Nowadays, with Russia and China steadily expanding their output, the production and wealth that are lost in a prolonged slump in the United States cannot be safely foregone. Imagine what could be done with the $38 billion of gross national product that measures the deficit between our present rate of output and that which we ought to be maintaining for a healthy rate of growth. Translate $38 billion a year into national defense, into space exploration, into technical assistance and capital expansion for underdeveloped lands, into schools, and hospitals and urban renewal at home, into improved machinery, better jobs, firmer profits, economic strength and confidence. The index of lost production is the real index to watch. The Nation's first responsibility is to bring that indicator down to zero.

For these reasons we believe the time has come for the Federal Government to move powerfully and decisively against the recession. We urge action by Congress and the administration to:

Reduce excise taxes selectively in those industries hardest hit by the recession and most likely to be helped by reductions;

Grant a quick, temporary tax cut for individuals, concentrated in the income brackets where spending would be most affected;

Adopt a selective, temporary form of fast amortization for corporations, designed to induce capital spending in those areas most likely to respond to such incentives;

Speed up Government spending for useful purposes, and adopt a new public works program, such as the Gore bill, for quick-starting, short-term projects like schools and community improvements, the program to be expanded or contracted as needed next fall and winter.

Equally as important as the precise steps to be taken is the attitude in which the problem is approached. Congress and the administration need to join hands to give the people unqualified assurance that the time of waiting is over, that doubts and hesitations are put aside, that no step will be spared to put the unemployed back to work and set the Nation again on the path to healthy economic growth.

That is the primary objective. Unless we attain it, our other great objectives, national and foreign, cannot be approached.

Mr. SYMINGTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JORDAN in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

REDUCTION OR REPEAL OF EXCISE TAXES

Mr. MORSE. Mr. President, yesterday the Senator from Illinois [Mr. DOUGLAS] submitted a series of amendments to H. R. 8381, the technical amendments tax bill, with which I wish to associate myself. They are tax revisions I have co-sponsored and voted for in the Senate many times in the past.

Primary among his amendments is the temporary reduction in personal income taxes from 20 to 15 percent on the first $1,000 of taxable income, a measure that is critically important at this time.

Furthermore, the Douglas amendments repeal some of the very inequitable and obnoxious features of the Internal Revenue Code of 1954 against which we fought and against which some of us voted in 1954. Senators will recall that in 1954 the tax issue turned not so much on the question whether there was to be a tax cut, but what kind of cut was to be voted and who was to benefit from it.

In order to assure that some of the benefit of the 1954 tax cut would go to lower- and middle-income families, many of us supported and voted for an amendment raising the personal exemption from $600 to $700. That was known as the George amendment because it was offered by the distinguished Senator from Georgia, the late Walter George.

I still favor a higher personal exemption; and for that reason I have cosponsored the Yarborough-Proxmire-Morse amendment of this year, raising the personal exemption from $600 to $800.

In 1954, I voted for an amendment which would have replaced the partial exclusion of dividends from tax with a $20 tax cut for each taxpayer. Thus, I am in full accord with the new Douglas amendment repealing this favored treatment of dividend income.

Thus, I am in full accord with the new Douglas amendment which would repeal this favored treatment of dividend income. In fact, under the 1954 proposal which was advocated by the Senator from Louisiana [Mr. LONG], the Senator from Illinois [Mr. DOUGLAS], and other Senators, including myself, we would have closed the loopholes in a tax law which favored big business; and we would have provided the individual taxpayers with a $20 cut, without loss to the United States Treasury. It was when that substitute was defeated that many of us who are liberals voted against the 1954 tax bill, and rightly so.

Mr. President, on the floor of the Senate, during that historic debate, I referred to the 1954 tax-cut bill as one of the Eisenhower administration giveaway bonanzas to American big business, and a tax cut which discriminated against the small taxpayers of the country. That law, as passed, gave 73 percent of its tax relief to corporations, whereas families earning more than $5,000 got 18 percent of its relief, and families earning less than $5,000 got only 9 percent of its relief.

If there are those who still do not understand why I voted against what I considered to be an unconscionable tax-cut bill in 1954—a bill which favored the large corporations of the country—that is the answer; and I want the people of Oregon to understand that I am proud of the fact that in 1954, I voted against that unconscionable Eisenhower tax-cut bill, which favored the "big boys" and discriminated against the people of the so-called middle-income and low-income groups.

As a liberal, let me say that in my judgment a vote against the tax-cut bill of 1954 was in line with the course of action a true liberal should have followed. I would have voted then for a tax-cut bill, if we could have written a good one; but in 1954, whenever we submitted an amendment which would have made that tax-cut bill a people's tax-cut bill, we were voted down.

That is my answer to those who now are asking, "Why did some of you vote against the tax-cut bill of 1954, although you are in favor of a tax cut in 1958?"

If those who ask that question and who argue along that line would take the time to do their book work and would study the record of 1954, they would understand why the liberals voted against the tax-cut bill of 1954: We did so because we did not think it was a fair tax-cut bill.

Mr. President, I am delighted that the Senator from Illinois [Mr. DOUGLAS] has revived the 1954 tax issue. The principle is exactly the same. In this case, the cut for those in the lower brackets would be greater, in keeping with the greater severity of the economic situation we are in. The revenue loss under this amendment is estimated by the Senator from Illinois at $3 billion, and the net reduction under the whole series would be about $4.5 billion. But as the Senator from Illinois has pointed out, this would just about be recouped from the taxes that would be paid on the greater gross national product that could be expected to result from the kind of tax cuts he has proposed.

Mr. President, let me say that we can rely upon the estimates made by the Senator from Illinois in the field of tax legislation. In my opinion, not only is he the greatest economist in Congress, but he is one of the 10 greatest economists in the Nation today, and he is a recognized tax-expert economist, too. I believe that in its deliberations on the recession problems, the Senate can well afford to pause, to give heed to this great scholar from the State of Illinois, who is recognized by economists to be one of our great experts in this field.

Thus it is I say that reliance can be placed on his estimate that, under his amendments, the revenue loss would probably he recaptured because the tax base would be increased.

In 1954, I may add, the "package" we were supporting was opposed by administration spokesmen who denounced it as "fiscal irresponsibility."

Mr. President, the phrase "fiscal irresponsibility" is a bromide which often is used in connection with debate on tax measures. When we fight for the fiscal interests of the mass of our people, when we insist that those who have the ability to pay taxes should pay them, and that those who are entitled to consideration in time of recession should have the benefit of the kind of a tax cut the Senator from Illinois has proposed this year—a proposal in which I was happy to join, as one of its cosponsors, and a proposal similar to the one the Senator from Texas, the Senator from Wisconsin, and I proposed when we urged that the exemption be increased—we liberals frequently find that the slogan "fiscal irresponsibility" is hurled at us. Mr. President, we are accustomed to hear that slogan stated and restated, and repeated again and again, whenever a salutary tax cut for the people is proposed.

The other Douglas amendments—those reducing the depletion allowance, and providing for the withholding of taxes on dividends—also carry out objectives which I have supported and cosponsored in the past. In 1951, I cosponsored with the Senator from Illinois an amendment which provided for a 20-percent withholding tax on corporate dividends; and I am glad to express my support of the same principle, in the form in which he submitted it yesterday by means of his amendment.

The amendment which calls for a reduction of the oil depletion allowance to 15 percent—as called for in another of the amendments of the Senator from Illinois—is similar to an amendment which was submitted in 1951 by the Senator from Minnesota [Mr. HUMPHREY], which amendment I cosponsored and supported. The loophole dealt with by these amendments is among the most flagrant of all the tax loopholes. So at every opportunity I shall continue to urge the repeal or the reduction of the oil depletion allowance.

Mr. President, the excise-tax amendment which was submitted on yesterday by the Senator from Illinois would repeal and reduce many of the manufacturers' and retailers' excises. The transportation tax on persons would be cut from 10 percent to 5 percent, and the transportation tax on goods would be repealed entirely. His amendment would also repeal the telephone tax. I strongly endorse and support the amendment.

Mr. President, I have heretofore made similar comments, in essence; but they need to be repeated again and again for the RECORD, in connection with any tax-problem debate on the floor of the Senate.

The position taken by me on the issue of excise taxes is not a new one; it is the same as the position I took in 1947. The RECORD will show that I was the first Member of the Senate to submit, and urge the adoption of, an amendment which sought to bring to an end the wartime excise taxes or to reduce greatly the ones the amendment did not propose to repeal outright.

In the course of past debates I have said, and today I repeat, that the wartime excise taxes were placed on the statute books for two purposes:

First, to raise quickly the revenue needed by the Nation for the successful prosecution of the war.

Second, to discourage use of transportation and communication facilities and the purchase of civilian goods by the consumers of the Nation. Incidentally, it is rather difficult to find a means more effective than an excise tax to discourage consumers from buying civilian goods.

Mr. SPARKMAN. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. JORDAN in the chair). Does the Senator from Oregon yield to the Senator from Alabama?

Mr. MORSE. I yield.

Mr. SPARKMAN. Mr. President, I wish to compliment the Senator from Oregon for making this presentation. I believe he is entirely correct.

In my opinion, what is really a reflection on the Congress is the fact that Congress has allowed these wartime imposed excise taxes—with their downward dragging effect on the economy—to remain on the statute books for all this time. For instance, at a time when the railroads are said to be sick, and when Congress is in the process of enacting legislation for their benefit, why should there be a transportation tax on persons, and also on all shipments of freight?

We can make similar points in regard to the entire category of excise taxes.

So I desire to state that I agree completely with the Senator from Oregon.

Mr. MORSE. Mr. President, I thank the Senator from Alabama.

On the subject of the transportation tax, let me say to him that it particularly discriminates against the businessmen of his section of the country and the businessmen of my section of the country, because it works a great hardship on both the South and the West.

Mr. SPARKMAN. Mr. President, the Senator from Oregon is entirely correct. In fact, that tax is an illogical one for all sections of the country.

Mr. MORSE. Yes, it is a completely illogical peacetime tax.

This colloquy leads me to finish my comments on the history of the excise tax. It was placed on the statute books, as I have said, in order to discourage consumer buying. But it was placed on the statute books with a pledge by Members of Congress and by the administration who requested it. What was the pledge? On many occasions since 1947, when I made my first proposal to repeal most of the excise taxes and to reduce the others, I have referred to that pledge, by quoting from the CONGRESSIONAL RECORD. The pledge of Representative after Representative and Senator after Senator, when these taxes were enacted, was that when the war was over they would be repealed. I happen to think that Members of Congress should keep a pledge. It is no answer to me to say the pledge was made by prior Congresses, not by this Congress. We recognize that when a tax law is written on the statute books under a commitment of Congressional intent and purpose, subsequent Congresses have a moral obligation to carry out the purpose originally intended when the tax was imposed. So I say a continuing moral obligation rests on this Congress, and we ought to proceed to keep that moral pledge by getting the tax removed and by greatly reducing the taxes we do not remove entirely.

I have asked before, and I repeat the question for the RECORD today, Who is proposing the repeal or reduction of the excise taxes? Who proposed it in the first place? Many have proposed it, but one particular group stands out, because it certainly is a group that represents American business. I offered my proposal in 1947 for the elimination of some of the excise taxes and the reduction of most of the others. The Committee for Economic Development is composed of outstanding business leaders, and there is not a Government person on the Committee. It is a committee of American industry and businessmen. The Chairman of the Committee in 1947 was Paul Hoffman, then President of the Studebaker Automobile Co. That Committee submitted for the consideration of the American people—and I used it in the debate in 1947—a very scholarly analysis of the effects of the excise taxes. That Committee of businessmen, known as the Committee for Economic Development, a continuing body, which is still doing excellent work in the field of economic research, recommended the very provisions of the bill which I subsequently introduced. In fact, my bill was written from the report of the Committee for Economic Development in 1947.

So I wish to say to the Eisenhower administration, and to my colleagues in the Congress, when I continue to fight for the elimination of excise taxes, I am seeking only to effectuate and implement the recommendations of this great Committee of outstanding American businessmen, who have told us over and over again the bad effects excise taxes have on American business.

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

Mr. MORSE. I yield to the Senator from Missouri.

Mr. SYMINGTON. It is always a pleasure to hear the articulate and very able senior Senator from Oregon on any subject, especially on subjects having to do with our economy, prosperity, and security.

I should like to ask the able Senator if he does not think it is rather extraordinary that, while excise taxes were imposed on passenger and freight transportation during the war, despite the fact that we now know railroads are in trouble, and despite the fact we also know some of the large insurance companies have very heavy investments in railroad securities, when the President of the United States sends to the Congress recommendations designed to aid the railroads, he fails to include any suggestion to relieve them from the excise taxes, which the heads of the railroads say constitute just about the most onerous burden they have to face. Does not the Senator think that is an extraordinary situation?

Mr. MORSE. It is extraordinary. Somebody ought to do better book work for the President than to permit him to send to Congress recommendations for railroad legislation which do not contain a proposal for the repeal of the transportation excise tax. That is my answer to the Senator from Missouri.

I always appreciate the contributions of the Senator from Missouri, to any discussion in which I participate on the floor of the Senate. This is an example of another helpful contribution. It causes me to point out that I happen to be chairman of the Subcommittee on Railroad Retirement. We have before the subcommittee a very serious problem in regard to railroad retirement. Thousands upon thousands of retired railroad workers are entitled to some consideration from the Government in the form of legislation which should be enacted this year. They have contributed to the retirement fund over the years. Their dollars have shrunk. They are in the position of not receiving a reasonable retirement allowance. I am confronted with the subcommmittee's receiving proposed amendments to the Railroad Retirement Act and representatives of the carriers testifying with respect to the deplorable financial condition in which they find themselves.

There is involved a balance between what I consider to be the equities of the retirees and the fiscal situation in which the carriers find themselves. I happen to think we are going to have to take some action by way of legislation this year. As soon as my committee writes up the retirement bill, I shall submit a proposal which will do justice to the retirees. I also want to do justice to the carriers. I say to the President of the United States one proposal he ought to make, and quickly, in order to do justice to the carriers, is the repeal of the transportation excise tax, because the removal of the tax would prove to be a great help to the carriers.

Mr. President, as I said a moment ago, the excise-tax amendments submitted yesterday by the Senator from Illinois repeals and reduces many manufacturers' and retailers' excises.

I wish to make it clear to the Senator from Illinois that I endorse and support all his amendments of yesterday, individually and in toto. They carry out sound principles of tax policy for which I have always stood. I believe his proposal for a personal income-tax cut carries out the equally sound principle of Federal fiscal action to counter the recession. This principle is embodied in the Employment Act of 1946, of which I was a coauthor.

Any assistance I can offer in any way to the Senator from Illinois to obtain consideration and adoption of these amendments is his. I want him to count me in as an advocate and backer of his proposals.

I close my comments on the tax question by a brief observation. Nothing has happened to change my view of months ago that the economy of the United States needs both a tax cut and a substantial public-works program. I happen to hold to the political tenet that when the people of a democracy begin to suffer because of economic dislocations which have developed, it is a moral obligation of Government to use its instrumentalities to come to the assistance of a suffering people.

Oh, it is all right, Mr. President, to go to New York and talk to an audience of businessmen, as the President of the United States did the other day, when he told them "Things are picking up. We have about reached the end of the slump. There is a leveling off." But let me say that is small comfort to several million people who have been unemployed for many months. It is small comfort to businessmen who have gone bankrupt as a result of the present recession. It is small comfort to the people who have suffered as a result of the inaction of the Eisenhower administration with regard to the recession. Likewise, Mr. President, it is small comfort to the people who have suffered as a result of the fiscal policies of this administration, started in February 1953, when the inexcusable hard-money, tight-credit, high-interest-rate policy was put into effect.

Not in a spirit of "I told you so," but in the interest of keeping the RECORD straight, I shall always be proud of the fact that the same day the very unfortunate fiscal policy was announced by the Eisenhower administration I stood on the floor of the Senate and protested, warning that it was bound to lead to economic difficulty for many Americans.

I did not have to be a seer to make that prediction, Mr. President. Anyone who simply knew the principles of elementary economics in the operation of the Nation's financial structure could easily see that was bound to happen. That is why I said in those days, in the debates which ensued, that one of the effects of the policy would be to make the bankers richer and the small-business men of America poorer, to make more money for the bankers as they loaned less money at higher interest rates.

A sorry record was made as a result of that policy, and we are now beginning to see the White House chickens come home to roost.

Mr. President, I not only favor a tax cut and a public-works program of a considerable number of billions of dollars, but I happen to think the American system of private enterprise is worth protecting. When one stands for a tax cut and at the same time for a public-works program, as liberals do, one stands for the protection and strengthening of the private-enterprise system of America.

The private-enterprise system is not strengthened by a recession, I may say to the President of the United States. The private-enterprise system is not strengthened by permitting economic conditions to worsen to the point that today America has the highest bankruptcy rate it has had in 20 or 25 years. The private-enterprise system is not strengthened, I may say to the President of the United States, by following a course of nonaction, a course of wait and see, and by predictions that better times are about to come.

When a President of the United States takes his oath of office, I happen to think that he, too, assumes a moral obligation to see to it that the Government will do for the people what needs to be done in order to protect them from the kind of suffering a considerable number of millions of our fellow citizens are suffering today as a result of the Eisenhower recession in many parts of the country and the Eisenhower depression in other parts of the country.

Oh, I know that those of us who take the position which I am taking on the floor of the Senate are said to be fiscally irresponsible because we stand for a tax cut and a public-works program at the same time. Some try to frighten the people with the "boogie" word "inflation." It is said that if we make a tax cut and provide a public-works program, we will have inflation.

Well, Mr. President, we are confronted with a very interesting economic situation in our country at the present time. We are confronted with a great scarcity of hard, cold cash in the pockets of millions of consumers. We are confronted with an abundant inventory. So abundant is the inventory that many manufacturing industries are operating at only a small percentage of their productive capacity. Inventories remain high because people are not buying at the same rate as before.

The last figure I saw with regard to steel showed that the steel industry was operating at 54 percent of capacity. I ask Mr. Eisenhower: At what percent of capacity does he think the Russian steel plants are operating? We need to ponder the comparison.

Let me say, as a member of the Committee on Foreign Relations of the Senate, the great threat to America in the 100 years immediately ahead will be the threat of Communist economic penetration throughout the world. We cannot afford the luxury, may I say, of a steel industry operating at 54 percent of capacity, because the strengthening of freedom around the world calls for full production by the industrial sinews of America. I would ask the President of the United States to reflect on that need, as I make my plea for a tax cut and a public-works program.

Mr. President, we can impose some inflation controls if inflation should develop, but I agree with the economists who are pointing out to us that we do not face that danger. There is not the danger of inflation, which the President talks about, when we have a shortage of purchasing dollars and an oversupply of inventory. The Senator from Illinois covered this point very well in his outstanding analysis given to the Senate on Monday.

I used a homely example the other day by referring to what I was going to do as a farmer in regard to the purchase of some farm machinery this year. I am glad to report the success I had in my little program, because, after all, such simple illustrations sometimes are the best one can give of the operation of economic laws on a wide basis.

Some time ago I referred to the "inflation bugaboo" argument used by the Eisenhower administration. I pointed out that in my farm operations this year I would need a new hay baler, I would need another tractor, and a cornpicker. I pointed out I had already stopped at two farm equipment places to try to David Harum a deal on a hay baler. I said that by those two stops I had already saved myself $250, and that when I was able to save myself $350 I would buy the hay baler. The end of the story is that I bought one, and saved myself $410.

I use this homely example, Mr. President, because it is a pretty good down-to-earth example of what happens when there is an overstocked inventory and somebody comes along with some hard, cold cash in his pocket. I had the cash. I got it from another David Harum trade, to relate which I shall not take the time of the Senate. I did a little selling, and as a result of selling I was able to have the cash to buy the hay baler.

In my judgment, Mr. President, this illustration would be multiplied by millions of instances across the Nation if we could put into the pockets of the consumers of America some tax savings they could use as hard, cold cash for purchases from an already supplied inventory.

"But," say those of our colleagues and the newspaper editors who take a contrary position and who charge us with fiscal irresponsibility, "if you were to follow the course of action proposed by those who support the Douglas tax bill and Yarborough-Proxmire-Morse tax bill, it would not put men back to work."

Let us see whether or not it would. Who says it would not? Those who jump at the false conclusion had better take a look at how the economy really operates.

If there is a tax cut, and people are provided with cash to help reduce inventories, the businesses of the country will be in a position to enter into new-order contracts for new inventories. That will put men back to work. It will not happen overnight, of course, but we must start the chain of causation and effect. If the effect is to be greater employment, there must be cash in the pockets of purchasers to buy an overstocked inventory. That is a very elementary principle in the operation of economic laws; and politicians cannot repeal economic laws. We had better start recognizing them and following them.

Another bugaboo argument, another scarecrow argument, which is supposed to cause politicians to run for some kind of political storm cellar, is the argument that, "If you stand for the Douglas-Yarborough-Proxmire-Morse program in the Senate, you not only will have inflation; you not only will not help people who need jobs"—both of which arguments in my judgment, are highly fallacious—"but there will also be deficit spending."

Those who make such an argument make a great bogy of deficit spending. They try to persuade the American people that the country will fall if we have deficit spending.

I am one politician who is not afraid of deficit spending. To the contrary, I recommend it; I am recommending several billion dollars' worth of deficit spending, as fast as we can get the projects underway. In my judgment we shall require at least $10 billion of deficit spending, and I am not sure that we shall not require

more, in order to right the economic injustices which are being caused by the recession.

Let us take a look at deficit spending. The impression is sought to be created, as we listen to the scarecrow artists who use the deficit-spending argument, that Uncle Sam is just about broke, just about ready for the bankruptcy court.

Deficit spending would increase Uncle Sam's wealth. If we continue to follow the course of action we are now following, Uncle Sam will end up poorer than if we proceed at once to stimulate American industry, so that new wealth can be produced from the new projects which will result from the lending by Uncle Sam to America the money necessary to start a public-works program and to stimulate a purchasing program which will empty the inventory shelves.

Deficit spending is really a form of installment buying on the part of Uncle Sam, in the interest of the private enterprise system. It is a form of borrowing on the part of Uncle Sam so that private-enterprise industry can go ahead again in high gear, in a wealth-creating program which will put people back to work. It will keep small business in operation. It will empty the inventory shelves. It will result in new orders. It will cause the steel industry to operate, not at 54 percent capacity, but at full capacity. That is why I am not frightened by the scarecrow of deficit spending. I am for it. I think economists largely agree that it was deficit spending which killed the great depression, deficits that resulted from massive expenditures during World War II. Deficits can be created either by tax cuts or by public expenditures. Right now, a tax cut is the quickest way of increasing the total amount of combined public and private spending. The effect of public-works spending will come later.

But there must go along with deficit spending—and this relates to a subject which I discussed earlier in my remarks—taxing in times of prosperity, not only to balance the budget, but to pay, in times of prosperity, a substantial amount on the national debt. The time to consider the deficit is when we have prosperous times, and we can tax to reduce the deficit.

If we are to follow the moral obligations of a free society in a democratic form of government, we cannot justify refusing to engage in deficit spending when the welfare of the people calls for it; and I respectfully submit that the welfare of the American people calls for substantial deficit spending in the period immediately ahead.

I am willing to stand on the side of those experts who are presenting to the Congress, through one medium or another, their research findings and their scholarly articles on the operation of our economy. They contend that a substantial amount of deficit spending at this time would result in bringing economic justice to millions of their fellow Americans who are suffering as a result of the policies which have been pursued by this administration since 1953.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

RETAIL PRICE FIXING

Mr. MORSE. Mr. President, as a member of the Senate Select Committee on Small Business I have long been aware of the extremely difficult problems facing small-business men throughout the Nation in their efforts to deal on a competitive basis with American big business.

The American public is almost totally unaware of the campaign that is underway to pass a retail price-fixing measure which would severely weaken the antitrust laws of the United States. For various reasons we have been told practically nothing about this very active campaign to impose legalized price fixing on the American consumer. The press and radio have not given sufficient attention to this issue. This may be attributable to the fact that the subject is extremely technical. It is not surprising, therefore, that we in the Congress are receiving mail only from one side, namely, from the proponents of these bills that would authorize the fixing of retail and wholesale prices.

I have before me the testimony presented to the House Committee on Interstate and Foreign Commerce by a scholar who has been studying this problem for the past 8 years. The author is a Jesuit priest-professor, the Reverend Robert J. McEwen, S. J., chairman of the department of economics in the university at Boston College. His sober and serious consideration of the economic and ethical arguments on the topic of federally enforced resale price maintenance laws is worthy of consideration by all Members of this body.

I ask unanimous consent to have printed in the body of the RECORD a statement presented by Father McEwen during the course of the hearings of the House Interstate and Foreign Commerce Committee on the proposal for a new Federal fair trade act.

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

STATEMENT OF ROBERT J. MCEWEN, S. J., ASSOCIATE PROFESSOR OF ECONOMICS, BOSTON COLLEGE, CHESTNUT HILL, MASS., BEFORE SUBCOMMITTEE ON COMMERCE AND FINANCE, HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE IN HEARINGS ON H. R. 10527, APRIL 1958

My name is Robert J. McEwen. I am an associate professor of economics and chairman of the department in the University at Boston College. My qualifications include graduate degrees in economics from Fordham University and from the University at Boston College, and degrees in philosophy and theology from the Pontifical Institute at Weston, Mass. I have specialized in teaching courses in the social responsibilities of business, in the socio-economic teachings of the church and in the area of money and banking. My doctoral dissertation was on the subject of fair trade laws. Now in the hands of a publisher, it will bear the title "Price Justice and the Fair Trade Laws." In preparation for this work I have been doing research on the subject of fair trade for the last 8 years.

REPRESENTATION

Though a member of several organizations, I must emphasize that my testimony in no sense reflects either official policy positions or official statements of these organizations.

REASON FOR APPEARANCE

A word of explanation may be in order to clarify my reasons for consenting to take a public part and a public position in this delicate area of public policy. Because I am connected with none of the special interest groups that have a vital and direct stake in this legislation, and because I believe that Members of the Legislature may be interested in hearing testimony that links the professional economic and ethical viewpoints on this question, I have consented to go on public record with views that I have frequently expressed in private conversations and in individual classes.

Furthermore, I want my testimony to bear witness to the fact that Christian philosophers and economists are vitally interested in the practical problems of the business civilization. Political and economic policies and actions are fundamentally moral and ethical decisions. If right principles and honest objectives guide us to the selection of correct practical policies, the whole moral tone of our society will remain healthy.

If the suspicion grows that your practical decisions are based solely or mainly on narrow prejudices or selfish pressures, a dangerous cynicism will pervade the souls and minds of the people. Their loyalty and confidence in our democratic processes of government will be destroyed. Need I remind this audience that such an effect is almost an automatic sequel to the narration of certain facts of American political history—even when the teacher bends over backward to be understanding and realistic.

It is good, therefore, that Congress has a practice of calling independent witnesses to testify on issues of public policy. To leave it to chance that the conflicting views of interested parties would develop all the information and argument needed by Congress to decide where the general public interest lies would be risky. It could happen that the policies urged by such interested parties may be fully in harmony with their own particular self-interest, but not at all conducive to the general welfare of the public. The reliance by Congress on the presentation of the views of conflicting lobbies could lead to the evils of special interest legislation so much deplored of late by political scientists.

FOCUS OF TESTIMONY

Ignoring for the most part legal technicalities involved in this present bill, I shall focus my testimony on the aspect of desirable public policy for Congressional action in this area. My specific viewpoint will be a blend of economic, social, and ethical considerations.

As an introduction to my statement, allow me to insert here a brief summary or abstract of the main conclusions of my doctoral study.

SUMMARY OF STUDY, PRICE JUSTICE AND THE FAIR TRADE LAWS

(By Robert J. McEwen, S. J.)

The inspiration for this study came from long years of searching the philosophical literature dealing with economic questions for a satisfactory statement of the meaning of the adjectives "fair" and "just." It appeared that these adjectives, without sufficient explanation or justification, had come to be applied to many current business practices whose nature demanded exploration. Fair trade laws presented the most obvious area where the justification of the word "fair" should be examined in the light of the philosophy of price justice.

The core problems are two: (1) Is there a workable philosophy of price justice capable of application to modern economic realities? (2) If so, are fair trade laws in harmony with the principles of pricing justice?

This study, therefore, is an attempt to apply social philosophy, with its general and specific principles of pricing justice, to a definite system of pricing practices sanctioned by law.

As sources for the doctrine of justice, main reliance is placed upon the Judaeo-Christian tradition as interpreted by contemporary authorities in the socio-economic field, such as Monsignor Messner and the Reverend B. W. Dempsey, S. J. The writings and speeches of Pope Pius XII are frequently used to illustrate doctrinal points and to emphasize the fact that this teaching is not limited to medieval times but is meant explicitly for 20th century economies. An explicit attempt is made to avoid entering the area of historical controversy about the development of the just price doctrines.

Part 1 presents a currently applicable synthesis of the requirements of pricing justice. The first core problem is thus answered with a qualified affirmative. There is a sufficiently workable philosophy of pricing justice from which the conditions for correct markets can be derived. Thus, the just price is defined as the economically correct price, the resultant of the interaction of real and natural economic forces operating through a market mechanism which is geared to insure the free and accurate expression of the valuations of the community. Further, the purposes which will justify attempts at interference with, or regulation of, the market process are also deduced from the conditions for market correctness. Thus, criteria for the evaluation of the purposes of fair trade are established.

Part 2 presents the purposes of fair trade in the words of its proponents. The prime purpose claimed is the prohibition of price cutting on branded products in order to protect the manufacturer, the consumer, and the small-business man.

Part 3 narrates the results of a series of statistical and industry studies, including surveys of the market distribution of photo flashbulbs in the cities of Boston and Washington. This industry was chosen because (1) there were only three important producers, (2) their product was easily identified by investigators, (3) one company used fair trade while the others did not, and (4) the product was sold in two types of store. Washington, as a non-fair-trade area, is useful as a test against which to compare the Boston data. The main conclusion of such a comparison is that no real differences, based on the existence or nonexistence of fair-trade laws, can be detected in this industry, with the exception of the availability of bargains in Washington. What differences there are may be traced to differences in store type. Strong drug trade associations and the oligopolistic nature of the flashbulb industry are responsible for the observed similarities of retailing behavior. A very high index of identical pricing of competing brands in the stores carrying multiple brands is observed. The observed index is 91 percent.

Part 4 evaluates each of the alleged purposes of fair trade in the light of criteria for price justice and market regulation derived from part 1 and in the light of the evidence produced by the fair trade surveys and studies of part 3.

Among others, three core propositions in the Christian doctrine on price justice are involved in the evaluation. They are: (1) The necessity for social control of the pricing process either through the mechanism of effective competition or through public law regulation; (2) the necessity of allowing the buyer side of the market to have a full share in the determination of the prices of both goods and services; (3) the principle that the social product should be produced at the minimum level of socially necessary costs.

As fair trade evaluative criteria the following deductions from the doctrine of part 1 need emphasis:

1. The crucial importance of a sensitive market mechanism to express the common estimation of values.

2. All market forces must ultimately express values as monetary prices. To remove these from market determination is to break the community's economic thermometer.

3. The ideal market—a goal always to be sought, though never fully achieved—involves the perfect fulfillment of the four conditions of knowledge, will, freedom, and absence of influence.

4. Only two ways are open to achieve just prices—either naturally through correct markets, or legally through governmental price fixing.

5. The law must not supplant the market unless (a) the latter cannot operate, and (b) important public welfare goals are at stake.

6. The law, or other social controls, must not regulate the market except with the purpose of allowing it to perform its natural function more perfectly.

Conclusions

1. There is no sufficient justification for lending public legal support to the objective of protecting trademarks or channels of distribution for the manufacturer. While these may be legitimate private goals, there is no evidence that they constitute a valid object of public concern.

2. The consumer protection argument cannot be taken seriously. Consumer organizations deny such a need. The sponsors of fair trade have not been recognized as champions of the consumer. No independent evidence of the need for consumer protection of this nature has been found. The statistical evidence advanced by fair trade advocates was found to be inadequate, false or misleading. Errors of statistical procedure have vitiated every attempt to produce statistical proofs.

3. There is merit to the argument that small business must be given some form of special assistance. Fair trade laws are not the proper instrumentality to give this aid to small business. They probably do the small man more harm than is realized, particularly because they raise the general cost of doing business and invite chainstore competition with specialty shops.

4. The concept of competition in business that is found to be implicit in the fair trade position is distorted and deficient. It is inadequate to fulfill the function of competition as conceived by Christian price justice doctrine. It is deficient because: (a) It excludes competition completely from the retail level; and (b) it really makes possible the exclusion of price competition even at the manufacturer level in many instances. The fair trade position implies the desirability merely of interproduct competition. Both Christian price justice and the United States antitrust laws imply interseller competition. Only the latter is able to supply a theory of the function of the retailer that makes it clear that distributors perform a real economic service to society worthy of a justified financial reward.

5. The inadequacies of legal measures which attempt the direct control of prices and the undesirability of adding public law sanction to privately fixed prices supply further motives for concluding that fair trade laws are not in harmony with the principles of price justice.

6. The social implications of the fair trade philosophy, as is clear from foreign as well as domestic experience, are dangerous to a free, progressive economy due to the multiplicity of restrictive trade practices encouraged by such laws. Attempts at a system of licensing members of a trade, at quotas allowed to each member, at entry restrictions into the trade, at restrictive sales laws forbidding other types of store from selling certain products—all these have been, and are logically, the next steps after fair trade price fixing.

At the outset let me emphasize that I have real respect and admiration for those members of the retailing profession that I happen to know personally, particularly drugstore owners. There are no finer men in the world. Let me add, too, that I am conscious of and sympathize deeply with their problems and difficulties. I realize that there do exist certain unethical practices by a small minority of retailers and that frustration at the unfairness of these tactics has led to the demand for some protection, such as is thought to be given by fair trade laws.

Since the word "fair" occurs so prominently in all discussions on this problem, it may be advantageous for me to sketch for you an outline of the Judaeo-Christian theory of market justice—in other words, of what is fair in market practices and in market prices. For, after all, in this context the words "fair" and "just" should mean the same thing.

It may be well, at this point, to state clearly the meaning of the adjective "Christian," as used in this study. Primarily, it means the conclusions and arguments of natural human reason, attempting to apply the so-called natural law tradition to social questions. The reason for keeping the argument on this level of natural reason is this: It appears to be the best way to achieve that "coalition of all people of good will throughout the world," which Pius XII said was the only way to reach a solution of grave social problems. (Address of June 4, 1950. See Review of Social Economy, vol. 8, No. 2, p. 134.)

The central core of the theory of price fairness or price justice lies in the concept of an exchange of equivalent values. What I give you in exchange for what you give me must be equal in objective economic value. If this were not true, one party to an exchange would be cheated by the other party and the exchange would be clearly unfair and unjust. This does by no means preclude the possibility, or the reality, of subjective profit or gain on both sides of the exchange. In other words, I gain subjectively from an exchange because I have a greater desire for what I receive than for what I give up in payment. And, of course, my opposite number in an exchange profits subjectively also because he has a greater subjective desire for what I am giving him.

Now the key question in the determination of economic justice in exchanges in market is this: How do we know the objective values of things in order that we can perceive when an exchange is really between two equal values? It is possible for a mind possessing infinite wisdom to make such an evaluation for all goods and services in the world but such a mind does not exist on this earth except perhaps as a fictional element of totalitarian economies. In free societies and free economies the manifestation of objective equality of values for exchange purposes must be left to the social device known as the common estimation of free buyers and sellers in a correct market. (The characteristics of a correct market we shall enumerate shortly.) Some products and services, however, do not have by their very nature a free and common market and, therefore, some other device must be used by society to establish equivalents of value in exchanges. This is the field known as public utility monopolies. Here equivalence of value is decided either directly or indirectly by the supreme civil authority acting in the name of the general public. Such prices, in the terms of social ethics, are known as legal prices. The former, that is those established by the

common estimation of buyers and sellers in a correct market, are known as natural prices. Now what are the required conditions for a correct market?

Obviously this will be a matter of degree. The perfect fulfillment of all the conditions for a correct market will represent an ideal that exists nowhere in full reality. However, the proper policy for the social action of a political community will be one that attempts to approach as closely as feasible to the ideal conditions of a correct market.

The correct market is one where the following conditions are fulfilled:

(a) Information. Knowledge must be had by all buyers and sellers, at least in an adequate measure, concerning all the conditions affecting the product, its cost, uses, qualities, substitutes, and other factors affecting both the supply and the demand side of the market.

(b) The will to accept justice in market dealings as the guiding principle of their business activity.

(c) Freedom available to all buyers and sellers to express in the market their true judgment of the values of the product.

(d) The absence of any substantial influence which could distort either the demand or the supply side. This means the exclusion of all types of fraud, deception, and monopolistic compulsion.

The first condition, that of adequate knowledge, is probably the one that offers the greatest possibility of private and governmental improvement. As Professor Mason has said, "consumer's ignorance has opened up a wide field of economic opportunity for methods of nonprice competition of dubious merit" (Economic Concentration and the Monopoly Problem, p. 157).

Improved knowledge, of course, is the chief goal that motivates consumer organizations in their activities for their members. Reformers might usefully concentrate their efforts in this area. It may prove to be the best way to improve the correctness of the markets without destroying freedom, mobility, adaptability, and initiative.

To this end attention should be directed to current efforts in States like Massachusetts, New York, Michigan, and Pennsylvania, to establish a State office of consumer's counsel. The potential good, in a purely publicity and educational way, that such offices could achieve is sufficient justification for their existence. Farsighted governors in these States have had the wisdom to advocate such official attention to the needs of consumers.

The condition of freedom to express a true market judgment is also an obvious necessity. No true reflection of society's evaluation of goods and services will be found in a market where buyers and sellers are not really free. This, of course, is not the unlimited freedom of action implied in laissez-faire markets. The last condition, prohibiting the exercise of undue influences, places obvious boundaries within which the free judgment must remain.

In summary, these four conditions are necessary in order to get a correct market; a correct market is necessary in order to establish objective equivalence of exchanged values; and objective equivalence of values is necessary in order to preserve the balance of justice in exchanges. A social organization which is not geared to assure substantial justice to the participants in the social organism will soon decay from within. Herein lies the importance of the specific principles of pricing justice which should govern the exchange activity of men.

Another name for the just price is the natural price. This brings out very well the idea that the requirements of pricing justice do not flow arbitrarily out of the head of some ecclesiastic, but do proceed logically as rational conclusions from the nature of things and of men.

But what of the cases where it is impossible to have a correct market? Catholic doctrine knows only two general types of prices, (1) natural prices, i. e., those resulting from the orderly interaction of the forces of demand and supply in the market; and (2) legal prices, i. e., those fixed by public authority. And these latter are only just to the extent that they equivalate that natural price which a true communis aestimatio would establish if the conditions for a correct market were fulfilled.

Any other kind of price which may de facto exist in the economy is not a true price, i. e., a monetary expression of value. Rather it is a distortion of true value.

Thus, when society is so organized that the requirements of a proper social framework are achieved, and when, as a consequence, legitimate owners of wealth have both the will and the opportunity to meet each other in correct markets, the resulting interaction of the actual forces of supply and demand will produce the just price. This will be, accordingly, the economically correct price also—that is, correct in an economy that has subordinated itself to all the moral requirements listed above.

Two very important characteristics of this just price deserve special mention. It is expected that the just price be subject to variation with differences of time, place, and technology (including the development already reached by the economy in question). Furthermore, the just price is not to be considered a fixed point. It is, instead, a range with upper and lower limits. The width of this range will, as a general feature of all markets, grow with the increasing prosperity of the country and with the concomitant growth in its money supply.

Function of retail competition

The functions of the retailer, and of competition, as conceived either implicitly or explicitly by the proponents of fair trade should be judged in the light of the following questions.

What is the proper function of the retailer in a distributive mechanism that creates just prices? If he is just a manufacturer's agent carrying out blindly the latter's orders, how does that give him a specific function to perform that will differentiate him from a dumb vending machine? After all, even the vending machine is adding time and place utilities to the manufacturer's product. In point of fact, the vending machine is adding more of these utilities because it is open 24 hours a day. Under this fair trade conception, how does a retailer add any more than the machine?

On the other hand, if a retailer, as a free and Christian system would suggest, (1) acts as the consumer's eyes and ears, (2) gives correct and honest advice to consumers, (3) rejects worthless goods and encourages superior quality ones, (4) paves the way for having products produced and sold that are meeting true needs of consumers at true prices, and (5) forces correct costing and pricing on the manufacturer, then it can truly be said that he is performing a real economic service to both buyers and sellers in the market. Then for a valuable contribution to the distributive system, he merits a proper reward.

However, the rise of what is called monopolistic competition has seen the manufacturer more and more taking over the retailer's functions, chipping away gradually at his specific responsibilities until he is reduced to a robot or a vending machine. If the retailer acquiesces in this process, he is admitting that he no longer deserves the monetary reward that was formerly justified by his specific responsibilities and contributions. Furthermore, if he acquiesces in fair trade pricing, he is admitting that the value of his services may properly be set by the manufacturer, and not by market forces between himself and consumers.

Marketing theory conceives of each step in the distributive system as adding time, place, form, service, and instructional utilities to the bare product as it left the hands of the maker. In a real sense, so the theory holds, all these utilities are in the nature of "value added" to the manufactured item. Hence, they are true economic utilities and, as such, deserving of a price or a reward. In the older terminology, they are the "costs of distribution."

The ultimate retail price to the consumer should reflect a charge for each of these utilities incorporated in the particular good. However, it is hard to find justification for the claim, implied in fair trade identical pricing, that each and every seller of a product has added to the product exactly the same list of utilities in exactly the same degree. Under identical pricing, either some seller is not getting paid enough for the services he has rendered or some other seller is receiving too much.

In a system incorporating a sensitive market calculus of the real consumer appreciation of the worth of these various utilities, the sellers (retailers) have to engage in price competition with each other. It is not sufficient to say that products compete with each other. The product as it left the hands of the manufacturer should not be conceived as economically the same product which the retailer sells to the customer. Therefore, it is a little hard to see how the manufacturer should have the right to fix the final price at which the retailer must sell the goods. Otherwise, one falls into the danger of saying that it should be the manufacturer and not the consumer, who is fit to appraise the value of all the additional values or utilities which the distributive process has added to the maker's article.

Cost of doing business

One of the most disturbing features of the proposals advanced to justify fair trade is the attitude toward the cost of doing business. Some fair trade companies set their retail prices by taking into consideration the average cost of doing business in the particular industry as revealed in surveys of some previous period. Many legislative proponents of fair trade speak frequently of the cost of retail operation as if it were an inflexibly fixed and necessary figure that had to be added to the manufacturer's price, plus a retail profit figure, to arrive at the final selling price.

This passive acceptance of past standards of retail operation, and especially this illogical devotion to an average cost figure, would appear to ignore the economic realities of the components of the cost of doing business.

A trade reporter summarized the opinion at one of the annual spring markets thus:

"Never before have the department stores been so cognizant of how antiquated is the present price structure, trade spokesmen say. Because the discount threat has forced them to reappraise their operating costs, retailers have found that the 40 percent markup is more than an adequate margin, trade sources say. (Cf. Bob Okell, Retailer Battling to Keep His Spot in Hectic Market, Retailing Daily, July 11, 1955, sec. 4, p. 1.)

It should be remembered that a retailer uses the terms "margin" and "markup" to mean the percentage of the ultimate sales dollar that remains with the retailer after he has paid the manufacturer and wholesaler. For instance, if a retailer buys a product from his wholesaler for 60 cents and sells it for $1, he makes a 40-percent margin of profit or markup. In reality, 40 cents profit on 60 cents invested is a 66.6 percent profit. This is a common fair-trade margin. Out of this margin, of course, a retailer has to pay

his costs of operation. If they are very high, he may have nothing left.

Compare, for instance, a study of the reasons for the return of merchandise at Gimbel's department store in New York which revealed the following facts:

1. Salespeople were mishandling customers attempting to exchange goods. As a consequence, the customers were asking for a return credit instead of taking something else. A training program was instituted to correct this situation.

2. Every month "more than 500 packages are brought back * * * by United Parcel because handwriting by a salesperson is illegible or wrongly addressed."

3. During 1 week, 560 sales checks, totaling approximately $6,000 were written out for merchandise that was out-of-stock. All of these customers had to be contacted and the matter rehandled.

This is but one sample of an element in the cost of doing business that is neither necessary nor proper. Excessive numbers of retail outlets in Fair Trade areas, of course, produce underutilization of resources. Two other highlights of the new NARD survey of drugstore operation are extremely significant:

1. "Operating expenses consumed approximately 28 cents of each sales dollar. * * *

2. "Unoccupied time is a significant cost in the retail drugstore. Wages for idle time represented from 8.5 to 39.1 percent of total operating expenses, an average of 21 percent of sales. While much of the unoccupied time in the retail drugstore is in the nature of 'standby capacity' the cost of this time is often the difference between profit and loss." (Burley, Fisher and Cox, Drug Store Operating Costs and Profits (New York: McGraw-Hill, 1956), p. 8.)

Easy reliance on maintained high margins of profit and markup tend to diminish the competitive impulse to correct such conditions. Fortunately there is some evidence that reasonable men in retail distribution are beginning to agree with this thinking. In an editorial, signed by the editor and publisher, Electrical Dealer said:

"Dealers who couldn't speak rationally about the discount houses a year ago are analyzing the low-cost retailers' techniques and attempting to follow some of them. * * *

"It is possible * * * the high-cost retailer will not price himself out of the market on competitive merchandise, and the low-cost dealer will have to lower his discounts in order to give some of the extras he has eliminated. The leveling-out process would peg the cost of distribution at a fair price." (Low versus High Cost Retailers, October 1956, p. 90.)

Any argument or any conclusions that must be based on the accounting or record-keeping practices of retail stores is highly suspect. Especially in the case of specialty stores, according to the opinion of a survey director, caution must be used in interpreting any statistics because such stores are too loose and uncertain in their accounting.

In a comparison of these notions of competition held by the fair-trade adherents with the principles of market correctness, the total and complete incompatibility of the one with the other is too obvious to require long elaboration. While the principles of price justice admit of much community or social regulation of the terms or framework of competition, they are insistent on preserving the actual process of price determination itself from artificial or external influence.

Freedom of entry

You should be clear about the alternatives open to us as a society. If you accept the idea of price fixing in order to keep in business all those now engaged in a certain trade, say drugs or gasoline, then you must be logical and pass a law prohibiting anyone else from opening up a new drugstore or a new gas station. If there is not enough demand to keep everybody in the industry profitable without price fixing, then obviously there is no room for a newcomer in that line of business.

(If you think this to be a farfetched line of reasoning, then I respectfully remind you of the recent action of druggists in England who specifically proposed to limit the opening of any more drugstores.)

However, if you intend to preserve our traditional American right for every Tom, Dick, and Harry to enter any business he sees fit—at his own risk, of course—then you must be prepared to accept the possibility of human failure and miscalculation. Therefore, there will be inevitable business failures.

We cannot, as a society, have a cake and eat it too. We cannot guarantee profits to every businessman and at the same time allow each individual to enter any line of business he wants.

Moreover, we should always read the statistics with an understanding of their background. For instance, Massachusetts recently opened a beautiful toll turnpike that roughly parallels the old road to New York City. It has, of course, drained away a lot of the traffic from the old road. Is it any wonder, then, that sections of the old road look like graveyards of gasoline stations? Yet each one shows up in the statistics as a business failure. And the new stations opened upon the new road do not equal in number the closed stations because the turnpike authority rigidly limits the number of stations along its route. None of these will fail because they have been scientifically planned and granted immunity from competition.

If that is the type of economic system you wish to see in the United States, the fair-trade path is the correct way to get there. But at least you should be clear about the alternative choices open to us.

Short of price fixing, there are many areas of governmental action vitally beneficial to the preservation of correct markets. For instance, uniform standards of quality for definite products, such as the FTC has been attempting, is a valuable aid to the perfection of knowledge on the part of buyers. In the same vein, the policing of advertising to keep it reasonably close to the truth is a valuable governmental service. Mrs. SULLIVAN, among others, has called attention to the problems of adequate inspection under the Food and Drug Administration and the Department of Agriculture.

If you desire to help and protect the consumer, give your support to expanded appropriations for the above purposes. That will be a direct and visible step toward assuring fair and accurate market judgments by consumers. To the extent that products are misrepresented to the buyer, the achievement of a fair and just price is hindered. If a manufacturer is putting out junk, or if his product will not really do for me all that he claims, the price I pay for it is not made fair and just merely because the law allows the manufacturer to set it.

Consumers and goodwill

To all Congressmen and Senators, rightly proud of their reputation for clear thought and sharp debate and intellectual consistency, I would recommend extreme care in the use of fair-trade arguments involving the consumer, his "protection" from various things that he apparently likes, and his deteriorating good will toward products that are price cut.

It is slightly inconsistent for fair-trade advocates to argue that price cutting on liquor must be prohibited, because it would stimulate overindulgence and overconsumption of intoxicants, a moral degradation of the people. If price cutting leads to such an increase of consumption, then why is it not good for the people to possess more electric toasters and other products whose use, I believe, does not involve any such moral degradation? And why is it not to the manufacturer's advantage to have this greater volume of sales stimulated by lowered prices? This does not seem to be damaging to the manufacturer's trade-mark or goodwill.

May I call your attention to this paragraph from a recent Forbes magazine?

"Although GE's decision set the retail community on its ear, it did put new life into small appliance sales. Thus the farewell to fair trade is likely to be something less than catastrophic to GE itself. Though normal dealer margins may drop from 32 percent to as low as 16 percent on small appliances, GE's prices to its distributors remain unchanged. Yet contrary to testimony by Westinghouse, which credits increased sales of its small appliances to its abandonment of fair trade in 1955, GE stubbornly maintains that even in those States which have tossed out fair trade * * * it has noticed no appreciable change in its competitive position" (March 15, 1958, p. 22).

Private price fixing

The time has come in these United States to call a halt to any further attempts to give legislative approval to private price fixing. I would earnestly pray that enlightened legislators would appreciate the almost universal truth that price fixing never has solved, and never will solve, the business ills for which it is alleged to be a remedy.

It is unfortunately true that State after State, and the Congress too, is being flooded with bills and requests to allow the fixing of service prices, the fixing of oil prices, the fixing of liquor prices, and so on ad infinitum. In each case, there is some genuine economic difficulty or hardship. But instead of attacking the basic causes of the problem, you are asked to solve it by the completely inadequate method of clamping a price-fixing straight jacket on the distributive system.

This is the precise type of economic policy that brought the economies of cartelised Europe to the verge of economic collapse. Historically, it was the American insistence on competitive pricing that was one of the chief forces responsible for the remarkable successes of our young country. It will be one of the tragic ironies of history if we adopt the discredited cartel price philosophy just at the time that European countries are abandoning it in favor of a free system. It will be a sure sign that we are developing into an old and tired and sick economy. How responsible business leaders can urge us in that direction is more than I can reconcile with their verbal protestations of faith in the American system.

A package plan—A positive solution

Rather than immediately resorting to price fixing, Congressional attention should be fastened on the real causes of justifiable complaints from small business. Most of these real complaints have been mentioned and investigated to some degree by committees of this very Congress. What the intelligent and farsighted friends of small business should now do is this: support a package plan for small business aid that would incorporate the following main points:

1. Special credit and banking consideration for small business. Perhaps a development bank or a capital bank as suggested by several Senators and Representatives.

2. Encouragement of more vigorous enforcement by the Federal Trade Commission and the Department of Justice. Expanded appropriations for these two agencies should be used to prosecute those who are damaging smaller competitors by activities that are even now illegal.

3. Tax revision to take account of the special needs of the small-business man. Small losses suffered by a small man just drive

him into bankruptcy while large losses suffered by a large man just make him a fit target for a juicy merger.

4. Perhaps also a loss-leader bill prohibiting sales below invoice cost, apart from certain emergencies.

Small-business credit

The first point, in my eyes, is of special importance—and here I must differ from the recently published Federal Reserve study on small business. It denies the need for any special consideration for small business, urging that all users of credit should be made to compete for the available supply on equal terms. But here is precisely my difficulty. To claim that our present system achieves competition for credit on equal terms is nonsense. The banks will automatically favor their large clients, especially in a recession—and this is precisely when small business needs extra consideration.

In this area, the whole economic system, and the small-business man in particular, suffers from what has been called "the perverse elasticity of the banking system." By that I mean the well-known tendency of banks to be liberal with loans in an inflationary period—almost to the point of dangerously careless generosity—and their corresponding tendency to be overcautious and severe on loan applications in a recession.

The "perversity" of such tendencies is due to the fact that they are the exact opposite of the policies that the general good of the country would demand in those circumstances. The welfare of the economic system would demand that bankers be very cautious in an inflationary period so as not to feed the fires of inflation—especially should they not encourage marginal or doubtful enterprises which will be the first to fail in a slight recession. And the welfare of the country would demand great liberality with credit in a recession. This is exactly what the banks will not do.

A recent article in Business Week (March 22, 1958) notes:

"This week the Federal Reserve made another cut in commercial bank reserve requirements.

"But the chances are that would-be borrowers won't find banks any more eager to give them credit.

"A majority of them added that the trend toward easier money does not mean any easing in lending standards. In fact, banks are tightening them.

"This tightening at a time when money is easy is typical in a recession. For although banks are in a more comfortable position than they were when money was tight, the decline in business activity has made them much more cautious and selective in granting loans.

"Banks in the hardest hit areas are the most cautious. There, bankers admit turning away customers who would have been eligible a year ago. In many cases, they demand much more collateral.

* * * * *

"As a conservative Cleveland banker explains, 'In times like these you make the best loans. The bad ones are made when times are real good and you relax a bit'."

That last quotation is a perfect epitome of the banking system's perverse elasticity. And it is a clear indication of the need for some kind of special bank or fund for small business.

If the representatives and friends of small business would unite in support of such a reasonable package program for small-business aid, they would find themselves supported to the hilt by all those independent legislators, economists, and citizens who are anxious to see a thriving and prosperous ownership economy, but who rebel at anything that looks like a selfish, pressure-group imposition on the general public.

Mr. MORSE. A reading of Father McEwen's statement will demonstrate very convincingly that these price fixing devices will harm the consumer and do very little good for the small-business man. The whole economic system is crying for reduction of prices, but big business instead proposes devices that will add further to already unreasonably high prices.

As one who has opposed with all my strength and ability every bill which would harm small business by leaving it open to unfair attacks by large corporations, I am certainly not unmindful of the problems of the small retailer. It is my feeling that the "fair trade" device, under which the manufacturer of a brand name item is really delegated the authority to determine the ultimate price paid by the consumer, constitutes no solution to the problem of a fair price for the retailer and it has potentialities for great harm to the consumer. The emotional appeal of "fair trade" is unsupported by economic facts, as nearly as I am able to determine them from most economists.

Because of my great and continuing interest in small business, I feel that the Judiciary Committee and the Congress before the close of the session should take action on the bill, S. 11, the "equality of opportunity" bill of which I am a cosponsor.

This bill would repair the damage done to the Robinson-Patman Act, the Magna Charta of small business, by a decision of the Supreme Court several years ago. If were enacted, small business would again enjoy the protection from predatory raids by its large rivals which Congress intended it should have when the Robinson-Patman act was passed in 1936. This loophole created by the Court, under which chain stores and other large buyers can get excessive and discriminatory discounts and concessions not made available to the small retailer must be closed.

I hope the Congress will also give thorough consideration to, and take prompt action on, the bills, S. 3851 and 3852 which were introduced on May 19 by the Senator from Minnesota [Mr. HUMPHREY]. I was pleased to cosponsor these proposals because I feel that they offer feasible plans for dealing with the notorious loss leader practice and prohibiting sales at unreasonably low prices designed to destroy competition. Legislation of the type just mentioned would protect small business and the consumer, but would not provide unwarranted windfalls for big business, which, in my judgment, the so-called fair-trade proposals would do.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon.

AMERICANS FOR DEMOCRATIC ACTION—SPEECH BY FORMER SENATOR LEHMAN

Mr. MORSE. Mr. President, at the banquet meeting of Americans for Democratic Action, held in Washington, D. C., on May 17, 1958, a former distinguished Member of the Senate, a man to whom I have referred many times, in the Senate and elsewhere, as the giant of American liberals, the Honorable Herbert H. Lehman, made a speech on civil rights problems as they confront the country today.

I intend to ask unanimous consent to have the speech printed in the RECORD as a part of my remarks, not because so much of the philosophy of the speech coincides with the position on civil rights, I have taken over the years, but because I feel former Senator Lehman, in his speech, has expressed the point of view of many of us so much better than we can in our individual capacity. I consider it a great honor and privilege to ask unanimous consent that former Senator Lehman's speech, at the banquet meeting of the Americans for Democratic Action on May 17th, be printed in the RECORD at this point.

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

REMARKS OF THE HONORABLE HERBERT H. LEHMAN AT CONVENTION BANQUET OF AMERICANS FOR DEMOCRATIC ACTION, WASHINGTON, D. C., MAY 17, 1958

It is always satisfying to address my fellow members of ADA.

No gathering gives me a greater sense of being with kindred spirits than an assembly of ADA members and their friends. Here I always find a fierce devotion to the cause of freedom, a deep concern for the underprivileged, a passionate attachment to justice, and a willingness to fight seemingly hopeless battles when necessary, to uphold the principles and values of liberalism.

The importance of the ADA's contributions to the political and intellectual life of our country can be measured by the attacks directed against it by the reactionaries. The fact that ADA is so frequently singled out as their target is, to my mind, a laurel to be worn with pride.

These past years have been eventful ones—perhaps the most eventful in all history; surely the most eventful in my memory.

Was it only 4 years ago today that the Supreme Court handed down its historic decision in the school segregation cases? It seems an age, and yet, from the viewpoint of time, it was only yesterday.

Tonight, I would like to discuss this one event, whose fourth anniversary we observe today, and to try to arrive at an understanding of what that Supreme Court decision means in terms of past, present, and future.

I believe that the Supreme Court decision was the most important single event of this eventful decade, as far as the internal life and soul of America are concerned. It might even be judged to be one of the climactic events of this century, not only for America, but for the world.

The Supreme Court decision was not, of course, a detached phenomenon, rising like a mountain peak from a level plain. It was, instead, a high summit in an endless range of developments—in the timeless reach of human liberty. In a more restricted sense, the decision of 1954 was the greatest victory of recent times in the civil rights struggle—a victory which completely changed the nature of that struggle and converted it, in its public aspect, from that of an almost make-believe war which had been going on in Congress and within the political parties for a decade, into a grimly real assault upon the major strongholds of discrimination and oppression.

As a matter of fact, the Supreme Court, in previous cases, had already given warning that State laws protecting the practice of discrimination were far from being securely embraced by the Federal Constitution.

In 1950, the Court decided three cases brilliantly argued by Solicitor General Philip B.

Perlman, which, in the words of Arthur Krock, of the New York Times, left the judicial safeguard of racial segregation—the precedent-protected doctrine of separate but equal—"a mass of tatters." But not until 1954 did the Court tear the doctrine down completely and condemn segregation, itself, to legal death.

Prior to the 1954 decision, segregation was the unspoken word in the vocabulary of the civil rights struggle. In the market place of political debate, this word—segregation—was used only with the greatest caution. One could condemn segregation or Jim Crow in regard to travel on streetcars, buses, and trains, and access to public accommodations such as hotels and restaurants. But few dared to attack the entire institution of segregation—that all-pervasive code of conduct and status by means of which millions of human beings were being kept in a subordinate social, political, and economic status.

Four years ago today, the Supreme Court struck boldly and bodily at the heart of this monstrous evil. Unanimously the Court found that segregation was, per se, discrimination, and that State laws upholding it were unconstitutional.

America has a way of producing the right men in the right place at the right time—in times of great crisis. We should thank God that in 1954 we had, and still have, one of the most courageous—and courageously led—Supreme Courts in our history.

Since 1954, the highest Court of the land has been subjected to shocking attack, defiance, and attempts at retaliation. But the Supreme Court and its subordinate Federal courts have held firm and moved majestically forward—all without real assistance or comfort from the executive or legislative branches of the Federal Government.

Now, let us look at the school segregation struggle in some perspective as part of the whole civil rights struggle.

The civil rights struggle did not begin on May 17, 1954. It did not even begin with the issuance of the Truman Committee Report on Civil Rights in 1947; nor with the historic fight on the floor of the Democratic convention in 1948. The civil rights struggle began in America centuries ago, soon after the first slaves were brought to these shores. It has continued in various forms in the political arena and on the battlefields of the Civil War until the present day.

The institution of slavery was the predecessor of the institution of segregation; the two are of the same nature. Segregation is no more than a substitute for slavery.

Slavery is an uglier word than segregation, but the practice of segregation is just as ugly—just as degrading—as the practice of slavery.

If you would see the naked face of segregation, go to any plantation town along the Mississippi delta or to any mill town in Georgia or South Carolina. Segregation there is the plain practice of white supremacy. The Negro is forced to accept the status of inferiority in every aspect of his life, and has no voice whatever in the decisions of local, State or Federal Government affecting him or his family.

Let me emphasize that segregation not only adversely affects the Negro, but the white man, too. The white man, to keep the Negro down, must stay down himself. The South has borne this burden, as it bore the burden of slavery, at great cost to itself and the Nation.

During the last 3 years, there has been some progress in school desegregation.

During this period, 764 school districts, scattered through 10 border and Southwestern States, have begun or have completed desegregation. The overwhelming majority of these school districts are in six States: Maryland, West Virginia, Kentucky, Missouri, Oklahoma, and Texas. But 2,135 Southern and border States' school districts, which contain Negro and white pupils, will open the school term next fall without even a promise of a start toward desegregation. Of the school-age pupils in the 17 Southern and border States, only 4 percent of the Negro pupils and 4 percent of the whites will attend desegregated schools next September.

Seven States of the Union—the hard core of the solid South, plus Virginia, are arrayed in a posture of massive and determined resistance to school desegregation of any kind. All the force and power of State government and of State law are arrayed in these States to prevent, and even to outlaw, desegregation.

Meanwhile, tensions between the races in the South have grown. Most of the tension, I am told, is on the side of the whites. This tension is due mostly to fear of the unknown. The white Southerners have suddenly discovered that they do not, as they have always claimed, really understand their fellow citizens of the Negro race. And what is truly dangerous, there is no longer communication between Negroes and whites in most areas of the South. Negroes have come to look for leadership not to white men, but to their own—to men like that brave, brilliant, and deeply religious man, Rev. Martin Luther King—to their church organizations, to the NAACP, and the Urban League.

One of the worst things that has happened has been the almost total intimidation of the decent and liberal-minded white leaders of the South. The few rare but brilliant exceptions serve only to highlight this situation.

Very recently, State Senator Harvie Belser, of Florida, declared: "The lukewarm moderates are part of the past." There is, unfortunately, much truth in the boast of this Florida legislator.

The fact is that the demagogs—the rabid exponents of white supremacy—have taken over in many places, both at the State and the local level. The moderates, for the most part, now show their moderation by silence. There has been no national leadership to rally them. Yet it is my personal conviction that given national leadership, the moderates would be in control today.

It is a mistake to think that the development of the present crisis dates only from the Supreme Court decision. The present crisis has its origins in many years of official inaction far antedating 1954.

The demand for positive action—for governmental intervention to bring an end to the cruelties of discrimination—has been growing for the last quarter century. These demands, however, have not been reflected in Congressional action. Those responsible for the frustration of Congressional action during all these years must bear their share of the responsibility for the present situation.

Congress finally did pass a civil-rights bill in 1957—the first Civil Rights Act in 87 years. There were those who said that the passage of this legislation would loosen the floodgates of freedom and sweep away many of the obstacles to progress. Thus far, at least, it has not worked out this way.

A Civil Rights Commission was established and given life to September 9, 1959. One-third of the life of the Commission has passed. The Commission has not even been wholly organized. The Staff Director, who was named only in February of this year, has just been confirmed by the Senate. Out of a total of 70 authorized staff employees, the Commission has hired less than a dozen. Of the complaints received, not a single case is under field investigation and none is under active consideration by the Commission. In general, the Civil Rights Commission can best be described as a study in slow motion, or even in still life.

The Civil Rights Act of 1957 provided for the designation of an Assistant Attorney General to be in charge of Civil Rights. A Mr. Wallace White was so nominated. His appointment still languishes in the Senate Judiciary Committee.

Finally, the Civil Rights Act of 1957 authorized the Attorney General to use the authority of his office to safeguard the right to register and vote in Federal elections. So far, the Attorney General has not initiated a single case.

I can find no evidence that the legislation passed last year has thus far been effective in facilitating any significant increase in Negro registration or voting.

For the elections of 1958, the registration process in many States is now under way or already over. Some primaries have already been held. I am told that in the critical places—in the Black Belt and in the rural areas—discouragement of Negro registration and voting has been greater, if anything, than in the past.

Let me make perfectly clear that in my judgment, the right to vote is the most potent weapon the Negroes in the South have in order to gain all their proper rights. If, in fact, opportunity for full and free suffrage is achieved, the civil rights roadblock will have been removed and the way to justice will be clear ahead. Today, the leadership of the civil rights movement is wisely concentrating on this front.

The fact is, however, that although Negro voting has been gradually increasing for the past 10 years, this all-important trend has thus far received little or no support from the Department of Justice and only questionable impetus from the passage of the Civil Rights Act of 1957.

Last February a bipartisan omnibus Civil Rights bill was introduced in both the Senate and the House. In the Senate it was introduced by PAUL DOUGLAS and 15 other Senators. That bill proposes, among other things, to give Federal support to school districts desiring to desegregate. It also authorizes the Attorney General to help safeguard constitutionally guaranteed rights other than the right to vote.

To date, that bill has been gathering dust in the Senate Judiciary Committee. Recently, the Subcommittee on Constitutional Rights voted three to two against even holding hearings on this and other civil rights legislation. Even if this decision is reversed, however, and hearings are in fact held, there is no substantial prospect that any meaningful civil rights legislation will be passed at this session of Congress.

The record of action on civil rights by both the executive and legislative departments since the passage of the Civil Rights Act of 1957 is a dismal one. The fact is—and we must face it—that the interest in and support for positive and forceful action has greatly receded. Many factors are involved in this circumstance, but one of them is, I believe, the passage of the inadequate civil rights bill of 1957.

I know that there are many who sincerely disagree with me on this, but I believe that the passage of an inadequate measure is frequently worse for the cause it purports to serve than the passage of no legislation at all.

Still another factor in the grim outlook for civil rights has been the sudden loss of interest in the subject by the Eisenhower administration. Apparently the concern of this administration with the civil rights problem was like the morning glory—quick to bloom and quick to fade.

Recently, the highest official of the United States Government—the President of the United States—counseled patience on the part of the Negroes of America with regard to their civil rights. I join with many voices which have since been raised in expressing shock and disappointment at this reflection of President Eisenhower's attitude toward the unbearable injustice of the present situation.

He urged patience. But the memory of every American Negro encompasses more than 100 years of slavery before the Declaration of Independence, 77 more years of

slavery in this land of liberty after 1776, and 90 years of segregation after the Emancipation Proclamation.

And now it is 4 years since the Supreme Court decision. How much patience must one have?

I believe that among the most truly patient people in the world must be numbered those Americans of the Negro race who have so long endured the degradation of segregation, and still work with restraint and reason to achieve their goal of simple equality of treatment as American citizens.

In my judgment, the bravest of them all are the little Negro school children, in Little Rock and in many, many other places less renowned, who have walked the gauntlet of hate and prejudice to break the trail for the onward march of brotherhood.

What courage they have showed. What faith has moved them—these little boys and girls, as they have walked, in many a town and village, up those all-white school steps into the eye of the whirlpool. In almost every case I have heard about, these children have acted with grace and dignity, with the simple conduct of people who quietly move mountains. These are true heroes and heroines.

The example of these heroic youngsters—and of their patience—should put to shame all those timid men who say that on the civil rights front we are moving too fast.

Let me go back to the subject of school segregation. Today, in the light of the Soviet advances in the fields of science, many Americans have come to realize that our school system may be inadequate to the challenge of the cold war. Some of the most vital engagements in this war are being lost in the schoolrooms of America. We know we have a critical shortage of all types of school facilities, and particularly of elementary schoolrooms. Nowhere is this shortage more critical than in the South. Yet more than 2,000 school districts in the Nation continue to maintain two distinct—and costly—sets of schools for the purpose of segregation. In some States, laws have recently been passed authorizing the abolition of the entire public school system if threatened by desegregation. State officials in some of these States are said to be ready to order their public schools closed as soon as this becomes their only last alternative to desegregation.

In my judgment, to shut down the public schools, on whose optimum functioning our national survival depends, in order to uphold the unconstitutional and immoral practice of segregation, is not only incredible, but borders on the treasonable—in a fundamental, if not in a legal, sense.

What a pretty picture this is, a picture of men so filled with prejudice that they would destroy the very underpinnings of democracy to save the institution of segregation.

Meanwhile, in recent days we have seen other pictures—the actual and frightening photographs taken in Peru, Venezuela, and Lebanon, showing angry mobs engaged in expressing their resentment against the United States.

It has been said that the Communists were responsible in large measure for those violent demonstrations. But what gives the Communists the ability to call these and other mobs into being?

One of the most powerful weapons we have given our enemies abroad is our practice of discrimination against Negroes and other minorities.

I say that we are losing the battle of Asia, Africa, and Latin America in Little Rock, Charleston, and Richmond.

I have criticized—we all must criticize—the President of the United States and his administration for their abdication of responsibility and for their basic posture of neutralism in the civil rights struggle.

We must also criticize the Dixiecrats in Congress and elsewhere for their blind and prejudiced opposition to the inevitable tides of progress, and for their relentless refusal to yield to the urgent demands of the national interest in the field of human rights.

We must also criticize those men of fluctuating zeal who think of civil rights as a political drum to be beaten at appropriate times when people are listening, rather than as a cause constantly to be fought for because it is right.

We must also criticize those, however well-meaning, who put party success, unity or regularity ahead of the principles of right and justice.

But in the last analysis, let us agree that the civil-rights struggle is not just the responsibility of the President, of the Congress, and of political officeholders—it is everybody's job—your job and mine.

Each of us has a part in it; a part of the responsibility to eliminate the practice of discrimination in whatever guise it may be found, in the North as well as in the South, at the community and State levels, as well as at the national.

We of the North have a special job to do—to break down the walls of the racial ghettos in our cities—the Harlems—and to make the North a shining example of the principle of nondiscrimination to which we subscribe for the South.

Oh, I know the difference between segregation in the South and the North. One is by law; the other is by private prejudice. But neither is justifiable.

We must help the South rid itself of this intolerable burden, which will open new vistas of social and economic expansion to our entire country. We must rid our own hearts of the last vestiges of prejudice which will give us new strength for the tasks which await us.

We must not only advocate the doctrine of equality. We must demonstrate it.

We must mobilize all-out support for the Douglas bill and for other sound civil rights measures in the Congress—not for passage in 1960, but this year. The political leaders must be given reason to know that the people will remember in 1960 the actions that were taken—or not taken—on civil rights in 1958.

In the fall of this year, we must press all candidates in the Congressional elections to take a clear stand on all the phases of this crucial issue.

We must press the President and the Department of Justice, and the Civil Rights Commission, to discharge their responsibilities—in full, and with unflagging zeal: above all, to assume leadership of the forces of good will in the South and rally them to battle against the demagogs and race baiters.

We must support the effort to bring our fellow-citizens of the Negro race into full political participation, and mobilize ourselves and others for the fight against all forms of intimidation and discouragement of Negro voting.

General public interest in the civil rights issue must be revived and revitalized. It must be identified as a test of the moral conscience of the Nation.

Of all the challenges which confront us, I know of none greater. If we will but dedicate ourselves to this undertaking and sound the trumpet for the advance against the evil of discrimination and segregation, we will have taken the first steps toward eradicating it.

I know that ADA will rise, as it always has, to this challenge. Our job, however, is not only to strengthen our own resolution, but to mobilize others for these efforts.

This is the good fight for the good cause. If we have faith in our purposes, victory will surely crown our efforts.

Mr. MORSE. Mr. President, I am sorry I could not attend the banquet; at the time I was in Hermiston, Oreg., making an Armed Forces Day address.

However, I am a vice chairman of Americans for Democratic Action, and I am one politician who has always been proud publicly to confess his membership in Americans for Democratic Action. Oh, it is supposed to be one of the associations of the senior Senator from Oregon which was going to defeat him in 1956, because certain smear artists circulate, from time to time, falsifications about Americans for Democratic Action. However, when we took the facts to the people of Oregon in regard to Americans for Democratic Action, and in regard to the legislative programs for which Americans for Democratic Action stand, those attacks on the senior Senator from Oregon evaporated into politically thin air.

As I have said so many times, I have a secret weapon in American politics. To understand the position I take on issues, it is necessary to understand the effectiveness of the secret weapon. It is to be found in the fact that the fine people of the great State of Oregon rate second in the Nation in literacy. Mr. President, with an intelligent constituency, a highly literate constituency, a constituency which interests itself in the facts, the kind of smear campaign which is conducted periodically against Americans for Democratic Action does vanish into thin political air.

Having introduced the Lehman speech, delivered by him at the banquet meeting of Americans for Democratic Action, I wish to close my comments on that organization by pointing out that it is not only an organization of constitutional liberalism, which I have so frequently defined as seeking to translate into legislation the private property rights guaranties and human rights guaranties of the Constitution—and that is the legislative objective of Americans for Democratic Action—but it also has a record of anticommunism which is not surpassed by any other organization. The members of Americans for Democratic Action recognize that there can be no dignity for the individual, there can be no personal freedom for the individual, and there can be no constitutional rights under a system of totalitarianism, be it Communist or Fascist.

Therefore, I am very proud, as a vice chairman of Americans for Democratic Action, to insert in the RECORD today a truly great speech on the important constitutional question of civil rights—that great issue which faces the American people and will continue to face them until it is settled right. There cannot be in America any compromise of the 14th and 15th amendments to the Constitution, and there can be no compromise of the constitutional right of first-class citizenship, a right entitled to be enjoyed by every man, woman, and child of this country, irrespective of race, color, or creed.

Therefore, I congratulate the great statesman, the giant of American liberals, Herbert H. Lehman, of New York, for the magnificent speech he made on May 17th at the banquet of Americans for Democratic Action.

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

Mr. MORSE. I yield to the Senator from Kentucky.

Mr. MORTON. I understood the Senator to say that one of his secret political weapons is the fact that his State stands second in literacy. I hope the Senator does not imply that my secret political weapons is the fact that my State is near the bottom of the list in literacy.

Mr. MORSE. Oh, no. It probably means that the Senator from Kentucky does a better educational job than does the senior Senator from Oregon. I know something of the record of the Senator from Kentucky. Of course, when I was praising the people of the State of Oregon, I certainly was not reflecting on any colleague or on the people of any State. I was merely expressing great pride in the fact that we could present these issues to the people of Oregon and as a result the Americans for Democratic Action smear soon vanished.

The historic campaign of 1956 illustrates something else, I might say good-naturedly, in the rather informal spirit which the Senator from Kentucky always inspires in me, and that is that the people appreciate a direct and frank facing of just such allegations against the Senator from Oregon when the opposition camp tries to do damage to him by misrepresenting the program and record and ideals of the organization known as Americans for Democratic Action, of which I am so proud to be a member, and in regard to which I am so highly honored to be one of its vice chairmen.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon.

THE SENATE AND MR. NIXON

Mr. MORSE. Mr. President, I should like to call attention to an editorial in this morning's New York Times. I hope no one on the New York Times will be upset because I pay the Times a high compliment. I have in times past been critical of some of the editorials published in that newspaper, and undoubtedly will be again in the future.

However, as chairman of the Subcommittee on Latin American Relations of the Committee on Foreign Relations, I wish to express my appreciation to the New York Times for the editorial appearing in this morning's issue, entitled "The Senate and Mr. NIXON." I believe it to be a very fair appraisal of a problem that confronts my committee, and to which we will give judicial and impartial consideration in the hearings which will be held in the near future.

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

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

THE SENATE AND MR. NIXON

The Senate Foreign Relations Committee is serving a great need in the investigation now beginning into United States policies in Latin America. It was not to be expected that Secretary Dulles and others in the State Department would or could concede that all is not well with our policies toward Latin America. Vice President NIXON obviously came back from his dramatic trip to South America with other ideas.

Foreign policy is, generally speaking, an abstract business, but the stones thrown at Mr. NIXON were not abstract. He has the best reason to know that United States policies have built up hostility in Latin America. The logic of those who say that something is wrong—and this goes for other regions than Latin America—is simple. If United States foreign policies were correct and effective, there would be an understanding of American ideals and objectives; our allies would be cooperative and basically friendly; the uncommitted nations would respect us, and our ideological enemies in the Communist bloc would both respect and fear us. Since this is not the case today, it is argued that the foreign policy of the United States must in some important respects be wrong or deficient.

Generalizations of this type can be deceptive, but they are valid up to a point. However, unless it can be proved that specific mistakes have been made with regard to specified countries or regions, criticisms have little value. This is where the Senate Foreign Relations Committee must come in.

The particular field in which the committee is now going to work is Latin America. The problem is not what percentage of the Latin Americans are friendly to us but why so high a percentage are critical or even hostile. The fact that Communist agitators evidently organized and inspired the two bad demonstrations in Peru and Venezuela against Mr. NIXON is not so important as the fact that the climate of opinion favored them. If Latin Americans are unjust to feel so critical, then there has been a failure in diplomacy and public relations. If they have a right to be critical, then there has been a failure of policy. Either way, some of the blame for the hostile attitude toward us of so many Latin Americans is our fault.

Mr. NIXON has indicated that the problems are to be found in three fields. Economically, the region is suffering because of the fall in commodity prices; yet it sees the United States preparing to raise tariffs and cut import quotas against its products. Politically, Mr. NIXON feels there is great resentment because of the belief that the United States helped dictators to stay in power and gave no special encouragement to democracies or to democratic movements inside dictatorships. Four of the eight countries the Vice President visited had recently rid themselves of their dictators—Argentina, Peru, Colombia and Venezuela—but in every case the United States was friendly to the dictators up to the very end.

Having stated publicly, as he did, that dictators are repugnant to Americans, Mr. NIXON would presumably extend this attitude toward the dictatorships of Paraguay, Cuba and the Dominican Republic. On this whole problem Mr. Dulles and his Assistant Secretary of State for Inter-American Affairs, Roy R. Rubottom, disagree. They believe that the doctrine of nonintervention prevents the United States from making any distinction between dictatorships and democracies. The vast majority of Latin Americans, all of whom favor nonintervention, would disagree with the State Department. This whole issue is definitely one for the Senate committee to study.

Finally, Mr. NIXON has concluded that "this part of the world needs more attention than it has been getting, politically and economically." The way Latin Americans put it is that they have been neglected in comparison with Europe, Africa, the Middle East and Asia.

All these arguments, and more besides, will keep the Senate Foreign Relations Committee busy for several months. It is right that Senator MORSE should be at the head of this investigation, because he is one of the few Senators who have shown a keen interest in Latin-American affairs and who have studied the region.

APPLICATION OF MORSE FORMULA TO CERTAIN BILLS PASSED ON CALENDAR MAY 21, 1958

Mr. MORSE. Mr. President, yesterday when certain bills on the calendar were considered, I unfortunately could not be present because of my obligations as a member of the Committee on Foreign Relations, which is preparing the foreign-aid bill, and my obligations as a member of the Committee on Labor and Public Welfare, which is holding hearings on important proposed legislation. All day yesterday I was shuttling back and forth between those committees, and I could not appear on the floor of the Senate to participate in the debate on certain bills which were considered on the call of the calendar. I had, however, done my research on the calendar and had prepared brief statements on certain bills, particularly bills as to which, in the future, some question might be raised as to whether the Morse formula was in any way violated.

Ever since the Morse formula was first made effective, in 1946, I have tried always to make a statement for the RECORD about any bill which involved the transfer of Federal property, setting forth whether the particular bill violated the Morse formula or was in conformity with it.

I shall make brief statements concerning several bills which were passed on the calendar yesterday.

AUTHORIZING THE CONVEYANCE OF CERTAIN LAND IN MACON, GA.

Under the provisions of H. R. 9738, the Secretary of the Navy would be authorized to convey a parcel of land to the city of Macon, Ga., containing 5.39 acres. The land in question was originally conveyed to the Federal Government by the city of Macon. Department of Defense officials have testified that the Department has no foreseeable requirements for the property.

Under the bill there would be no expenditure of Federal funds, and the city of Macon has agreed to pay the fair market value of the property in question. Therefore, I had no objection raised to the bill yesterday.

I commend the authors of the bill and the committee for presenting the bill to the Senate in conformity with the Morse formula.

PROVIDING FOR THE CONVEYANCE OF CERTAIN PROPERTY IN ALABAMA

H. R. 9362 would authorize and direct the Secretary of the Army to convey a parcel of land approximating 3.5 acres at Fort McClellan, Ala., to the George N. Meredith Post No. 924, Veterans of Foreign Wars.

This property is considered surplus to the needs of the Department of Defense. The local post of the Veterans of Foreign Wars has agreed to pay the appraised fair market value for the property. Therefore, Mr. President, I filed no objection to the enactment of the bill.

CONVEYANCE OF EASEMENT TO NORFOLK SOUTHERN RAILROAD CO.

H. R. 8071 if enacted would authorize the Secretary of the Army to convey an easement over property belonging to the United States to the Norfolk Southern Railroad Co. in exchange for other lands. If the 13.4 acres being conveyed by the United States to the railroad company is determined more valuable than the fair market value of the land being received by the United States, the difference shall be paid to the Government.

This arrangement meets the criteria of the so-called Morse formula, therefore, I filed no objection to the bill.

Before I discuss the next bill, I wish to make a comment about the group of bills on the calendar yesterday which conformed to the Morse formula. I do not know what the situation would have been if the Senator from Oregon had not insisted upon the Morse formula in the Senate since 1946, with resulting savings to the taxpayers of a great many million dollars. In fact, the last calculation I saw was to the effect that the Morse formula has saved the taxpayers, since 1946, a little more than $600 million. That is not chicken feed. In fact, I offer it as the result of a one-man economy drive.

But prior to 1946, just such bills as I have mentioned this afternoon did come before the Senate without meeting the requirements of the Morse formula, because prior to that year it was this type of bill, without a compensation feature in it, which was turning Federal surplus property into a politicians' grab bag. Members of Congress were using surplus Federal property as a way of endearing themselves to their constituencies, but to the loss of the country as a whole.

Therefore, it is with pardonable pride that I feel I am entitled to make the observation that the bills on which I have just commented represent, I think, the collection of some dividends in the way of savings, from the application of the Morse formula, of moneys which would have been spent if the practice which prevailed in the Senate prior to 1946 had been applied to the particular prices of property involved in these bills.

RELEASE OF CERTAIN RESERVATIONS RELATING TO LAND IN WISCONSIN

H. R. 7645 would authorize the Administrator of General Services to relinquish title and restrictions to certain property conveyed to the State of Wisconsin at fair market value.

The property was acquired in the first instance by the Government in 1912 for National Guard use. The property has been continuously used for that purpose. Now that the Wisconsin National Guard has rearranged its program, it does not require the use of the acres of land involved in the bill. There is no other military need for this property. The State is prevented from utilizing the property for anything other than training and maintaining units of the Wisconsin National Guard and is desirous of utilizing it for other purposes.

The bill passed by Congress in 1956 provided that the conveyance be without monetary consideration but upon the condition that the property be used for the purpose I just mentioned.

The bill would allow the State of Wisconsin to purchase the property at the fair market value, so that the State can use it for other purposes. Therefore, obviously it does not violate the Morse formula, and I raised no objection to the bill yesterday.

Again, I commend the author and sponsors of the bill, and the committee, as well, for having reported the bill to the Senate in the compensatory form in which it was permitted.

CONVEYANCE OF CERTAIN PROPERTY AND WATER RIGHTS TO WILLIAM M. PROPER

Mr. President, S. 59, Calendar 1544, was not so easy of analysis, with respect to the Morse formula, although, in my judgment, it conformed to the formula, and I raised no objection to the bill. But so that no one may at some time in the future throw it at me and say, "Ah, but there was a bill you let slip through, and about which you said nothing," I shall this afternoon make the statement I would have made yesterday, and which I was prepared to make, if my work on the Committee on Foreign Relations and the Committee on Labor and Public Welfare had not prevented my attendance in the Chamber.

S. 59 would authorize the Secretary of the Interior to convey certain property and water rights to a Mr. William M. Proper without consideration.

According to the committee report, the United States acquired the ditch and water rights involved in this bill in 1888 and was declared to have priority to a certain amount of water in the ditch for the use of Fort Crawford. In 1890 the Army abandoned the fort and the lands within its confines were later patented.

I stress that point. In 1890 the Federal Government abandoned the land, and it ceased to be used for Federal purposes. The Federal Government then authorized the patenting of the land. In other words, it authorized that the land be transferred under patent into private ownership.

The Government has since not made use of the water right, and the patentees used the water until they were halted by the State Water Commissioner because they could not show title to the water.

As a member of the legal profession, I know that sometimes members of our profession are guilty of an oversight. Who among us has not been, in our legal work?

I think it obvious that at the time the action was taken in regard to this piece of property and the water rights attached thereto, legal counsel for the Government suffered from an oversight, because if the Government intended to patent the land, so that it could deprive anyone of ownership, it is, of course, self-evident that it took it for granted that whatever water rights attached to the land would go with the land. Unfortunately, the transfer said nothing about the water rights, and ever since 1890 the patentees have proceeded on the assumption that the land carried with it the water rights, and they have been using the water, only to find a question raised recently concerning the right to use the water rights. So the State Water Commission, as I have said, raised that question, and halted the use of the water.

The reason for introducing the bill was to convey title to the water ditch and water rights without compensation to the Government, because the Government has no foreseeable need for the property.

In my judgment, the Government should be considered as having been estopped by its own course of action in respect to these water rights. I have studied very carefully the record regarding this piece of property and the transactions in regard to it. I am satisfied that when the property was patented for private ownership, it was assumed that the water rights would go with it. Therefore, I think the Government would be in an unconscionable position if now—years and years later; at least 65 years later; in fact, almost 70 years later—it sought to take advantage of what I consider was a legal oversight in 1890, when the property was released for patent.

Also, Mr. President, let me say—as the distinguished Senator from North Carolina [Mr. JORDAN], who now is presiding over the Senate, also is probably well aware—that although the matter of water-right law is, as we say, somewhat singular in the law, and although some of the other real-property doctrines do not necessarily apply to it, nevertheless I believe that in this case we can say that in all equity it can be considered that the patentees—at least in the 65 or more years since 1890—could be considered as having acquired at least some adverse right or interest in the water rights, and that should have estopped the Government from claiming any legal advantage over the oversight in 1890.

Therefore, Mr. President, I come to the conclusion that the bill did not violate the Morse formula, and therefore I raise no objection to the bill.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon.

RESEARCH STUDY ENTITLED "OREGON FARMS GENERATE BUYING POWER"

Mr. MORSE. Mr. President, my attention has been called by Dr. R. W. Henderson, acting director of the Oregon Extension Service, to a research study entitled "Oregon Farms Generate Buying Power," written by Dr. Gerald E. Korzan, a prominent argicultural economist serving with the agricultural experiment station at Oregon State College, at Corvallis, Oreg.

The interrelationships between the agricultural and nonagricultural elements of our economy, in Oregon as elsewhere, have always seemed to me to be of prime importance. It seems to me that in the past, in this area, all concerned have had too much misunderstanding of the many reciprocal relationships and, in fact, the essential interdependence of each upon the other.

Since Dr. Korzan's research should help to dispel misunderstanding in this vital area, I feel that he deserves high commendation. Therefore, I ask unanimous consent, Mr. President, that a news release from the college, which describes his work, be printed in the RECORD at the conclusion of my remarks.

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

OREGON ECONOMY GETS HALF-BILLION BOOST ANNUALLY FROM FARMS

More than one-half billion dollars annual "buying power" in Oregon's economy has been credited directly to the State's agriculture by an Oregon State College agricultural economist.

Dr. Gerald E. Korzan has completed a study of Oregon agriculture showing that gross farm income plus value added in the first step of marketing contributed $571 million to the State's economy in 1956.

The total does not include important dollar payrolls provided by such activities as wholesaling, transportation, and storage of farm produce en route to retail markets.

The State's 55,000 farmers—about 30,000 of them classed as commercial farmers—received only $94 million of the total as "net income." Farmers paid out $301 million to earn $395 million.

Of the $571 million, $176 million value was added in what Korzan terms "the first step beyond the farm gate." The "first step" included $68 million in direct payroll for canning, freezing, dairy manufacturing, and other methods of processing or handling Oregon's farm output.

The economist estimated that farm production itself generated $79 million of direct payroll—$53 million paid to hired farm labor and $26 million to persons employed by Oregon firms selling farm supplies and equipment of all kinds.

Annual employment, not including farm operators and their families, for production and processing is estimated at more than 40,000 jobs when translated to a full-time basis. This is the total hours of full-time workers and part-time seasonal workers figured in terms of full annual employment.

The seasonal labor payroll carries many advantages for the economy, Korzan explains. It provides summer work for young people and opportunity for homemakers who can spare some time from home duties to earn money for "extras." Processors interviewed in the survey said most seasonal workers employed in their plants were Oregon residents.

Year around employment, however, accounted for the bulk of the total payroll for jobs in such activities as dairy plants, livestock slaughtering and packing plants, and stores handling farm supplies. Fruit and vegetable processing plants, alone, provide about 3,000 full-time jobs.

Snap beans which require considerable processing is an outstanding example of the economic activity generated by a single crop, the economist states. Buying power of Oregon's annual snap bean crop in terms of local jobs and supplies was estimated at $29 million—nearly tripling the $10 million paid to growers. Almost $4½ million of the growers' receipts went for direct payroll in harvesting.

Not included in the $571 million buying power was employment for production of supplies used in processing farm products. Oregon canneries and freezing plants, for example, spend millions of dollars annually for cans and packaging materials. Egg cartons, paper milk cartons, and wooden shipping cartons are also among supplies, most of which are manufactured in Oregon.

Dr. Korzan's detailed study is being published by OSC and is titled "Oregon Farms Generate Buying Power." Copies will be available soon from county extension offices or the OSC bulletin clerk, Corvallis.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1342. An act for the relief of Mrs. Helen Harvey;

H. R. 4215. An act amending sections 22 and 24 of the Organic Act of Guam;

H. R. 4445. An act for the relief of the estate of Mr. Shirley B. Stebbins;

H. R. 6528. An act for the relief of Mrs. Lyman C. Murphey;

H. R. 6765. An act to provide for reports on the acreage planted to cotton, to repeal the prohibition against cotton acreage reports based on farmers' planting intentions, and for other purposes;

H. R. 7645. An act to provide for the release of restrictions and reservations contained in instrument conveying certain land by the United States to the State of Wisconsin;

H. R. 8039. An act for the relief of Edward L. Munroe;

H. R. 8071. An act to authorize the Secretary of the Army to convey an easement over certain property of the United States located in Princess Anne County, Va., known as the Fort Story Military Reservation, to the Norfolk Southern Railway Co. in exchange for other lands and easements of said company;

H. R. 8433. An act for the relief of Captain Laurence D. Talbot (retired);

H. R. 8448. An act for the relief of Willie C. Williams;

H. R. 9012. An act for the relief of Alexander Grossman;

H. R. 9109. An act for the relief of John A. Tierney;

H. R. 9738. An act to authorize the Secretary of the Navy to convey to the city of Macon, Ga., a parcel of land in the said city of Macon containing five and thirty-nine one-hundredths acres, more or less; and

H. J. Res. 586. A joint resolution to authorize the designation of the week beginning on October 13, 1958, as National Olympic Week.

ADJOURNMENT TO MONDAY

Mr. MORTON. Mr. President, in accordance with the order previously entered, I move that the Senate do now adjourn.

The motion was agreed to; and (at 4 o'clock and 10 minutes p. m.), the Senate adjourned, the adjournment being, under the order previously entered, to Monday, May 26, 1958, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 22, 1958:

IN THE COAST GUARD

Rear Adm. Edward H. Thiele to be engineer in chief of the United States Coast Guard, with the rank of rear admiral, for a term of 4 years.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22, 1958:

POST OFFICE DEPARTMENT

Herbert B. Warburton, of Delaware, to be General Counsel of the Post Office Department.

MUNICIPAL COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

Andrew McCaughrin Hood, of the District of Columbia, to be an associate judge of the Municipal Court of Appeals for the District of Columbia for a term of 10 years.

POSTMASTERS

ALABAMA

John Lee Betts, Monroeville.
Marvin E. McKee, Pinson.

ARIZONA

Albert H. Salem, Sacaton.

ARKANSAS

Donald H. Travis, Judsonia.
James R. McClure, Nashville.
Gertrude A. Hargis, Okay.
James H. Creed, Rison.
Chester A. Garrett, State Hospital.
Norman L. Wilson, Stephens.

CALIFORNIA

Glenn L. Thomas, Baker.
Carroll N. Clark, El Portal.
David H. Axtell, Fontana.
Benjamin P. J. Wells, Goleta.
Reba L. Guerrettaz, Orick.
Valate T. Eliason, San Quentin.
Cecil H. Murley, Taft.
Eleanor J. Covey, Woodacre.

COLORADO

Iven K. Clarke, Dupont.
Leon V. Beck, Fleming.
Robert W. Martin, Fort Morgan.
Franklin B. Sample, New Castle.
Lloyd W. Anderson, Otis.
Herbert L. Richards, Silt.
Clarence M. Godfrey, Walsh.
Harry B. Casten, Windsor.

CONNECTICUT

Jack A. Vaccarelli, Danbury.
Richard J. Scully, Riverside.

FLORIDA

Charles H. Watson, Homosassa Springs.
James W. Cobb, Nokomis.
Howard O. Guthrie, Parrish.
Walker A. Stanley, Ponce De Leon.

GEORGIA

Vernon W. Hartley, Sr., Alamo.

ILLINOIS

William T. Keenan, Alexander.
Carl M. Crowder, Bethany.
Wilbur C. Schwark, Bonfield.
Walter B. Tregoning, Carterville.
Leslie E. Smith, Colusa.
Homer T. Smith, Erie.
Charles W. Merriman, Fillmore.
Harold J. Larey, Galena.
Ernest Evar Swanson, Galesburg.
Arnold E. Lewellen, Gilman.
Floyd S. Rollinson, Kell.
John M. Allbright, La Grange.
Roy E. Thomas, Marengo.
Arthur Funk Lee, McLean.
Anthony J. Zucco, Mount Zion.
Dale V. Cline, Mulberry Grove.

Maxine S. Hayward, Olivet.
Chester C. Scott, Osco.
John E. Holden, Schiller Park.
Randall D. Page, Sesser.
Angus Keith Phillips, Shawneetown.
Randall F. Tevis, Smithboro.
Larry E. Myers, Tampico.
Charles L. Baird, Van Orin.
James C. Thompson, Warsaw.
Dwight S. Leverton, Winslow.
Ardelle H. Hanski, Worth.
Thomas B. Malone, Wyoming.
Raymond J. M. Howard, Yale.
Russell C. Spice, Zion.

INDIANA

Geraldine M. Johnson, Ashley.
James R. Davis, Flora.
Gerald W. Scott, Floyds Knobs.
Harold E. Stroud, Keystone.
Lowell M. Roose, Nappanee.
Elmer J. Glick, Shipshewana.
Charles W. Hudson, Solsberry.
Arch Ralph, Sullivan.
Wesley William Mack, Wanatah.

IOWA

Earl J. Penney, Ames.
Floyd H. Millen, Farmington.
Roy H. DeWitt, Griswold.
Dwight R. Aschenbrenner, Laurens.
Harold J. Millwright, Maquoketa.
Richard M. Fry, West Burlington.

KANSAS

Clarence J. Wassenberg, Marysville.
Roger R. Unruh, Pawnee Rock.
Charlie C. Springer, Prescott.

KENTUCKY

Shirley H. Ashby, Auburn.
Helen Hill, Hillsboro.
Carl B. Marshall, Lewisburg.
Walton W. Buckman, Simpsonville.

LOUISIANA

Dosia M. Hood, Elton.
Robert J. Rossi, Gonzales.
Johnie H. Mitcham, Leesville.
James E. Fogleman, Morrow.
Robert H. Welch, Robeline.
Myra H. Doughty, Tioga.
Eck H. Bozeman, Winnfield.

MAINE

Henry A. Shorey, Bridgeton.

MARYLAND

Franklin B. Spriggs, Arnold.

MASSACHUSETTS

Joseph H. Nolan, Lenox.
George Treat Harriman, North Carver.
Thomas W. Ackerson, Wakefield.
Cecil H. Evans, West Hanover.

MINNESOTA

Kenneth E. Jerdee, Ada.
Henry Bakker, Jr., Ah-gwah-ching.
Norton M. Sorenson, Amboy.
Ralph Dean Fischer, Brook Park.
William D. Cook, Farmington.
Fay F. Smullen, Le Center.
Ivan P. Twamley, St. Vincent.
Albert Pederson, Spicer.
Wayne L. Altermatt, Wanda.

MISSISSIPPI

Joseph D. Buckalew, Richton.

MISSOURI

Doyle L. Scott, Armstrong.
Harry L. Hibbard, Gilliam.
William P. Graham, Hawk Point.

MONTANA

Russell N. Grunhuvd, Hysham.

NEBRASKA

Charlie N. Umphenour, Harrison.

NEVADA

Florence J. Holman, East Ely.

NEW HAMPSHIRE

Carl D. Floyd, Derry.
Jessie G. Thompson, Moultonboro.
Herbert N. Smith, Mount Sunapee.

NEW MEXICO

Rita L. Pena, Encino.

NEW YORK

Doris J. Hammond, Millport.
Warren B. Lucas, North Salem.
Frank E. McGrath, Jr., Port Chester.
Hollis A. Wilson, Pulaski.
Ralph A. Doty, Silver Creek.

OHIO

Paul R. Day, Atwater.
Smith B. Applegarth, Barton.
Martin Marshall Miller, Franklin.
Ralph J. Huff, Fredericktown.
Paul L. Sailor, Jackson Center.
Edward Seymour Ullum, Lebanon.
Luster M. Barlow, Liberty Center.
Frances M. DeFosset, Loveland.
Estella E. Ford, New Weston.
Lilla M. McAfee, Owensville.
Raymond L. Brooks, Plymouth.
Margaret A. Stanford, Randolph.
Philip Milton Tozzer, Ross.
Lester L. Stearns, Sherrodsville.
Kathryn B. Thomas, Valley City.
Helen L. Pratt, Woodstock.

OKLAHOMA

Charles B. Smith, Barnsdall.
Frank H. Hawkins, Blair.
Lora A. S. Workman, Caney.
Albert S. Bowerman, Cement.
Omer Lee Wauhob, Fargo.
Walter G. Enfield, Jefferson.
Harriet T. Howard, Keystone.
Lorene P. Ricks, Manchester.
Ray K. Babb, Jr., Mangum.
Doy McLain, Pocasset.
John W. Henderson, Tulsa.

OREGON

Ivan A. Olsen, Madras.
Bernice I. White, Parkdale.

PENNSYLVANIA

Francis C. Uffleman, Bakerstown.
Thomas G. Nestor, Brownfield.
Vida C. Rodham, Chinchilla.
John G. Davidson, Christiana.
Albert Thomas, Clarksburg.
James George Lindsay, Cochranville.
George D. Headrick, Colver.
Ethel J. Nelson, Cooperstown.
James H. Hulak, Danboro.
Mae A. Kester, East Texas.
Robert A. Bushyeager, Girard.
Victor R. Alderfer, Harleysville.
William J. Stivison, Homer City.
Edmund B. Hebrank, Jeannette.
John W. Aungst, Jr., Landisville.
Bertye A. Boorse, Montgomeryville.
Nellie A. Fish, Nelson.
Marion J. Brown, Oxford.
Everett Willard Anderson, Port Allegany.
Orpha G. Leitzel, Richfield.
George F. Yedlicka, Rillton.
John M. Fox, Shanksville.
Horace S. Glover, Starrucca.
Paul Eugene Ribble, Stillwater.
Sophie D. Scipione, Tire Hill.
Richard Edwin Snell, Towanda.
Noah W. Nase, Tylersport.
Richard E. Sayres, Willow Street.

RHODE ISLAND

Richard M. Stanton, Wood River Junction.

SOUTH CAROLINA

Harold J. Snyder, Buffalo.
Clarence C. Phillips, Jr., Central.
James F. Huiet, Trenton.
Alfred O. Johnson, Wellford.
John Homer Ford, Williamston.

SOUTH DAKOTA

Wayne A. Nelsen, Lake Andes.

TENNESSEE

Eugene S. Mitchell, Limestone.
William Hal Redmond, Maury City.

TEXAS

Ernest H. Butts, Annona.
Joseph P. Hutton, Canadian.
Marion B. Bone, Colleyville.
D. L. Stoker, Jr., Crowley.
Vernon J. Burns, Ingram.
C. G. Twilley, Irving.
Verner O. Salmon, La Pryor.
Billy Wayne Newman, Moody.
Homer B. Copeland, Palmer.
Neda C. Holt, Pyote.
George W. Kemp, Richardson.
Jimmy Reid Simmons, Rockport.
Alda R. McDougal, Smyer.
Ila B. Hulme, Stowell.
Herman W. Hawker, Teague.
Frederick H. Pearce, Sr., Thorndale.

VERMONT

Sadie R. Hamilton, Cuttingsville.
George O. Rivard, Richmond.

WEST VIRGINIA

Charles Manning Smith, Charles Town.
William A. Swearingen, Parkersburg.
Leon D. Rishel, Spencer.

WISCONSIN

Lucille M. Radtke, Embarrass.
Ruben G. Duchow, Potter.
Vaughn W. Biles, Stockholm.
Marcella M. Wilke, Zachow.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 22, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Proverbs 29: 18: *Where there is no vision, the people perish.*

Almighty God, in these days of tension and trial, of strain and struggle, of crisis and confusion, we are praying especially for our own beloved country.

We penitently confess that materialism, as a habit of life, seems at times to have a greater hold upon us than ever before.

Help us to see how appalling and inevitable our loss will be if we fail to be a Republic whose God is the Lord.

Grant that the ideals and principles, the hopes and aspirations of our citizens may be more divine in character, lest we go down in darkness and defeat.

Show us how we may cast off and crucify everything that is alien to the spirit of our blessed Lord who made the doing of Thy will the supreme purpose and passion of His life.

Hear us in His name. 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 without amendment a bill of the House of the following titles:

H. R. 6765. An act to provide for reports on the acreage planted to cotton, to repeal the prohibitions against cotton-acreage reports based on farmers' planting intentions, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and joint resolutions of the House of the following titles:

H. R. 1061. An act to amend title 10, United States Code, to authorize the Secretary of

Defense and the Secretaries of the military departments to settle certain claims for damage to, or loss of, property, or personal injury or death, not cognizable under any other law;

H. R. 1492. An act for the relief of Gillous Young;

H. R. 1700. An act for the relief of Western Instruments Associates;

H. R. 3679. An act for the relief of the E. B. Kaiser Co.;

H. R. 5355. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corp., of Union, N. J.;

H. R. 5424. An act for the relief of Thomas Helms and other employees of the Bureau of Public Roads;

H. R. 6932. An act for the relief of the estate of W. C. Yarbrough;

H. R. 7454. An act to amend the Tariff Act of 1930 to provide for the free importation by colleges and universities of sound recordings and film to be used by them in certain nonprofit radio and television broadcasts;

H. R. 7733. An act for the relief of Arnie M. Sanders;

H. R. 8490. An act to amend the Agricultural Adjustment Act of 1938, as amended, with respect to rice acreage allotments;

H. J. Res. 378. Joint resolution to authorize the President to proclaim annually the week which includes July 4 as National Safe Boating Week;

H. J. Res. 529. Joint resolution for the relief of certain aliens; and

H. J. Res. 552. Joint resolution to facilitate the admission into the United States of certain aliens.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 59. An act directing the Secretary of the Interior to convey certain property in the State of Colorado to William M. Proper;

S. 143. An act for the relief of Giuseppe Fricano, Maria Scelba Fricano, Stefano Fricano, and Vincenzo (Jimmy) Fricano;

S. 445. An act for the relief of Maria Sabatino;

S. 459. An act for the relief of Francisco Salinas (also known as Daniel Castro Quilantan);

S. 683. An act for the relief of Chiu-Sang Wu and his wife, Catherine Naoko Mitsuda Wu;

S. 1191. An act to authorize the Secretary of the Interior to exchange lands at Olympic National Park, and for other purposes;

S. 1234. An act for the relief of Benjamin Barron-Wragon;

S. 1542. An act for the relief of Lori Biagi;

S. 1593. An act for the relief of Elisabeth Lesch and her minor children, Gonda, Norbert, and Bobby;

S. 1939. An act to amend the Federal Seed Act of August 9, 1939 (53 Stat. 1275), as amended;

S. 1963. An act to amend section 35 of title 18 of the United States Code so as to increase the punishment for knowingly giving false information concerning destruction of aircraft and motor vehicles;

S. 2215. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws;

S. 2511. An act for the relief of Maria Garcia Aliaga;

S. 2816. An act for the relief of Concepcion Ramiro (Romelio) Gamboa;

S. 2944. An act for the relief of Yoshiko Matsuhara and her minor child, Kerry;

S. 2965. An act for the relief of Taeko Takamura Elliott;

S. 2982. An act for the relief of Kalliope Giamnias;

S. 3055. An act for the relief of Ronald H. Denison;

S. 3060. An act for the relief of Romulo A. Manriquez;

S. 3076. An act to amend section 12 of the act of May 29, 1884, relating to research on foot-and-mouth disease and other animal diseases;

S. 3080. An act for the relief of Kimiko Araki;

S. 3129. An act for the relief of Nativadade Agrela Dos Santos;

S. 3136. An act for the relief of Fouad (Fred) Kassis;

S. 3159. An act for the relief of Cresencio Urbano Guerrero;

S. 3172. An act for the relief of Ryfka Bergmann;

S. 3173. An act for the relief of Prisco Di Flumeri;

S. 3175. An act for the relief of Giuseppina Fazio;

S. 3176. An act for the relief of Teofilo M. Palaganas;

S. 3205. An act for the relief of Paul S. Watanabe;

S. 3269. An act for the relief of Mildred (Milka Krivec) Chester;

S. 3271. An act for the relief of Souhail Wadi Massad;

S. 3272. An act for the relief of Janez (Garantini) Bradek and Franciska (Garantini) Bradek;

S. 3307. An act to reinstate certain terminated oil and gas leases;

S. 3358. An act for the relief of John Demetriou Asteron;

S. 3364. An act for the relief of Antonios Thomas;

S. 3478. An act to insure the maintenance of an adequate supply of anti-hog-cholera serum and hog-cholera virus;

S. 3861. An act to provide for the control of noxious plants on land under the control or jurisdiction of the Federal Government;

S. Con. Res. 52. Concurrent resolution extending greetings to the citizens of Nevada concerning the celebration of the centennial of the discovery of silver in the United States; and

S. Con. Res. 87. Concurrent resolution to print additional copies of the hearings entitled "Civil Rights—1957," for the use of the Committee on the Judiciary.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on House Joint Resolution 642.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL SAFE BOATING WEEK

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H. J. Res. 378) to authorize the President to proclaim annually the week which includes July 4 as "National Safe Boating Week" with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the resolution.

The Clerk read the Senate amendment, as follows:

Page 1, line 3, of the preamble, strike out "1937" and insert "1958."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

THE THOMAS J. O'BRIEN LOCK AND DAM

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 12613) to designate the lock and dam to be constructed on the Calumet River, Ill., as the "Thomas J. O'Brien lock and dam."

The Clerk read the title of the bill.

Mr. SHEEHAN. Mr. Speaker, reserving the right to object, and I will not, I merely wish to state to the gentleman from Illinois that the Republican Members from Cook County, of the Illinois delegation, and the State of Illinois join wholeheartedly in this resolution.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the lock and dam to be constructed on the Calumet River, Ill., between turning basin No. 5 at Lake Calumet and the junction of the Little Calumet River and the Grand Calumet River, such lock and dam to be located approximately at 134th Street, authorized as one of the structures to replace the Blue Island lock and dam, by the River and Harbor Act of July 24, 1946, shall be known and designated hereafter as the "Thomas J. O'Brien lock and dam." Any law, regulation, map, document, record, or other paper of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "Thomas J. O'Brien lock and dam."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PRICE. Mr. Speaker, I ask unanimous consent that all Members who so desire may have the privilege of extending their remarks at this point in the RECORD on the bill just passed.

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

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it is most gratifying to the members of the Illinois delegation, and I know our feeling is shared by every Member of this body on both sides of the aisle, to know that through all the years of the future the name of our beloved dean will live on, reminding succeeding generations when Cal-Sag is one of the great waterways for world commerce, of the outstanding statesman without whose tireless effort and matchless popularity with

his colleagues the Cal-Sag development might have remained stagnant. It is most appropriate that this dam should bear the proud and honorable name of THOMAS J. O'BRIEN, and the fact that the bill of authorization was no sooner introduced by our colleague from Chicago [Mr. KLUCZYNSKI] than with the blessing of the leadership on both sides it was immediately brought up and passed by unanimous vote, speaks volumes of the regard and affection in which TOM O'BRIEN is held.

Mr. MACK of Illinois. Mr. Speaker, I wish to join my colleague in support of H. R. 12613. This bill would designate the lock and dam to be constructed on the Calumet River near Chicago as the Thomas J. O'Brien lock and dam in tribute to the eminent and beloved dean of the Illinois Congressional delegation.

It is most appropriate that the House take this action. Our great metropolis on Lake Michigan owes much to the statesmanship and farsighted vision of the gentleman from Illinois, THOMAS J. O'BRIEN. He has served the people of Chicago well and faithfully as their representative in the Illinois General Assembly, sheriff of Cook County, and a Member of Congress for 11 terms.

The Cal-Sag channel, a vital transportation link between the Mississippi River Valley and the St. Lawrence seaway, has become a reality through his efforts. Bestowing his great name on one of the principal features of this waterway is a means by which Congress, in small measure, can reward the gentleman from Illinois, THOMAS J. O'BRIEN, for his many years of public service.

Mr. PRICE. Mr. Speaker, it is pleasing to note the reception by the Members of the House on both sides of the aisle to my request for unanimous consideration of H. R. 12613 which would designate the lock and dam to be constructed on the Calumet River in Illinois as the Thomas J. O'Brien lock and dam.

This is a tribute to the gentleman from Illinois, the beloved dean of the Illinois Democratic delegation in the House and among the ranking members of the entire Illinois delegation. It is a tribute not only from his colleagues in the Chicago area but throughout the State of Illinois and likewise a tribute to him from all the Members of the House from every section of the country. TOM O'BRIEN is held in the highest esteem by every Member in the House of Representatives.

While this particular tribute is in recognition of the splendid leadership he gave on the Calumet-Sag Channel improvement project, it also gives testimony from his colleagues as to their feeling for the gentleman from Chicago.

TOM O'BRIEN never seeks the spotlight for the good he accomplishes in the service to his State and Nation, but his efforts cannot go unnoticed by his colleagues who are so familiar with his qualities for leadership. His quiet influence within his own delegation is reflected in his many accomplishments and achievements as a Member of this House. He is respected and honored by all who have the privilege of following his activities.

Mr. YATES. Mr. Speaker, I am delighted to join with my colleague from Illinois [Mr. PRICE] in his very thoughtful and well deserved resolution to name lock No. 5 of the Cal-Sag project the Thomas J. O'Brien lock. Certainly no man ever deserved such recognition, for it was only the determined and persevering effort of the dean of the Illinois delegation which brought success to the Cal-Sag project. But the Cal-Sag project, important as it is to the people of Chicago and of the State of Illinois, is but one of the many examples of the essential work brought to fruition through the efforts of Congressman O'BRIEN.

Quiet in his way, there is no one in the Congress who is more effective or more dynamic in attaining his objectives. His efforts over the years have received the high commendation and support of his constituents who recognize the excellence of the representation he has given.

I look forward to joining my colleagues of the Illinois delegation in participating in the ceremonies which formally designate the lock as the Thomas J. O'Brien lock.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1959

Mr. KIRWAN. Mr. Speaker, I call up the conference report on 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, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

The conference report and statemcnt are as follows:

CONFERENCE REPORT (H. REPT. No. 1757)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to 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," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 17, 32, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 7, 8, 9, 10, 12, 15, 16, 19, 23, 24, 25, 31, and 34, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$525,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,800,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$22,190,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$58,139,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,000,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,175,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$20,000,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$75,107,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$15,678,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,720,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$100,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 14, 18, and 22.

MICHAEL J. KIRWAN,
W. F. NORRELL,
A. D. SIEMINSKI,
DON MAGNUSON,
CLARENCE CANNON,
BEN F. JENSEN,
HAMER H. BUDGE,
JOHN TABER,
Managers on the Part of the House.

CARL HAYDEN,
DENNIS CHAVEZ,
WARREN G. MAGNUSON,
SPESSARD L. HOLLAND,
KARL E. MUNDT,
MILTON R. YOUNG,
WILLIAM F. KNOWLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10746) making ap-

propriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

Departmental offices

Office of Saline Water

Amendment No. 1: Appropriates $825,000 as proposed by the Senate instead of $785,000 as proposed by the House.

Office of Oil and Gas

Amendment No. 2: Appropriates $525,000 instead of $550,000 as proposed by the Senate and $500,000 as proposed by the House.

Office of the Solicitor

Amendment No. 3: Appropriates $2,800,000 instead of $2,825,000 as proposed by the Senate and $2,750,000 as proposed by the House.

Acquisition of Strategic Minerals

Amendment No. 4: Appropriates $3,200,000 as proposed by the Senate to continue the acquisition of asbestos and fluorspar to December 31, 1958, under the provisions of Public Law 733, 84th Congress.

Bureau of Land Management

Amendment No. 5: Inserts language proposed by the Senate to conform with the authorizing legislation.

Amendment No. 6: Appropriates $22,190,000 for management of lands and resources instead of $22,940,000 as proposed by the Senate and $20,940,000 as proposed by the House. Of the increase provided over the House bill $250,000 is for strengthening fire control operations in Alaska and $500,000 is for the weed-control program on public lands including adequate funds to take immediate action to reseed those areas in Idaho that are serving as host plants for the beet leafhopper.

Amendments Nos. 7, 8, and 9: Insert language proposed by the Senate to conform with the authorizing legislation.

Amendment No. 10: Appropriates $4,685,000 for construction as proposed by the Senate instead of $4,435,000 as proposed by the House.

Bureau of Indian Affairs

Amendment No. 11: Appropriates $58,139,000 for education and welfare services instead of $58,809,000 as proposed by the Senate and $57,469,000 as proposed by the House.

Amendment No. 12: Appropriates $18,100,000 for resources management as proposed by the Senate instead of $17,000,000 as proposed by the House.

Amendment No. 13: Appropriates $26,000,000 for construction instead of $40,571,000 as proposed by the Senate and $13,800,000 as proposed by the House. The increase provided over the House bill shall be applied to the items listed in the Senate report.

Amendment No. 14: Reported in disagreement. The managers on the part of the House will offer a motion to insert language making available not to exceed $12,000 for payment to the North Dakota State Water Conservation Commission for the construction of culverts at Zeibaugh Pass, N. Dak. The conferees are in agreement that this amount shall be matched with a like amount by the State to provide a total of $24,000 for the project.

Geological Survey

Amendments Nos. 15 and 16: Appropriate $36,915,000 as proposed by the Senate instead of $36,000,000 as proposed by the House.

Amendment No. 17: Permits purchase of 92 passenger motor vehicles for replacement only as proposed by the House instead of 112 as proposed by the Senate.

Bureau of Mines

Amendment No. 18: Reported in disagreement.

National Park Service

Amendment No. 19: Appropriates $14,632,000 for management and protection as proposed by the Senate instead of $14,150,000 as proposed by the House.

Amendment No. 20: Appropriates $12,175,000 for maintenance and rehabilitation of physical facilities instead of $12,750,000 as proposed by the Senate and $11,600,000 as proposed by the House.

Amendment No. 21: Appropriates $20,000,000 for construction instead of $24,000,000 as proposed by the Senate and $12,400,000 as proposed by the House. The increase provided over the House bill shall be applied to the items listed in the Senate report.

Amendment No. 22: Reported in disagreement.

Fish and Wildlife Service

Bureau of Sport Fisheries and Wildlife

Amendment No. 23: Appropriates $11,616,000 for management and investigations of resources as proposed by the Senate instead of $11,508,000 as proposed by the House.

Amendment No. 24: Appropriates $3,929,350 for construction as proposed by the Senate instead of $1,458,000 as proposed by the House.

Office of Territories

Alaska public works

Amendment No. 25: Appropriates $5,300,000 as proposed by the Senate instead of $4,000,000 as proposed by the House.

TITLE II—RELATED AGENCIES

Department of Agriculture

Forest Service

Amendment No. 26: Appropriates $75,107,000 for forest land management instead of $81,357,000 as proposed by the Senate and $68,857,000 as proposed by the House. The portion of the increase over the House bill allocated to structural improvements shall be applied primarily to facilities for other than employee housing. The increase allowed includes $250,000 for additional forest fire protection in southern California.

Amendment No. 27: Appropriates $15,678,000 for forest research instead of $16,728,000 as proposed by the Senate and $12,128,000 as proposed by the House. Of the increase provided over the House bill $2,500,000 is for the construction of research facilities as itemized in the Senate report. The conferees are in agreement that proper attention should be given to the Dutch elm disease problem in cooperation with the Agricultural Research Service. None of the increase above the House bill is for the Forest Products Laboratory, Madison, Wis.

Amendment No. 28: Appropriates $12,720,000 for State and private forestry cooperation instead of $13,245,000 as proposed by the Senate and $12,195,000 as proposed by the House.

Amendment No. 29: Provides a limitation of $100,000 for the acquisition of sites instead of $150,000 as proposed by the Senate and $50,000 as proposed by the House.

Amendment No. 30: Appropriates $26 million for forest roads and trails instead of $27 million as proposed by the Senate and $23,750,000 as proposed by the House.

Amendment No. 31: Inserts language proposed by the Senate providing that these funds may be used for liquidation of obligations incurred pursuant to the contract authority in the Federal-Aid Highway Acts of 1956 and 1958. It is the intent of the conferees of both Houses that the amount appropriated herein shall be used solely for liquidation of obligations incurred under such contract authority.

Amendment No. 32: Deletes language inserted by the Senate appropriating $500,000 for assistance to States for tree planting under section 401 of the Agricultural Act of 1956.

Amendment No. 33: Deletes language inserted by the Senate appropriating $300,000 for acquisition of lands for the Superior National Forest.

Amendment No. 34: Eliminates, as proposed by the Senate, language limitation on the cost of buildings and improvements.

MICHAEL J. KIRWAN,
W. F. NORRELL,
A. D. SIEMINSKI,
DON MAGNUSON,
CLARENCE CANNON,
BEN F. JENSEN,
HAMER H. BUDGE,
JOHN TABER,
Managers on the Part of the House.

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

The previous question was ordered.

The conference report was agreed to.

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

The Clerk read as follows:

Senate amendment No. 14: Page 8, line 16, 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."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

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

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

Mr. JENSEN. Mr. Speaker, I have no objection. I only wish to say this, that the conferees on the part of the House and the Senate came to full agreement on this bill in conference, and hence there is no disagreement whatever on any item.

I think it should be said, also, that the appropriation made in this bill for the Department of the Interior is $548,150 less than was appropriated for the Department last year. The conference report, I am sure, will meet with the approval of all of the Members of this House, and I am sure it will of the Senate, and I want to thank the chairman of the committee, the gentleman from Ohio [Mr. KIRWAN], for the fine job that he has done, as well as the staff and every other member of the committee. We had splendid hearings and the bill speaks for itself, Mr. Speaker.

The SPEAKER. The question is on the motion.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 18: Page 14, line 1, 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."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 22: Page 16, line 16, insert ", of which not to exceed $135,000 shall be available for the construction of additional school facilities at Grand Canyon National Park, Ariz."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

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

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

There was no objection.

Mr. KIRWAN. Mr. Speaker, the conference action provides a total of $459,675,950 for fiscal year 1959 for the Department of the Interior and related agencies including the Forest Service. This represents a reduction of $30,241,000 from the amount proposed by the Senate for 1959 and a decrease of $548,150 from appropriations to date for the current fiscal year.

Although the bill represents an increase of $45,191,340 over the budget estimate and $46,530,350 over the House bill it should be noted that the budget request on which the House action was based was formulated last fall under the budget policy of curtailing nondefense expenditures to the greatest extent possible. Large amounts of the 1958 appropriations were placed in reserve in an effort to hold down expenditures, especially on construction programs. The 1959 budget assumed that to a large extent these reserves would be carried forward for use in 1959 thus reducing the new appropriations required.

Since the House action in February, these reserves have been released by the Budget Bureau for use during the remainder of the current fiscal year to accelerate Federal expenditures in the light of current economic conditions.

Because of the need to expand job opportunities immediately the House conferees have accepted those portions of the Senate increases which it is believed can be efficiently undertaken in 1959 and which will provide for construction of a limited number of long-deferred facilities urgently needed for various management and research programs. Major increases agreed to over the House bill include $12,200,000 to provide essential education facilities for Indian children, $7,600,000 for construction in the national parks, $2,471,350 for additional fish and wildlife facilities, $1,300,000 for Alaska public works, and $12,175,000 for the United States Forest Service, including recreation and public use, structural improvements, and forest research including $2,500,000 for construction of research facilities.

It should be noted that the amount provided in the bill is $548,150 below 1958 appropriations. Increases in the bill over 1958, totaling $28,856,000 have been more than offset by decreases in several items totaling $29,404,150. This is in accordance with the committee's efforts to hold operating expenses to the minimum required to carry out an effective program for the conservation and proper utilization of our great natural resources

Mr. Speaker, following is a summary comparison of the figures in the bill:

1958 appropriations	[1] $460,224,100
1959 budget estimate	414,484,600
1959 House bill	413,145,600
1959 Senate bill	489,916,950
1959 conference bill	459,675,950

Conference action compared with:

1958 appropriations	−548,150
1959 budget estimate	+45,191,340
1959 House bill	+46,530,350
1959 Senate bill	−30,241,000

[1] Includes $3,974,500 appropriated in Second Supplemental Appropriation Act, 1958.

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

POSTAL RATES AND POSTAL PAY

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 573, Rept. No. 1762), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill H. R. 5836, to readjust postal rates and to establish a congressional policy for the determination of postal rates, and for other purposes, and all points of order against the conference report are hereby waived.

POSTAL RATES AND POSTAL PAY

Mr. MADDEN. Mr. Speaker, I call up House Resolution 573 and ask unanimous consent for its immediate consideration.

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

There was no objection.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill H. R. 5836, to readjust postal rates and to establish a congressional policy for the determination of postal rates, and for other purposes, and all points of order against the conference report are hereby waived.

Mr. MADDEN. Mr. Speaker, I hereby present the rule calling for consideration H. R. 5836, the postal pay conference report.

This has been long delayed legislation. Unfortunately the postal-pay legislation passed by the House last session was vetoed by President Eisenhower.

The cost of living has increased greatly since the postal workers received their last pay increase. In fact the newspapers this morning announce the 15th successive monthly increase in the cost of living. The industrial Calumet region of Indiana, which I represent, has the same high cost of living yardstick as the adjoining Chicago area. Over 52 percent of the postal employees in my area have been compelled to seek additional employment or secure part-time work for their wives.

I do not agree with all the provisions of this bill but want to congratulate the conference committee from the House and Senate for compromising their differences so to present a bill which the President will sign.

The postal employees have waited long and with great sacrifice for a necessary raise in pay. I am happy that the pay feature of the legislation is retroactive to January 1, 1958. I hope the conference report is adopted unanimously.

I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I want to compliment the conferees on bringing this bill back to the House. I am particularly pleased because it shows that there is financial responsibility upon the part of the Congress to raise the rates in order to take care of the large postal deficit.

Mr. Speaker, I reserve the balance of my time.

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.

A motion to reconsider was laid on the table.

Mr. MURRAY. Mr. Speaker, I call up the conference report on the bill (H. R. 5836), to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

Mr. MURRAY (interrupting the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

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

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1760)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5836 entitled "An Act to readjust postal rates and to establish a congressional policy for the determination of postal rates, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—POSTAL POLICY

"Short title

"SEC. 101. This title may be cited as the 'Postal Policy Act of 1958.'

"Findings

"SEC. 102. The Congress hereby finds that—

"(1) the postal establishment was created to unite more closely the American people, to promote the general welfare, and to advance the national economy;

"(2) the postal establishment has been extended and enlarged through the years into a nationwide network of services and facilities for the communication of intelligence, the dissemination of information, the advancement of education and culture, and the

distribution of articles of commerce and industry. Furthermore, the Congress has encouraged the use of these broadening services and facilities through reasonable and, in many cases, special postal rates;

"(3) the development and expansion of these several elements of postal service, under the authorization by the Congress, have been the impelling force in the origin and growth of many and varied business, commercial, and industrial enterprises which contribute materially to the national economy and the public welfare and which depend upon the continuance of these elements of postal service;

"(4) historically and as a matter of public policy there have evolved, in the operations of the postal establishment authorized by the Congress, certain recognized and accepted relationships among the several classes of mail. It is clear, from the continued expansion of the postal service and from the continued encouragement by the Congress of the most widespread use thereof, that the postal establishment performs many functions and offers its facilities to many users on a basis which can only be justified as being in the interest of the national welfare;

"(5) while the postal establishment, as all other Government agencies, should be operated in an efficient manner, it clearly is not a business enterprise conducted for profit or for raising general funds, and it would be an unfair burden upon any particular user or class of users of the mails to compel them to bear the expenses incurred by reason of special rate considerations granted or facilities provided to other users of the mails, or to underwrite those expenses incurred by the postal establishment for services of a nonpostal nature; and

"(6) the public interest and the increasing complexity of the social and economic fabric of the Nation require an immediate, clear, and affirmative declaration of congressional policy with respect to the activities of the postal establishment including those of a public service nature as the basis for the creation and maintenance of a sound and equitable postal-rate structure which will assure efficient service, produce adequate postal revenues, and stand the test of time.

"Declaration of policy

"SEC. 103. (a) The Congress hereby emphasizes, reaffirms, and restates its function under the Constitution of the United States of forming postal policy.

"(b) It is hereby declared to be the policy of the Congress, as set forth in this title—

"(1) that the post office is a public service;

"(2) to provide a more stable basis for the postal-rate structure through the establishment of general principles, standards, and related requirements with respect to the determination and allocation of postal revenues and expenses; and

"(3) in accordance with these general principles, standards, and related requirements, to provide a means by which the postal-rate structure may be fixed and adjusted by action of the Congress, from time to time, as the public interest may require, in the light of periodic reviews of the postal-rate structure, periodic studies and surveys of expenses and revenues, and periodic reports, required to be made by the Postmaster General as provided by section 105 of this title.

"(c) The general principles, standards, and related requirements referred to in subsection (b) of this section are as follows:

"(1) In the determination and adjustment of the postal-rate structure, due consideration should be given to—

"(A) the preservation of the inherent advantages of the postal service in the promotion of social, cultural, intellectual, and commercial intercourse among the people of the United States;

"(B) the development and maintenance of a postal service adapted to the present needs, and adaptable to the future needs, of the people of the United States;

"(C) the promotion of adequate, economical, and efficient postal service at reasonable and equitable rates and fees;

"(D) the effect of postal services and the impact of postal rates and fees on users of the mails;

"(E) the requirements of the postal establishment with respect to the manner and form of preparation and presentation of mailings by the users of the various classes of mail service;

"(F) the value of mail;

"(G) the value of time of delivery of mail; and

"(H) the quality and character of the service rendered in terms of priority, secrecy, security, speed of transmission, use of facilities and manpower, and other pertinent service factors.

"(2) The acceptance, transportation, and delivery of first-class mail constitutes a preferred service of the postal establishment and, therefore, the postage for first-class mail should be sufficient to cover (A) the entire amount of the expenses allocated to first-class mail in accordance with this title and (B) an additional amount representing the fair value of all extraordinary and preferential services, facilities, and factors relating thereto.

"(3) Those services, elements of service, and facilities rendered and provided by the postal establishment in accordance with law, including services having public service aspects, which, in whole or in part, are held and considered by the Congress from time to time to be public services for the purposes of this title shall be administered on the following basis:

"(A) the sum of such public service items as determined by the Congress should be assumed directly by the Federal Government and paid directly out of the general fund of the Treasury and should not constitute direct charges in the form of rates and fees upon any user or class of users of such public services, or of the mails generally; and

"(B) nothing contained in any provision of this title should be construed as indicating any intention on the part of the Congress (i) that such public services, or any of them, should be limited or restricted or (ii) to derogate in any way from the need and desirability thereof in the public interest.

"(4) Postal rates and fees shall be adjusted from time to time as may be required to produce the amount of revenue approximately equal to the total cost of operating the postal establishment less the amount deemed to be attributable to the performance of public services under section 104 (b) of this title.

"Identification of and appropriations for public services

"SEC. 104. (a) The following shall be considered to be public services for the purposes of this title—

"(1) the total loss resulting from the transmission of matter in the mails free of postage or at reduced rates of postage as provided by statute, including the following:

"(A) paragraph (3) of subsection (a) of section 202 of the Act of February 28, 1925 (39 U. S. C. 283 (3)) relating to reduced rates of postage on newspapers or periodicals of certain nonprofit organizations;

"(B) sections 5 and 6 of the Act of March 3, 1877 (39 U. S. C. 321), relating to official mail matter of the Pan American Union sent free through the mails;

"(C) section 25 of the Act of March 3, 1879, as amended (39 U. S. C. 286), and subsection (b) of section 2 of the Act of October 30, 1951 (39 U. S. C. 289a (b)), relating to free-in-county mailing privileges;

"(D) the Act of April 27, 1904 (33 Stat. 313), the last paragraph under the heading 'Office of the Third Assistant Postmaster General' contained in the first section of the Act of August 24, 1912 (37 Stat. 551), and the Joint Resolution of June 7, 1924 (43 Stat. 668; Pub. Res., No. 33, Sixty-eighth Congress), as contained in the Act of October 14, 1941 (55 Stat. 737; Public Law 270, Seventy-seventh Congress), and as further amended by the Act of September 7, 1949 (63 Stat. 690), relating to free postage and reduced postage rates on reading matter and other articles for the blind (39 U. S. C. 331);

"(E) the Act of February 14, 1929 (39 U. S. C. 336), granting free mailing privileges to the diplomatic corps of the countries of the Pan American Postal Union;

"(F) the Act of April 15, 1937 (39 U. S. C. 293c), granting reduced rates to publications for use of the blind;

"(G) the Act of June 29, 1940 (39 U. S. C. 321–1), granting free mailing privileges to the Pan American Sanitary Bureau;

"(H) the Act of May 7, 1945 (59 Stat. 707), and other provisions of law granting free mailing privileges to individuals;

"(I) the second and third provisos of subsection (a) of section 2 of the Act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 289a (a)), granting reduced second-class postage rates to publications of certain organizations;

"(J) the last proviso of section 3 of the Act of October 30, 1951 (65 Stat. 673; 39 U. S. C. 290a–1), granting reduced third-class postage rates to certain organizations;

"(K) section 302 of The Federal Voting Assistance Act of 1955 (5 U. S. C. 2192), granting free postage, including free airmail postage, to post cards, ballots, voting instructions, and envelopes transmitted in the mails under authority of such Act; and

"(L) section 204 (d) and (e) of the Postal Rate Revision and Federal Employees Salary Act of 1948, as amended (39 U. S. C. 292a (d) and (e)), including the amendment made by section 206 of this Act.

"(2) the loss resulting from the operation of such prime and necessary public services as the star route system and third- and fourth-class post offices;

"(3) the loss incurred in performing nonpostal services, such as the sale of documentary stamps for the Department of the Treasury;

"(4) the loss incurred in performing special services such as cash on delivery, insured mail, special delivery, and money orders; and

"(5) the additional cost of transporting United States mail by foreign air carriers at a Universal Postal Union rate in excess of the rate prescribed for United States carriers.

"(b) There is hereby authorized to be appropriated to the revenues of the Post Office Department for each fiscal year from any money in the Treasury not otherwise appropriated an amount, which shall be deemed to be attributable to the public services enumerated under subsection (a) of this section, equal to the total estimated expenditures of the Post Office Department for the year for such public services as determined by the Congress in the appropriation Act based upon budget estimates submitted to the Congress. Such appropriations shall be available to enable the Postmaster General to pay in to postal revenues at quarterly or other intervals such sums as may be necessary to reimburse the Post Office Department for such amount attributable to public services.

"Reviews, studies, surveys, and reports of Postmaster General

"SEC. 105. (a) The Postmaster General is authorized and directed to initiate and conduct, through the facilities of the postal establishment, either on a continuing basis or from time to time, as he deems advisable, but not less often than every two years, a review of the postal-rate structure and a study and survey of the expenses incurred and the revenues received in connection with the several classes of

mail, and the various classes and kinds of services and facilities provided by the postal establishment, in order to determine, on the basis of such review, study, and survey for each class and kind of service or facility provided by the postal establishment, the need for adjustment of postal rates and fees in accordance with the policy set forth in this title.

"(b) The Postmaster General shall submit to the Senate and the House of Representatives not later than April 15 of each alternate fiscal year, beginning with the fiscal year ending June 30, 1960, a report of the results of the review, study, and survey conducted pursuant to subsection (a) of this section. Such report shall include—

"(1) information with respect to expenses and revenues which is pertinent to the allocation of expenses and the determination and adjustment of postal rates and fees in accordance with the policy set forth in this title; and

"(2) such other information as is necessary to enable the Congress, or as may be required by the Congress or an appropriate committee thereof, to carry out the purposes of this title.

"EFFECT ON FOURTH-CLASS MAIL RATES

"SEC. 106. The provisions of this title shall not require any downward adjustment in rates of postage on fourth-class mail existing on the date of enactment of this Act.

"TITLE II—POSTAL RATE INCREASES

"Short title

"SEC. 201. This title may be cited as the 'Postal Rate Increase Act, 1958.'

"First-class mail

"SEC. 202. (a) That part of the first section of the Joint Resolution of June 30, 1947 (61 Stat. 213; 39 U. S. C. 280), which precedes the proviso, is amended by striking out '3 cents' and inserting in lieu thereof '4 cents.'

"(b) Section 1 of the Act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 280), as amended, is further amended—

"(1) by striking out '2 cents' wherever appearing in subsection (a) and inserting in lieu thereof '3 cents'; and

"(2) by striking out '2 cents' in subsection (b) and inserting in lieu thereof '3 cents.'

"Domestic airmail

"SEC. 203. Section 201 of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1261; 39 U. S. C. 463a) is amended—

"(1) by striking out '6 cents' in the first sentence and inserting in lieu thereof '7 cents'; and

"(2) by striking out '4 cents' in the second sentence and inserting in lieu thereof '5 cents.'

"Second-class mail

"SEC. 204. (a) Section 2 (a) of the Act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 289a), is amended by striking out the word 'and' preceding clause (3) and by inserting immediately before the colon which precedes the first proviso a comma and the following: 'and (4) such postage is further adjusted to the amounts set forth in the following table, on the dates specified:

	January 1, 1959 (cents per pound or fraction thereof)	January 1, 1960 (cents per pound or fraction thereof)	January 1, 1961 (cents per pound or fraction thereof)
Nonadvertising portion	2.1	2.3	2.5
Advertising portion:			
First and second zones	2.2	2.6	3.0
Third zone	3.0	3.5	4.0
Fourth zone	4.5	5.2	6.0
Fifth zone	6.0	7.0	8.0
Sixth zone	7.7	8.7	10.0
Seventh zone	9.2	11.0	12.0
Eighth zone	11.0	12.5	14.0'

"(b) Section 2 (c) of such Act of October 30, 1951, is amended by striking out 'one-eighth of 1 cent' and inserting in lieu thereof 'one-fourth of 1 cent effective January 1, 1959, three-eighths of 1 cent effective January 1, 1960, and one-half of 1 cent effective January 1, 1961, except that (1) in no case shall the postage on each individually addressed copy mailed by the organizations listed, and for the purposes prescribed, in the second and third provisos of subsection (a) of this section be less than one-eighth of 1 cent and (2) the per copy rates prescribed for publications covered by section 25 of the Act of March 3, 1879, as amended (39 U. S. C. 286), shall be continued.'

"(c) Section 2 (d) of such Act of October 30, 1951, is amended by striking out the words 'two ounces' where they appear the second time and inserting in lieu thereof the word 'ounce.'

"(d) The third clause of section 14 of the Act of March 3, 1879, as amended (39 U. S. C. 226), is amended to read as follows:

"'Third. It must be formed of printed sheets: *Provided,* That publications produced by the stencil, mimeograph, or hectograph process or in imitation of typewriting shall not be regarded as printed within the meaning of this clause.'

"(e) Section 202 (a) of the Act of February 28, 1925, as amended (39 U. S. C. 283), is amended by adding at the end thereof the following new paragraph:

"'(4) For the purpose of this section, the portion of a publication devoted to advertisements shall include all advertisements inserted in such publication and attached permanently thereto.'

"Controlled circulation publications

"(f) Section 203 of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1262; 39 U. S. C. 291b), is amended—

"(1) by striking out '10 cents a pound or fraction thereof' and inserting in lieu thereof '12 cents a pound or fraction thereof regardless of the weight of the individual copies'; and

"(2) by adding at the end thereof a new sentence reading 'The rates provided in this section shall remain in effect until otherwise provided by the Congress.'

"Third-class mail

"SEC. 205. Section 3 of the Act of October 30, 1951 (65 Stat. 673; 39 U. S. C. 290a–1), is amended—

"(1) by striking out so much of such section as precedes the first proviso and inserting in lieu thereof the following: 'The rate of postage on third-class matter shall be 3 cents for the first two ounces or fraction thereof, and 1½ cents for each additional ounce or fraction thereof up to but not including sixteen ounces in weight:';

"(2) in the first proviso contained in such section, by striking out '$10' and inserting in lieu thereof '$20';

"(3) in the second proviso contained in such section—

"(A) by striking out '14 cents' and inserting in lieu thereof '16 cents'; and

"(B) by striking out '1 cent' wherever appearing therein and inserting in lieu thereof '2 cents when mailed prior to July 1, 1960, and 2½ cents when mailed on or after such date';

"(4) by striking out the third proviso contained in such section;

"(5) in the fourth proviso contained in such section, by striking out '3 cents' and inserting in lieu thereof '6 cents'; and

"(6) by striking out the last proviso and inserting in lieu thereof the following: '*And provided further,* That on and after January 1, 1959, the rates of postage on third-class matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, shall be the rates prescribed by this section, except that the minimum charge per piece for third-class matter mailed in bulk by such organizations or associations shall be 50 per centum of the minimum charge prescribed by this section for such mailings.'

"Fourth-class mail

"SEC. 206. (a) Section 204 (a) of the Postal Rate Revision and Federal Employees Salary Act of 1948 (39 U. S. C. 292a (a)), as amended, is amended by striking out the words 'over eight ounces' wherever they appear and inserting in lieu thereof 'sixteen ounces or over.'

"(b) Sections 204 (d) and (e) of such Act (39 U. S. C. 292a (d) and (e)) are amended to read as follows:

"'(d) The following materials when in parcels not exceeding seventy pounds in weight may be sent at the postage rate of 9 cents for the first pound and 5 cents for each additional pound or fraction thereof, and this rate shall continue until otherwise provided by the Congress: (1) books permanently bound for preservation consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (2) sixteen-millimeter films and sixteen-millimeter film catalogs except when sent to commercial theaters; (3) printed music whether in bound form or in sheet form; (4) printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests, and other mental and personal qualities with or without answers, test scores, or identifying information recorded thereon in writing or by mark; (5) phonograph recordings; and (6) manuscripts for books, periodical articles, and music.

"'(e) (1) The following materials when in parcels not exceeding seventy pounds in weight when loaned or exchanged between (A) schools, colleges, or universities and (B) public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, or between such organizations and their members or readers or borrowers, shall be charged with postage at the rate of 4 cents for the first pound and 1 cent for each additional pound or fraction thereof, except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection, and this rate shall continue until otherwise provided by the Congress: (i) books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (ii) printed music, whether in bound form or in sheet form; (iii) bound volumes of academic theses in typewritten or other duplicated form and bound volumes of periodicals; (iv) phonograph recordings; and (v) other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscripts.

"'(2) The rate provided in paragraph (1) for books may apply to sixteen-millimeter films, filmstrips, transparencies for projection and slides, microfilms, sound recordings, and catalogs of such materials when sent in parcels not exceeding seventy pounds in weight to or from (A) schools, colleges, or universities and (B) public libraries, re-

ligious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual.

"'(3) Public libraries, organizations, or associations, before being entitled to the rates specified in paragraphs (1) and (2) of this subsection, shall furnish to the Postmaster General, under such regulations as he may prescribe, satisfactory evidence that none of their net income inures to the benefit of any private stockholder or individual.'

"(c) (1) The first section of the Act entitled 'An Act to readjust the size and weight limitations on fourth-class (parcel post) mail,' approved October 24, 1951 (65 Stat. 610; 39 U. S. C. 240a), is amended by striking out the words 'over eight ounces' each place they appear therein and inserting in lieu thereof the words 'sixteen ounces or over'.

"(2) Section 207 (a) of the Act of February 28, 1925 (39 U. S. C. 240), as amended, is amended by striking out the words 'in excess of eight ounces' and inserting in lieu thereof the words 'sixteen ounces or over'.

"Books for the blind

"SEC. 207. The Act entitled 'An Act to further amend the Acts for promoting the circulation of reading matter among the blind', approved October 14, 1941 (55 Stat. 737), is amended by inserting immediately after 'for which no subscription fee is charged' a semicolon and the following: 'books, or pages thereof, in raised characters, whether prepared by hand or printed, which contain no advertisements, when furnished by any person to a blind person without cost to such blind person'.

"Subscription order, bill, and receipt forms

"SEC. 208. The final clause in the first sentence of the Act of January 20, 1888 (25 Stat. 1; 39 U. S. C. 249), is amended by striking out the following: ", but the same shall be in such form as to convey no other information than the name, place of publication, subscription price of the publication to which they refer and the subscription due thereon".

"Studies and reports with respect to third-class bulk-rate increases

"SEC. 209. (a) The Secretary of Commerce and the Administrator of the Small Business Administration each is authorized and directed to initiate and conduct, through the facilities and personnel of his department or agency, as soon as practicable after July 1, 1959, a separate study of the increases in the rates of postage in third-class bulk-mail matter under the amendments made by section 205 (3) (A) and (B) of this title, in order to determine the effect of such increases on small business enterprises and on the users of the mails and the national economy generally.

"(b) The Secretary of Commerce and the Administrator of the Small Business Administration each shall submit to the Senate and House of Representatives on or before March 1, 1960, a separate report of the results of the study conducted by him under subsection (a) of this section, together with such recommendations as may be necessary and appropriate.

"Investigation and study by Postmaster General of dimensional categories for first- and third-class mail envelopes

"SEC. 210. (a) The Postmaster General is authorized and directed to conduct a thorough investigation and study of the feasibility and desirability of—

"(1) the establishment, by regulation of the Postmaster General, of such number of categories (but not less than two categories) of specified length and width dimensions for envelopes to be used for the transmission of first-class and third-class mail, as the Postmaster General may determine to be necessary or desirable to increase the efficient handling of the mail; and

"(2) the establishment of an additional charge on any such mail transmitted in an envelope which does not conform in length and width to one of such dimensional categories for envelopes.

"(b) The Postmaster General shall submit to the Senate and House of Representatives, on or before February 1, 1959, a report of the results of such investigation and study, together with his recommendations with respect thereto, including his recommendations for any necessary legislation.

"Determination of class of post office and compensation of postmaster and certain employees

"SEC. 211. No part of the gross postal receipts of any post office, which are determined in accordance with estimates of the Postmaster General to be attributable to the increases in postage rates provided by this Act, shall be counted for the purpose of determining the classes of the respective post offices and the compensation and allowances of postmasters and other employees whose compensation or allowances are based on the annual gross receipts of such post offices. Nothing contained in this section shall operate to relegate a post office to a class or receipts category below the class or receipts category to which such post office may be assigned on the basis of gross postal receipts accruing during the last complete calendar year prior to the date of enactment of this Act or, in the case of a post office which was in existence on such date of enactment but which was not in existence during the whole of such calendar year, on the basis of gross postal receipts accruing during the last quarter prior to the date of enactment of this Act.

"Salary step increases

"SEC. 212. (a) Subsection (a) of section 401 of the Postal Field Service Compensation Act of 1955, as amended (39 U. S. C. 981 (a)), is amended by striking out 'salary level PFS–9 or a lower salary level of.'

"(b) Subsection (b) of such section (39 U. S. C. 981 (b)) is repealed.

"Conditions precedent to withdrawal from general fund of Treasury

"SEC. 213. That part of the paragraph under the heading 'General Provisions' under the appropriations for the Post Office Department contained in chapter IV of the Supplemental Appropriation Act, 1951 (64 Stat. 1050; 31 U. S. C. 695), which precedes the provisio is amended by striking out 'the receipt of revenue from fourth-class mail service sufficient to pay the cost of such service' and inserting in lieu thereof '(1) that the revenues from fourth-class mail service will not exceed by more than 4 per centum the costs thereof and (2) that the costs of such fourth-class mail service will not exceed by more than 4 per centum the revenues therefrom.'

"Repeals

"SEC. 214. (a) The following provisions of law are hereby repealed—

"(1) The Act of June 9, 1930 (39 U. S. C. 793), relating to certification of estimated amounts of postage that would have been collected on certain free or reduced-rate mailings, which the Postmaster General is required to make to the Secretary of the Treasury and to the Comptroller General of the United States;

"(2) Paragraph (4) of section 202 (a) of the Act of February 28, 1925 (45 Stat. 941; 39 U. S. C. 283 (4));

"(3) Section 202 (b) of the Act of February 28, 1925 (43 Stat. 1066; 39 U. S. C. 283 (b)); and

"(4) Section 204 of the Act of February 28, 1925 (43 Stat. 1067; 39 U. S. C. 288).

"(b) The last sentence of section 4 (a) of the Civil Service Retirement Act as contained in the Civil Service Retirement Act Amendments of 1956 (70 Stat. 747) is hereby repealed, and hereafter the amounts contributed by the Post Office Department to the civil service retirement and disability fund in compliance with such section 4 (a) of the Civil Service Retirement Act shall be considered as costs of providing postal service for the purpose of establishing postal rates.

"Effective dates

"SEC. 215. (a) The provisions of this section and sections 201, 204 (d), 204 (e), 209, 210, 211, 212, 213, and 214 (a) (1), (2), and (4) of this title shall become effective on the date of enactment of this Act.

"(b) The provisions of sections 202, 203, 204 (c), 204 (f), 205 (1), 205 (5), and 206 of this title shall become effective on the first day of the first month which begins at least 40 days after the date of enactment of this Act.

"(c) The porvisions of section 204 (a) and (b) of this title shall become effective as provided in such section 204 (a) and (b).

"(d) The provisions of sections 205 (2), 205 (3), 205 (4), 205 (6), and 214 (a) (3) of this title shall become effective on January 1, 1959.

"(e) The provisions of sections 207 and 208 of this title shall become effective on July 1, 1958.

"(f) The provisions of section 214 (b) of this title shall become effective as of the effective date of the Civil Service Retirement Act Amendments of 1956.

"TITLE III—POSTAL MODERNIZATION FUND

"Establishment of fund

"SEC 301. There is hereby established in the Treasury of the United States a fund to be known as the 'Postal Modernization Fund' (hereinafter referred to as the 'Fund').

"Appropriations to fund

"SEC. 302. There are hereby authorized to be appropriated and paid into the Fund such sums as may be necessary during each fiscal year, beginning with the fiscal year ending June 30, 1959 and ending with the fiscal year ending June 30, 1961, to carry out the purposes of this title.

"Expenditure from fund

"SEC. 303. Moneys paid into the Fund, together with any income thereof under section 304 (b) or otherwise, shall be available until expended for obligation by the Postmaster General for the purpose of conducting research, either directly or through private or other organizations, and for the purpose of developing, acquiring, and placing into operation improved equipment and facilities for the performance of the postal function.

"Management of fund

"SEC. 304. (a) It shall be the duty of the Secretary of the Treasury to hold the Fund, and (after consultation with the Postmaster General) to report to the Congress not later than the first day of January of each year (beginning with 1960) on the financial condition of the Fund as of the end of the next preceding fiscal year.

"(b) It shall be the duty of the Secretary of the Treasury to invest such portion of the Fund as is not, in his judgment, after consultation with the Postmaster General, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

"Report of Postmaster General

"SEC. 305. The Postmaster General shall include in his annual report to the President for each year a detailed report of his activities during such year under this title.

"TITLE IV—INCREASES IN COMPENSATION OF POSTAL EMPLOYEES

"SEC. 401. The Postal Field Service Compensation Act of 1955, approved June 10, 1955 (Public Law 68, Eighty-fourth Congress), is hereby amended as follows:

"(a) In section 301 (a) strike out the Postal Field Service Schedule, and insert the following schedule:

" 'Postal Field Service Schedule

Level	Per annum rates and steps						
1	$3,095	$3,205	$3,315	$3,425	$3,535	$3,645	$3,755
Temporary rate	3,170	3,285	3,400	3,515	3,630	3,745	3,860
2	3,320	3,435	3,550	3,665	3,780	3,895	4,010
Temporary rate	3,405	3,525	3,645	3,765	3,885	4,005	4,125
3	3,580	3,705	3,830	3,955	4,080	4,205	4,330
Temporary rate	3,670	3,800	3,930	4,060	4,190	4,320	4,450
4	3,935	4,070	4,205	4,340	4,475	4,610	4,745
Temporary rate	4,035	4,175	4,315	4,455	4,595	4,735	4,875
5	4,170	4,305	4,440	4,575	4,710	4,845	4,980
Temporary rate	4,275	4,415	4,555	4,695	4,835	4,975	5,115
6	4,505	4,655	4,805	4,955	5,105	5,255	5,405
Temporary rate	4,620	4,775	4,930	5,085	5,240	5,395	5,550
7	4,870	5,035	5,200	5,365	5,530	5,695	5,860
Temporary rate	4,945	5,110	5,275	5,440	5,605	5,770	5,935
8	5,255	5,440	5,625	5,810	5,995	6,180	6,365
9	5,675	5,875	6,075	6,275	6,475	6,675	6,875
10	6,235	6,450	6,665	6,880	7,095	7,310	7,525
11	6,860	7,095	7,330	7,565	7,800	8,035	8,270
12	7,545	7,805	8,065	8,325	8,585	8,845	9,105
13	8,310	8,590	8,870	9,150	9,430	9,710	9,990
14	9,140	9,440	9,740	10,040	10,340	10,640	10,940
15	10,050	10,350	10,650	10,950	11,250	11,550	11,850
16	11,075	11,375	11,675	11,975	12,275	12,575	12,875
17	12,255	12,555	12,855	13,155	13,455	13,755	14,055
18	13,760	14,060	14,360	14,660	14,960	15,260	15,560
19	15,000	15,300	15,600	15,900			
20	16,000'						

"(b) In section 302 (a) strike out the Rural Carrier Schedule, and insert the following schedule:

" 'Rural Carrier Schedule

	Per annum rates and steps						
	1	2	3	4	5	6	7
Carriers in rural delivery service:							
Fixed compensation per annum	$1,841	$1,896	$1,951	$2,006	$2,061	$2,116	$2,171
Temporary rate	1,941	2,001	2,061	2,121	2,181	2,241	2,301
Compensation per mile per annum for each mile up to 30 miles of route	65	67	69	71	73	75	77
For each mile of route over 30 miles	22	22	22	22	22	22	22
Temporary carriers in rural delivery service on routes to which no regular carrier is assigned:							
Fixed compensation per annum	1,841	------	------	------	------	------	------
Temporary rate	1,941	------	------	------	------	------	------
Compensation per mile per annum for each mile up to 30 miles of route	65	------	------	------	------	------	------
For each mile of route over 30 miles	22	------	------	------	------	------	------
Temporary carriers in rural delivery service on routes having regular carriers absent without pay or on military leave	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Substitute carriers in rural delivery service on routes having carriers absent with pay	(1)	(1)	(1)	(1)	(1)	(1)	(1)'

[1] Basic compensation authorized for the regular carrier.

"(c) In section 302 (c) strike out '$4,700' and insert '$5,165 during the period referred to in section 304 (c) or $5,035 thereafter.'

"(d) In section 303 (a) strike out the Fourth-Class Office Schedule and insert the following schedule:

" 'Fourth-Class Office Schedule

Gross receipts	Per annum rates and steps						
	1	2	3	4	5	6	7
$1,300 to $1,499.99	$2,703	$2,793	$2,883	$2,973	$3,063	$3,153	$3,243
Temporary rate	2,771	2,863	2,955	3,047	3,139	3,231	3,323
$900 to $1,299.99	2,477	2,559	2,641	2,723	2,805	2,887	2,969
Temporary rate	2,539	2,623	2,707	2,791	2,875	2,959	3,043
$600 to $899.99	2,027	2,094	2,161	2,228	2,295	2,362	2,429
Temporary rate	2,078	2,148	2,218	2,288	2,358	2,428	2,498
$350 to $599.99	1,577	1,629	1,681	1,733	1,785	1,837	1,889
Temporary rate	1,616	1,669	1,722	1,775	1,828	1,881	1,934
$250 to $349.99	1,127	1,164	1,201	1,238	1,275	1,312	1,349
Temporary rate	1,155	1,193	1,231	1,269	1,307	1,345	1,383
$200 to $249.99	901	931	961	991	1,021	1,051	1,081
Temporary rate	924	954	984	1,014	1,044	1,074	1,104
$100 to $199.99	676	698	720	742	764	786	808
Temporary rate	693	715	737	759	781	803	825
Under $100	450	465	480	495	510	525	540
Temporary rate	461	476	491	506	521	536	551'

"(a) In section 304 insert the following new subsection:

" '(c) Wherever a temporary per annum rate is provided by a basic salary schedule contained in this title, such temporary rate shall be in effect, in lieu of the regular scheduled rate, for the period beginning on the effective date of this amendment and ending on the last day of the last pay period which begins not more than three years after such date.'

"SEC. 402 (a) The annual rate of basic salary of any officer or employee whose basic salary by reason of the provisions of section 504 of the Postal Field Service Compensation Act of 1955 is at a rate between two scheduled rates, or above the highest scheduled rate, in the Postal Field Service Schedule, the Rural Carrier Schedule, or the Fourth-Class Office Schedule, whichever may be applicable, is hereby increased by an amount equal to the amount of the increase made by this title in the next lower rate of the appropriate level in such schedule.

"(b) As used in this section, the term 'basic salary' has the same meaning as when used in the Postal Field Service Compensation Act of 1955.

"SEC. 403. No increase under the provisions of this title shall be construed to be an equivalent increase within the meaning of section 401 (a) of the Postal Field Service Compensation Act of 1955.

"SEC. 404. The Governor of the Canal Zone is authorized and directed to grant, effective as of January 1, 1958, increases in the compensation of postal employees of the Canal Zone Government comparable to those provided by this title for similar employees.

"SEC. 405. This Act shall have the same force and effect within Guam as within other possessions of the United States.

"SEC. 406. (a) Retroactive compensation or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal goverment of the District of Columbia on the date of enactment of this title, except that such retroactive compensation or salary shall be paid (1) to a postmaster, officer, or employee who retired during the period beginning on the first day of the first pay period which began on or after January 1, 1958, and ending on the date of enactment of this title for services rendered during such period and (2) in accordance with the provisions of the Act of August 3, 1950 (Public Law 636, Eighty-first Congress), as amended, for services rendered during the period beginning on the first day of the first pay period which began on or after January 1, 1958, and ending on the date of enactment of this title by a postmaster, officer, or employee who died during such period. Such retroactive compensation or salary shall not be considered as basic salary for the purposes of the Civil Service Retirement Act in the case of any such retired or deceased postmaster officer, or employee.

"(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"SEC. 407. (a) This title shall take effect as of the first day of the first pay period which began on or after January 1, 1958.

"(b) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in rates of compensation or salary which result from the enactment of this title shall be held and considered to be effective as of the date of such enactment."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

TOM MURRAY,
JAMES H. MORRISON,
JAMES C. DAVIS,
EDWARD H. REES,
ROBERT J. CORBETT,
Managers on the Part of the Senate.

OLIN D. JOHNSTON,
MIKE MONRONEY,
FRANK CARLSON,
Managers on the Part of the House.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5836) entitled "An act to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes", submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill.

With respect to the amendment of the Senate to the text of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the text of the House bill and the text provided by the Senate amendment and that the Senate agree to the same.

A summary of the major provisions of the conference substitute follows.

SUMMARY OF PROVISIONS OF MAJOR CONFERENCE SUBSTITUTE

Increased revenue

Postal revenues will be increased by $550,000,000 per annum when all of the postal rate adjustments provided by the conference substitute become effective.

Cost of postal pay increase

The annual cost of the postal pay increases provided by the conference substitute will be $265,000,000. The cost of the retroactive effect of such pay increases will be approximately $97,000,000.

Postal rates

A table comparing present and proposed postal rates appears on page 20.

First-Class Mail

The letter rate is increased from 3 cents to 4 cents, and rates on post and postal cards and drop letters are increased from 2 cents to 3 cents, as in the House bill. The increases are effective August 1, 1958.

Domestic Airmail

The airmail letter rate is increased from 6 cents to 7 cents, and the airmail card rate from 4 cents to 5 cents, as in the House bill. The increases are effective August 1, 1958.

Second-Class Mail

Publishers' pound rates are identical to the publishers' pound rates provided by the Senate amendment, as shown in the following table:

	Step 1	Sept 2	Step 3
	Cents	*Cents*	*Cents*
Nonadvertising portion	2.1	2.3	2.5
Advertising portion:			
First and second zones	2.2	2.6	3.0
Third zone	3.0	3.5	4.0
Fourth zone	4.5	5.2	6.0
Fifth zone	6.0	7.0	8.0
Sixth zone	7.7	8.7	10.0
Seventh zone	9.2	11.0	12.0
Eighth zone	11.0	12.5	14.0
Minimum per piece	.25	.375	.5

The step increases are effective January 1 of the next 3 calendar years. Periodicals of nonprofit organizations are exempted from these increases, as in the House bill.

The "transient" rate is increased from 1 cent on each 2 ounces above the first 2 ounces to 1 cent for each ounce above the first 2 ounces, as in the Senate amendment, which is similar in effect to the House provision.

Second-class entry is authorized for publications with hard binding. Application of advertising rates to advertisements inserted in publications is reaffirmed. These provisions are contained in the Senate amendment.

Controlled Circulation Publications

A uniform, increased rate of 12 cents per pound is provided for these publications regardless of weight of individual issue, with the present minimum charge of 1 cent per piece continued, as in both House and Senate versions.

Third-Class Mail

Individual piece rates are increased (a) on circulars and merchandise from 2 to 3 cents on the first 2 ounces and from 1 cent to 1.5 cents on each additional ounce, and (b) on the first 2 ounces of books and catalogs from 2 cents to 3 cents, as in both House and Senate versions. The increase on additional ounces of books and catalogs over the first 2 ounces is from 1.5 cents on each additional 2 ounces to 1.5 cents on each additional ounce, as in the Senate amendment.

The bulk rates on circulars, merchandise, books, and catalogs are identical to the bulk rates provided by the Senate amendment, as shown in the following table:

	Step 1	Step 2
Circulars, merchandise, etc.—	*Cents*	*Cents*
Per pound	16	----
Minimum per piece	2	2.5
Books and catalogs—		
Per pound	[1] 10	----
Minimum per piece	2	2.5

[1] Present rate continued.

The rates for step 1 and step 2 as shown in the above table are effective January 1, 1959, and July 1, 1960, respectively.

The minimum per-piece rate on bulk mailings of nonprofit organizations will be increased from 1 cent to 1¼ cents, as in the Senate amendment, effective July 1, 1960.

Items of third-class mail may weigh up to, but not including, 16 ounces, as in the Senate amendment, compared to the present 8-ounce maximum.

The charge for odd sizes and shapes is increased from 3 cents to 6 cents, as in the Senate amendment.

The bulk mailing permit fee is increased from $10 to $20, as in both House and Senate versions.

Fourth-Class Mail

Book rates are increased from 8 cents on the first pound and 4 cents on each additional pound to 9 cents on the first pound and 5 cents on each additional pound. The House bill provided 10 cents on the first pound. The category of items subject to such rates is broadened, combining similar House and Senate provisions.

Existing library book rates are continued, extended to additional materials, and applied regardless of zone of delivery, combining similar House and Senate provisions.

The minimum weight for fourth-class mailings is increased from "over 8 ounces" to 16 ounces, as in the Senate bill.

Miscellaneous

(1) Free mailing of books for the blind is extended to individuals, (2) the inclusion of additional material in subscription notices in publications is authorized, (3) automatic step increases above step 4 are extended to employees in salary levels 10 and above, and (4) the Postmaster General is directed to study and report to the Congress on the desirability of standard envelope sizes for first- and third-class mailings, and of additional charges on envelopes not conforming to such dimensions, as in the Senate amendment.

Obsolete or unnecessary laws are repealed, including (1) a requirement for certification of certain postal costs to the Secretary of the Treasury and the Comptroller General, (2) a graduated scale of rates for publications based on the number of individually addressed copies per pound, (3) the exemption from advertising rates for publications having not over 5 percent advertising content (conforming to the new publishers' rates), and (4) a special rate for any one issue of a publication weighing not over 1 pound and mailed to a single zone, as in the Senate amendment.

Increased revenues from the postal rate increases are excluded in the determination of classes of post offices and compensation of postmasters and certain other employees, as in both House and Senate versions, based on certain estimates by the Postmaster General as provided in the Senate amendment.

Post Office Department contributions to the civil service retirement and disability fund are included in postal costs for the purpose of establishing postal rates, as in both House and Senate versions.

The requirement that the Postmaster General petition for fourth-class rate adjustments is revised to provide that such rates will assure that postal revenues and expenses for such mail will not vary by more than 4 percent. The House bill contained the same provision, but with a 1 percent variation.

The Secretary of Commerce and the Administrator of the Small Business Administration are required to study, and to report to the Congress on, the impact of third-class bulk rate increases on small business, mail users, and the national economy.

Postal Policy

The conference substitute provides that the total loss on mail carried free or at reduced rates shall be considered as public service to be paid for from the general fund of the Treasury and not apportioned to other users of the mails. Appropriations to reimburse the postal service for such losses are authorized. The losses are the total losses on periodicals and on advertising mailed by nonprofit groups, Pan American Union mail (including mail of the diplomatic corps of the countries in the Union), free-in-county mail, books and other articles for the blind, Pan American Sanitary Bureau mail, mail sent under The Federal Voting Assistance Act of 1955, free mail for certain individuals, books mailed under the special book and library book rates, nonpostal services for other departments, special postal services such as c. o. d., etc., the loss on operation of star routes and third- and fourth-class post offices, and the added cost of United States mail sent by foreign air carriers at a higher Universal Postal Union rate.

The Postmaster General is directed to review and study, at least every 2 years, the postal rate structure, revenues and expenses related to the several classes of mail, and types of services and facilities to determine the need for postal rate adjustments in accordance with the policy provisions in the conference substitute. The Postmaster General will report to the Congress each second year on the results.

Postal Modernization Fund

The conference substitute establishes a Postal Modernization Fund in the Treasury, authorizes appropriations thereto for the fiscal years 1959, 1960, and 1961, provides for use of the Fund for research and the development and placing into operation of improved equipment and facilities, and prescribes conditions for the management of the Fund and reports of operations thereunder, based on similar provisions in the Senate amendment.

Postal Pay

Postal employees are granted a permanent increase of 7½ percent plus a temporary increase for 3 years of 2½ percent in levels 1 through 6, and 1½ percent in level 7, of the PFS schedule, with comparable increases for rural carriers and fourth-class postmasters. Both increases are retroactive to the first pay period beginning on or after January 1, 1958.

TABLE OF PRESENT AND PROPOSED RATES

[In cents except as otherwise indicated]

Mail classification	Unit	Present	House bill				Senate amendment			Conference substitute		
			Steps				Steps			Steps		
			1st	2d	3d	4th	1st	2d	3d	1st	2d	3d
First-class:												
Letters	Ounce	3.0	4.0				4.0 local; 5.0 nonlocal for 3 years			4.0		
Cards	Each	2.0	3.0				[1] 3.0			3.0		
Drop letters	Ounce	2.0	3.0				3.0			3.0		
Airmail:												
Letters	do	6.0	7.0				8.0			7.0		
Cards	Each	4.0	5.0				5.0			5.0		
Second-class:												
Publishers outside county:												
Editorial	Pound	1.95	2.2	2.5	2.8	3.1	2.1	2.3	2.5	2.1	2.3	2.5
Advertising:												
Zones 1 and 2	do	1.95	2.2	2.5	2.8	3.1	2.2	2.6	3.0	2.2	2.6	3.0
Zone 3	do	2.6	3.0	3.4	3.8	4.2	3.0	3.5	4.0	3.0	3.5	4.0
Zone 4	do	3.9	4.5	5.1	5.7	6.2	4.5	5.2	6.0	4.5	5.2	6.0
Zone 5	do	5.2	6.0	6.8	7.5	8.3	6.0	7.0	8.0	6.0	7.0	8.0
Zone 6	do	6.5	7.5	8.4	9.4	10.4	7.7	8.7	10.0	7.7	8.7	10.0
Zone 7	do	7.8	9.0	10.1	11.3	12.5	9.2	11.0	12.0	9.2	11.0	12.0
Zone 8	do	9.1	10.5	11.8	13.2	14.6	11.0	12.5	14.0	11.0	12.5	14.0
Minimum per copy	Each	⅙	¼				¼	⅜	½	¼	⅜	½
Nonprofit organizations	All units	All rates	Exempt				50 percent of regular rates			Exempt		
Transient	1st 2 oz	2.0	2.0				2.0			2.0		
	Added 2 oz	1.0	1.5									
	Added oz						1.0			1.0		
Third-class:												
Individual piece:												
Circulars, merchandise, and miscellaneous.	1st 2 oz	2.0	3.0				3.0			3.0		
	Added oz	1.0	1.5				1.5			1.5		
Books and catalogs	1st 2 oz	2.0	3.0				3.0			3.0		
	Added 2 oz	1.5										
	Added oz		1.0				1.5			1.5		
Bulk mailings:												
Circulars, merchandise, and miscellaneous.	Pound	14.0	16.0				16.0			16.0		
	Piece min	1.5	2.5				[2] 2.0–2.5			[2] 2.0–2.5		
Books and catalogs	Pound	10.0	12.0				10.0			10.0		
	Piece min	1.5	2.5				[2] 2.0–2.5			[2] 2.0–2.5		
Odd sizes	do	3.0	5.0				6.0			6.0		
Permit fee	Year	$10	$20				$20			$20		
Nonprofit organizations [4]	Piece min	1.0	1.0				[3] 1.25			[3] 1.25		
Fourth-class: Books (other than library).	1st pound	8.0	10.0				8.0			9.0		
	Added pound	4.0	5.0				4.0			5.0		
Controlled circulation	Not over 8 oz	10.0	12.0				12.0			12.0		
	Over 8 oz	11.0	12.0				12.0			12.0		

[1] Cards wholly in original handwriting exempted and continued at present rate.
[2] Increased in 2 steps.
[3] Increased rate applies when second step-increase in regular per piece minimum rates become effective.
[4] See page 31, for explanation of provisions of Senate amendment relating to such organizations.

A detailed explanation of the provisions of the House bill, the Senate amendment, and the conference substitute is set forth below:

"EXPLANATION OF HOUSE BILL, SENATE AMENDMENT, AND CONFERENCE SUBSTITUTE

"The text of the House bill consisted of two titles preceded by a short General Statement covering the scope and purpose of the House bill.

"Title I provided for present increases in postal rates.

"Title II contained a new postal policy, as conceived by the House, which would serve as a guide in the determination and adjustment of postal rates by the Congress from time to time in the future.

"The Senate amendment to the House text consisted of four titles.

"Title I set forth a postal policy, as conceived by the Senate, which would provide a basis for the determination and adjustment of the postal-rate structure from time to time by action of the Congress.

"Title II provided for present increases in postal rates.

"Title III established a Postal Modernization Fund to be available for the conduct of research and for the development, acquisition, and utilization of improved equipment and facilities for the performance of the postal function.

"Title IV provided for increases in the rates of basic salary of postal field service employees.

"The House bill contained no provisions comparable to title III or title IV of the Senate amendment.

"Except for technical and minor drafting changes, the differences between the texts of the House bill, the Senate amendment, and the conference substitute are explained below.

"Preliminary general statement

"House bill: The House bill contained a General Statement immediately following the enacting clause which outlined the scope and purpose of the House bill.

"This statement was to the effect that the Congress recognizes the necessity and desirability of adjustments in present postal rates and fees so that, insofar as consistent with the public interest and the postal rate policy set forth in title II of the House bill, postal revenues will more nearly equal postal expenses and postal service will be improved.

"This statement also contained a provision to the effect that the Congress recognizes that it is necessary and desirable in the public interest that the Congress establish a firm policy with respect to postal activities, revenues, and expenses which will serve as a guide in the determination and adjustment by the Congress, from time to time, of the postal-rate structure.

"Senate amendment: The Senate amendment did not commence with a general statement, although ideas of the same general import may be found in the postal policy declaration contained in title I of the Senate amendment.

"Conference substitute: The conference substitute omits the General Statement contained in the House bill.

"Postal rate increases

"Title I of the House bill and title II of the Senate amendment provided for increases in postal rates.

"The postal rate increase provisions of the conference substitute are contained in title II of the conference substitute.

"1. Short Title

"House bill: Section 101 of the House bill provided for title I of the House bill the short title 'Postal Rate Increase Act, 1957'.

"Senate amendment: Section 201 of the Senate amendment provided for title II of the Senate amendment the short title 'Postal Rate Increase Act, 1958'.

"Conference substitute: The conference substitute adopts the Senate short title 'Postal Rate Increase Act, 1958'.

"2. First-Class Mail

"First-class mail includes all matter wholly or partly in writing (whether sealed or unsealed), except manuscript copy accompanying proofsheets or corrected proofsheets of the same and the writing authorized by law to be placed upon matter of other classes. First-class mail also includes matter sealed or otherwise closed against inspection.

"House bill: Letters. Section 102 (a) of the House bill proposed increases in the rate on all first-class letter mail from 3 cents to 4 cents an ounce or fraction thereof.

"Post and postal cards and drop letters. Section 102 (b) of the House bill proposed increases in the rates on post cards, each portion of double post cards, and private mailing cards from 2 cents to 3 cents. The rate on 'drop letters' (letters mailed for local delivery at post offices where free delivery by carrier is not established and where these letters are not collected or delivered by rural or star route carrier) also would be increased from 2 cents to 3 cents an ounce or fraction thereof.

"Senate amendment: Letters. Section 202 (a) of the Senate amendment proposed an increase in the rate on first-class letter mail mailed for nonlocal delivery from 3 cents to 5 cents an ounce or fraction thereof and an increase in the rate on first-class letter mail mailed for local delivery from 3 cents to 4 cents an ounce or fraction thereof.

"The proposed 5-cent nonlocal delivery rate would expire on July 1, 1961, at which time the first-class letter rate would be uniform at 4 cents an ounce or fraction thereof.

"Mail 'for local delivery' would include mail originating within the delivery limits of a post office for delivery to an addressee located within the delivery limits of such post office. In addition, in large cities with densely-populated adjacent areas having two or more post offices, the Postmaster General would be authorized (in his discretion) to apply the concept of mail 'for local delivery' for rate purposes to first-class matter mailed at one of such post offices and addressed for delivery at another of such offices.

"Post and postal cards and drop letters. Section 202 (b) of the Senate amendment proposed increases (similar to those in the House bill) in the rates on post cards, each portion of double post cards, private mailing cards, and drop letters, from 2 cents to 3 cents.

"These proposed increases in the rates on post and postal cards would be qualified by section 202 (c) of the Senate amendment which provided that the rate on certain single postal cards and private mailing or post cards shall be 2 cents if the address and message thereon are wholly in original handwriting. The term 'handwriting' does not include typewritten matter, matter which is a reproduction or imitation of handwriting prepared by mechanical, photographic, or other process, and any matter (whether or

not handwritten) which is attached to the card. Section 202 (c) also provided that the Postmaster General may provide by regulation for the preparation and sale of postal cards of a distinctive color for transmission in the mails at the special 2-cent rate for cards in original handwriting.

"Conference substitute: Letters. Section 202 (a) of the conference substitute, like section 102 (a) of the House bill, increased the rate on all first-class letter mail from 3 cents to 4 cents an ounce or fraction thereof.

"Post and postal cards and drop letters. Section 202 (b) of the conference substitute, like section 102 (b) of the House bill, increased the rates on post cards, each portion of double post cards, and private mailing cards from 2 cents to 3 cents.

"The rate on drop letters also is increased from 2 cents to 3 cents an ounce or fraction thereof as provided by the House bill.

"Effective date. The effective date of rate increases on first-class letter mail, post and postal cards, and drop letters provided by the conference substitute is the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute in lieu of October 1, 1957, as provided by the House bill and July 1, 1958, as provided by the Senate amendment.

"3. Domestic Airmail

"Domestic airmail includes letters and other matter weighing 8 ounces or less which is given preferential handling, including transportation by air.

"House bill: Letters, post and postal cards, and other matter. Section 103 of the House bill proposed an increase in the rate on airmail letters and other matter from 6 cents to 7 cents an ounce or fraction thereof. Section 103 also proposed an increase from 4 cents to 5 cents each in the rate on airmail postal cards and private mailing or post cards.

"Senate amendment: Letters, post and postal cards, and other matter. Section 202 (c) of the Senate amendment proposed an increase in the rate on airmail letters and other matter from 6 cents to 8 cents an ounce or fraction thereof (in lieu of the 7-cent rate proposed by the House bill). The proposed increase in the rate on airmail post and postal cards was from 4 cents to 5 cents each—the same as the House bill.

"Conference substitute: Letters, post and postal cards, and other matter. Section 203 of the conference substitute, like section 103 of the House bill, increases the rate on airmail letters and other matter from 6 cents to 7 cents an ounce or fraction thereof. Also, the rate on airmail postal cards and private mailing or post cards is increased from 4 cents to 5 cents each, as provided by section 103 of the House bill.

"The effective date of these rate increases on domestic airmail provided by the conference substitute is the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute in lieu of October 1, 1957, as provided in the House bill, and July 1, 1958, as provided in the Senate amendment.

"4. Second-Class Mail

"Second-class mail consists of publishers' second-class mail (periodical publications, newspapers, and magazines, mailed by publishers and news agents) and transient second-class mail (publications entered as second-class matter when sent by others than the publishers or news agents).

"House bill: Publishers' second-class mail. Section 104 (a) of the House bill proposed an increase in the pound rates on the advertising and nonadvertising portions of publications mailed by publishers or news agents, addressed for delivery outside the county of publication, by four annual increments of approximately 15 percent each. Such section 104 (a) retained those provisions of existing law under which the nonadvertising rate applies with respect to the entire publication if not more than 5 percent of the space of the publication is devoted to advertising. This increase proposed by section 104 (a) would not apply to newspaper issues having press runs of 5,000 copies or less and the applicable existing rates would continue to be in effect with respect to such issues until otherwise provided by Congress. Also, this increase would not apply to publications of nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations or to publications of a religious, educational, or scientific nature designed specifically for use in classrooms or in religious instruction classes.

"Minimum charge per piece on individually addressed copies of second-class mail publications mailed by publishers and news agents. Section 104 (b) of the House bill proposed an increase from one-eighth cent per piece to one-fourth cent per piece in the minimum charge per piece on each individually addressed copy of a second-class mail publication mailed by a publisher or news agent. This increase in the minimum charge per piece would not apply to copies of publications mailed for delivery within the county of mailing. Also, this minimum charge per piece increase would not apply to copies of publications mailed by the above-listed types of nonprofit organizations and associations or of the above-mentioned publications for classroom use.

"Transient second-class mail. Section 104 (c) of the House bill proposed a rate increase, for publications having second-class entry mailed by others than the publishers or authorized news agents or mailed as sample copies in excess of the 10 percent allowance at the publishers' rate, from the present rate of 2 cents for the first 2 ounces and 1 cent for each additional 2 ounces or fraction thereof to 2 cents for the first 2 ounces and 1½ cents for each additional 2 ounces or fraction thereof.

"Special 'break-even' publishers' and news agents' rates. Section 104 (d) of the House bill proposed the establishment of special 'break-even' rates for the mailings of individual publishers and news agents in those cases occurring in any fiscal year (beginning with the fiscal year ending June 30, 1958) in which the costs incurred by the Post Office Department exceeded by $100,000 the revenues received by the Department in connection with the mailings of the individual publisher or news agent concerned. These special rates would be fixed and determined by the Postmaster General, for the remainder of the fiscal year concerned, on a basis which would effect, as nearly as practicable, the equalization of revenues and costs for the mailings of the individual publisher or news agent concerned. At the beginning of the fiscal year immediately following the fiscal year in which the Postmaster General established these special rates for the mailings of any individual publisher or news agent, the regular rates again would apply to such mailings, subject, however, to a possible subsequent imposition of special rates for the remainder of the fiscal year if the $100,000 loss limit again were exceeded.

"These special 'break-even' rate provisions were made expressly inapplicable to any newspaper or periodical maintained by and in the interests of any nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organization or association, to any religious, educational, or scientific publication designed specifically for use in school classrooms or in religious instruction classes, and to any such nonprofit organization or association itself.

"No provisions for special 'break-even' publishers' and news agents' rates were contained in the Senate amendment.

"Senate amendment: Publishers' second-class mail. Section 203 (a) of the Senate amendment proposed an increase in the pound rates on the nonadvertising portions of publications mailed by publishers or news agents, addressed for delivery outside the county of publication, by three annual increments of approximately 10 percent each, effective, respectively, on July 1, 1958, July 1, 1959, and July 1, 1960. Section 203 (a) also proposed an increase in the pound rates on the advertising portions of such publications by three annual increments of approximately 20 percent each, also effective, respectively, on such dates.

"Under existing law and under section 104 (a) of the House bill, the nonadvertising rate applies with respect to the entire publication if not more than 5 percent of the space of the publication is devoted to advertising. Under the proposal contained in section 203 (a) of the Senate amendment, this existing 5 percent provision is eliminated and the advertising rate would apply to the advertising portion even though the advertising portion is less than 5 percent.

"Publications of nonprofit organizations or associations and publications designed for classroom use. Section 203 (b) of the Senate amendment proposed an adjustment in the rates of postage on newspapers and periodicals maintained by and in the interests of nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, as follows: on and after July 1, 1958, the regular pound rate or minimum rate, as applicable, reduced by 50 percent. Section 203 (b) also proposed an adjustment in the rates of postage on religious, educational, or scientific publications designed specifically for use in school classrooms or in religious instruction classes, as follows: on and after July 1, 1958, the regular pound rate or minimum rate, as applicable, reduced by 35 percent. The House bill contained no provisions comparable to the foregoing two provisions but retained existing rates on publications of such nonprofit organizations and associations and on publications designed for classroom use.

"Minimum charge per piece on individually addressed copies of second-class mail publications mailed by publishers and news agents. Section 203 (c) of the Senate amendment proposed an increase in the existing rate of one-eighth cent per piece in the minimum charge per piece on each individually addressed copy of a second-class mail publication mailed by a publisher or news agent, as follows: to one-fourth of one cent, effective July 1, 1958; to three-eighths of one cent, effective July 1, 1959; and to one-half of one cent, effective July 1, 1960. In accordance with the provisions contained in section 203 (b), the increased minimum charge per piece applicable to publications of nonprofit organizations and associations would be reduced by 50 percent and the minimum charge per piece applicable to publications designed for classroom use would be reduced by 35 percent. However, publication copies entitled to the free-in-county mailing privilege would be exempted from the increases provided by section 203 (c).

"Transient Second-Class Mail. Section 203 (d) of the Senate amendment proposed a rate increase, effective on July 1, 1958, for publications having second-class entry mailed by others than the publishers or authorized news agents or mailed as sample copies in excess of the 10 percent allowance at the publishers' rate, from the present rate of 2 cents for the first 2 ounces and 1 cent for each additional 2 ounces or fraction thereof to 2 cents for the first 2 ounces and 1 cent for each additional ounce or fraction thereof.

"Admission to Second-Class Mail Category of Publications With Board, Cloth, Leather,

and Other Substantial Bindings. Section 14 of the Act of March 3, 1879, as amended (39 U. S. C. 226), contains conditions governing the admission of publications to the second-class mail privilege. The third of these conditions now requires that the publication '* * * must be formed of printed paper sheets, without board, cloth, leather, or other substantial binding, such as distinguish printed books for preservation from periodical publications * * *.' This existing provision has the effect of denying the second-class mail privilege to publications having substantial bindings.

"Section 203 (e) of the Senate amendment proposed to change this provision, effective on the date of enactment, in order to make the second-class mailing privilege available to publications having board, cloth, leather, or other substantial bindings.

"The House bill contained no provision comparable to that contained in such section 203 (e).

"Application of second-class mail rates to advertising portions of publications entered as second-class matter: Section 203 (f) of the Senate amendment contained an amendment to section 202 (a) of the Act of February 28, 1925 (39 U. S. C. 283). This amendment reaffirms, in effect, that provision of law which requires the payment of second-class mail advertising rates on advertisements which are inserted in and attached permanently to a publication.

"The amendment proposed by section 203 (f) of the Senate amendment is consistent with the amendment proposed by section 203 (e) of the Senate amendment, which proposed to remove from existing law the requirement that a publication '* * * must be formed of printed paper sheets * * *' in order to gain admission to the second-class mail privilege.

"In conformity with existing law, the Post Office Department has held consistently that there could not be included in publications admitted to the second-class mail privilege those advertisements which, in effect, did not consist of printed paper sheets—that is, advertisements printed upon and consisting of foil laminates and similar materials, which (although in sheet form) are not 'printed paper sheets' and, in many instances, constitute actual samples of the product advertised.

"There is an increasing use of foil laminates and other material not constituting 'printed paper sheets' for advertisement purposes. The proposed elimination from the law by sections 203 (e) and 203 (f) of the Senate amendment of the requirement that the second-class mail publication sheets be of paper will permit the Post Office Department to revise its rulings in this area in keeping with existing circumstances and conditions and modern practices.

"The House bill contained no provision comparable to section 203 (f) of the Senate amendment.

"Conference substitute: Publishers' second-class mail. Section 204 (a) of the conference substitute adopts the provisions of section 203 (a) of the Senate amendment, which provided three annual increases in the pound rates on publishers' second-class mail, except that the conference substitute provides that the three annual increases in such pound rates will become effective on January 1, 1959, January 1, 1960, and January 1, 1961, respectively, instead of July 1, 1958, July 1, 1959, and July 1, 1960, as provided by the Senate amendment.

"Minimum charge per piece on individually addressed copies of second-class mail publications mailed by publishers and news agents. Section 204 (b) of the conference substitute is similar, in general, to section 203 (c) of the Senate amendment, which provided three annual increases (instead of a single increase as provided by the House bill) in the minimum charge per piece on individually addressed copies of second-class mail publications mailed by publishers and news agents. However, the conference substitute provides that the three annual increases in such minimum charge per piece will become effective on January 1, 1959, January 1, 1960, and January 1, 1961, respectively, instead of July 1, 1958, July 1, 1959, and July 1, 1960, as provided by the Senate amendment.

"The conference substitute, like the House bill and the Senate amendment, exempts from any such increase in such minimum charge per piece the copies of publications mailed for delivery within the county of mailing.

"In addition, the conference substitute, in a manner identical to the manner provided by section 104 (b) of the House bill, provides that in no case shall the postage on each individually addressed copy of a publication mailed by certain types of nonprofit organizations, or on certain publications of a religious, educational, or scientific nature designed for instruction purposes, be less than the existing minimum charge per piece of one-eighth of 1 cent. The immediately preceding provision with respect to certain publications mailed by certain nonprofit organizations and certain publications for instruction purposes is adopted by the conference substitute in lieu of those provisions contained in section 203 (b) of the Senate amendment, which provided, in part, for certain percentage reductions in the regular minimum rate applicable to such organizations and publications and which is eliminated from the conference substitute.

"Transient second-class mail. Section 204 (c) of the conference substitute adopts the provisions of section 203 (d) of the Senate amendment, which proposed a rate increase for publications having second-class entry mailed by others than the publishers or authorized news agents or mailed as sample copies in excess of the 10 percent allowance at the publishers' rate, from the present rate of 2 cents for the first 2 ounces and 1 cent for each additional 2 ounces or fraction thereof to 2 cents for the first 2 ounces and 1 cent for each additional ounce or fraction thereof.

"The effective date of the rate prescribed by section 204 (c) of the conference substitute is the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute in lieu of the effective date of July 1, 1958, provided by the Senate amendment.

"Admission to second-class mail category of publications with board, cloth, leather, and other substantial bindings. Section 204 (d) of the conference substitute has the same purpose and effect as section 203 (e) of the Senate amendment (discussed above), which makes the second-class mailing privilege available to publications having substantial bindings. The House bill contained no such provision.

"Section 204 (d) of the conference substitute, like section 203 (e) of the Senate amendment, is effective on the date of enactment.

"Application of second-class mail rates to advertising portions of publications entered as second-class matter. Section 204 (e) of the conference substitute adopts the provisions of section 203 (f) of the Senate amendment (discussed above), which reaffirms certain existing law which requires the payment of second-class mail advertising rates on advertisements inserted in and attached permanently to a publication. The House bill contained no such provisions.

"Section 204 (e) of the conference substitute, like section 203 (f) of the Senate amendment, is effective on the date of enactment.

"Elimination of House provision for special 'break-even' publishers' and news agents' rates. The conference substitute, like the Senate amendment, does not contain any provision similar to section 104 (d) of the House bill (discussed above), which provided for special 'break-even' publishers' and news agents' rates.

"Elimination of Senate provision establishing regular pound and minimum rates less specified percentages for publications of certain nonprofit organizations and certain educational publications. The conference substitute, like the House bill, does not contain any provision similar to section 203 (b) of the Senate amendment (discussed above), which established the regular second-class mail pound and minimum rates reduced by certain specified percentages for publications of certain nonprofit organizations and certain educational publications.

"5. Controlled Circulation Publications

"Controlled circulation publications are publications which contain 24 pages or more, are issued at regular intervals of four or more times a year, have 25 percent or more of their pages devoted to text or reading matter and not more than 75 percent devoted to advertising, and are circulated free or mainly free.

"House bill and Senate amendment: Section 105 of the House bill and section 203 (g) of the Senate amendment amend section 203 of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1262; 39 U. S. C. 291b) in which the Congress established a special uniform rate of 10 cents a pound or fraction thereof (regardless of the weight of the individual issue) computed on the entire bulk mailed at one time, but subject to a minimum rate of 1 cent per piece.

"The Postmaster General, with the concurrence of the Interstate Commerce Commission, increased the rate on controlled circulation publications weighing over eight ounces from 10 cents to 11 cents a pound or fraction thereof (291 I. C. C. 148; Docket 31074, 'Increased Parcel Post Rates,' 1953), thus distorting the uniform rate for such publications established by the Congress in the Postal Rate Revision and Federal Employees Salary Act of 1948. Both the House bill and the Senate amendment would correct this situation by establishing a uniform rate of 12 cents a pound or fraction thereof (regardless of the weight of the individual issue), subject to the existing minimum rate of 1 cent per piece, and by providing that the rates thus established for these publications '* * * shall remain in effect until otherwise provided by the Congress * * *.'

"Conference substitute: Section 204 (f) of the conference substitute contains the same provisions as the House bill and the Senate amendment with respect to controlled circulation publications, except that the effective date of the rates of postage provided by such section 204 (f) is the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute.

"6. Third-Class Mail

"Third-class mail, which now has a limit of weight of 8 ounces, includes circulars, miscellaneous printed matter, merchandise, books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, plants, and other matter not in the first-class mail or second-class mail categories and weighing 8 ounces or less.

"House bill: Circulars, merchandise, miscellaneous printed matter, and other third-class matter generally (except books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants, and matter mailed in bulk). Section 106 of the House bill proposed an increase in the individual rate per piece on third-class mail matter generally from 2 cents for the first 2 ounces or fraction thereof and 1 cent for each additional ounce or fraction thereof (up to and including 8 ounces in weight) to 3 cents for the first 2 ounces or fraction thereof and

1½ cents for each additional ounce or fraction thereof (up to and including 8 ounces in weight). This increase was not applicable to books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants, and matter mailed in bulk.

"Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants. Section 106 of the House bill also proposed an increase in the individual rate per piece on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants, from 2 cents for the first 2 ounces or fraction thereof and 1½ cents for each additional 2 ounces or fraction thereof (up to and including 8 ounces in weight) to 3 cents for the first 2 ounces or fraction thereof and 1 cent for each additional ounce or fraction thereof (up to and including 8 ounces in weight).

"Increase in third-class bulk mail permit fee. The third-class bulk mail privilege or so-called "bulk mailing service", as authorized by section 3 of the Act of October 30, 1951 (65 Stat. 673; 39 U. S. C. 290a–1), involves the acceptance and transmission in the mails, upon payment of a fee of $10.00 for each calendar year or portion thereof and in accordance with certain regulations of the Postmaster General, of separately addressed identical pieces of third-class mail matter in quantities of not less than 20 pounds or of not less than 200 pieces, subject to the pound rates of postage applicable to the entire bulk mailed at one time.

"Section 106 of the House bill proposed an increase in such annual bulk mail permit fee from $10.00 to $20.00.

"Increase in third-class bulk mail rates generally (except books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants). Section 106 of the House bill also proposed an increase in the present rates on third-class bulk mail matter generally from 14 cents a pound or fraction thereof (with a minimum charge per piece of 1½ cents) to 16 cents a pound or fraction thereof (with a minimum charge per piece of 2½ cents). This increase did not apply to books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.

"Increase in third-class bulk mail rates on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants. Section 106 of the House bill also proposed an increase in the present third-class bulk mail rates on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants from 10 cents a pound or fraction thereof (with a minimum charge per piece of 1½ cents) to 12 cents a pound or fraction thereof (with a minimum charge per piece of 2½ cents).

"Increase in minimum charge for odd-size pieces of third-class mail. Section 106 of the House bill also proposed an increase from 3 cents to 5 cents in the minimum charge on each odd-size piece of third-class mail—that is, a piece or package of such size or form as to prevent ready facing and tying in bundles and requiring individual distributing.

"Senate amendment: Increase in postage rate and maximum weight limitation on third-class mail matter generally. Section 204 of the Senate amendment proposed an increase in the individual rate per piece and the maximum weight limitation on third-class mail matter generally from 2 cents for the first 2 ounces or fraction thereof and 1 cent for each additional ounce or fraction thereof up to and including 8 ounces in weight, to 3 cents for the first 2 ounces or fraction thereof and 1½ cents for each additional ounce or fraction thereof, up to but not including 16 ounces in weight. These increases would have applied to third-class mail matter generally, such as circulars, miscellaneous printed matter, merchandise, books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants, but not to matter mailed in bulk.

"In effect, this provision of section 204 of the Senate amendment provided a uniform piece rate on single mailings for all third-class mail and changed the maximum weight limitation for third-class mail from "over 8 ounces" up to but not including 16 ounces.

"Increase in third-class bulk mail permit fee. Section 204 of the Senate amendment contained a provision (identical to a corresponding provision of section 106 of the House bill) which proposed an increase in the annual third-class bulk mail permit fee from $10.00 to $20.00.

"Increase in third-class bulk mail rates generally (except books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants). Section 204 of the Senate amendment proposed an increase in the existing rates on third-class bulk mail matter generally from 14 cents a pound or fraction thereof, with a minimum charge per piece of 1½ cents, to 16 cents a pound or fraction thereof, with a minimum charge per piece of 2 cents for the period beginning on July 1, 1958, and ending on June 30, 1959, and a minimum charge per piece of 2½ cents, effective on and after July 1, 1959. This increase did not apply to books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.

"Increase in the third-class bulk mail minimum charge per piece on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants. Section 204 of the Senate amendment also proposed an increase in the existing third-class bulk mail minimum charge per piece on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants from 1½ cents to 2 cents for the period beginning on July 1, 1958, and ending on June 30, 1959, and 2½ cents, effective on and after July 1, 1959.

"Increase in minimum charge for odd-size pieces of third-class mail. Section 204 of the Senate amendment also proposed an increase from 3 cents to 6 cents in the minimum charge on each odd-size piece of third-class mail.

"Application of increased regular third-class mail rates to third-class mail matter of nonprofit organizations or associations, with 50 percent reduction in minimum charge per piece on bulk mail matter of such organizations or associations. Section 204 of the Senate amendment also made the regular third-class mail rates (as increased by section 204) applicable to the third-class matter mailed by nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organizations or associations. Section 204 also provided that the minimum charge per piece on the bulk mail matter of each such organization or association would be 50 percent of the regular minimum charge.

"The House bill made no change in the existing third-class mail rates with respect to such organizations and associations.

"Conference substitute: Increase in postage rate and maximum weight limitation on third-class mail matter generally. Section 205 (1) of the conference substitute, which adopts the provisions of section 204 (1) of the Senate amendment (discussed above), makes two significant changes with respect to postal rates on third-class mail matter.

"First, section 205 (1) of the conference substitute provides a uniform individual rate per piece on all third-class mail matter (except bulk mail matter), thus eliminating from existing law a separate individual per piece rate on books and catalogs of 24 pages or more, seeds, cuttings, roots, bulbs, scions, and plants.

"Second, such section 205 (1) increases the maximum weight limitation for third-class mail from "up to and including eight ounces" to "up to but not including 16 ounces".

"This increase in individual rate per piece and in maximum weight limitation is from 2 cents for the first 2 ounces or fraction thereof and 1 cent for each additional ounce or fraction thereof, up to and including 8 ounces in weight, to 3 cents for the first 2 ounces or fraction thereof and 1½ cents for each additional ounce or fraction thereof, up to but not including 16 ounces in weight. The increase provided by section 205 (1) of the conference substitute applies to individual pieces of third-class mail generally, such as circulars, miscellaneous printed matter, merchandise, books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.

"Section 106 (1) of the House bill (discussed above) proposed an increase in the third-class mail individual rate per piece similar to the increase provided by the conference substitute, with two principal differences, as follows:

"First, section 106 (1) of the House bill proposed no change in maximum weight limitation for third-class mail.

"Second, such section 106 (1) proposed to retain a separate individual rate per piece on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants by providing for an increase in the existing separate per piece rate for the foregoing items from 2 cents for the first 2 ounces or fraction thereof and 1½ cents for each additional 2 ounces or fraction thereof (up to and including 8 ounces in weight) to 3 cents for the first 2 ounces or fraction thereof and 1 cent for each additional ounce or fraction thereof (up to and including 8 ounces in weight).

"The effective date of the rate adjustment provided by section 205 (1) of the conference substitute is the first day of the first month which begins at least 40 days after the date of enactment, in lieu of the effective dates of October 1, 1957, as provided by the House bill, and July 1, 1958, as provided by the Senate amendment.

"Increase in third-class bulk mail permit fee. Section 205 (2) of the conference substitute contains provisions identical to section 106 (2) of the House bill and section 204 (2) of the Senate amendment, both of which propose an increase in the third-class bulk mail permit fee from $10 to $20. The effective date of this increase in the third-class bulk mail permit fee is January 1, 1959, as provided by the conference substitute and the Senate amendment, in lieu of the comparable effective date of January 1, 1958 (now obsolete) provided by the House bill.

"Increase in third-class bulk mail rates generally (except books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants). Section 205 (3) of the conference substitute increases the existing rates on third-class bulk mail matter generally from 14 cents a pound or fraction thereof, with a minimum charge per piece of 1½ cents, to 16 cents a pound or fraction thereof, effective on and after January 1, 1959, with a minimum charge per piece of 2 cents for the period beginning on January 1, 1959, and ending on June 30, 1960, and a minimum charge per piece of 2½ cents, effective on and after July 1, 1960. These increases do not apply to books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.

"Section 205 (3) of the conference substitute is similar to section 106 (3) of the House bill and section 204 (3) of the Senate amendment, except that, under the House bill, the increase in minimum charge per piece to 2½ cents was to be made in one step, effective on and after October 1, 1957, and, under the Senate amendment, while the increase in minimum charge per piece was to be made in two steps, the first increase was to become effective on July 1, 1958, rather than January 1, 1959, and the

second increase was to become effective on July 1, 1959, rather than July 1, 1960.

"Increase in third-class bulk mail minimum charge per piece on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants. Section 205 (3) (B) of the conference substitute increases the present third-class bulk mail minimum charge per piece on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants from 1½ cents to 2 cents for the period beginning on January 1, 1959, and ending on June 30, 1960, and 2½ cents, effective on and after July 1, 1960.

"This minimum charge per piece increase made by section 205 (3) (B) of the conference substitute is similar to the comparable increase provided by section 106 (3) (B) of the House bill and section 204 (3) (B) of the Senate amendment, except that, under the House bill, the increase in minimum charge per piece to 2½ cents was to be made in one step, effective on and after October 1, 1957, and, under the Senate amendment, while the increase in minimum charge per piece was to be made in two steps, the first increase was to become effective on July 1, 1958, rather than January 1, 1959, and the second increase was to become effective on July 1, 1959, rather than July 1, 1960.

"Elimination of House provision increasing third-class bulk mail pound rate on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants. Section 106 (3) (C) of the House bill proposed to increase the third-class bulk mail pound rate on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants from 10 cents a pound or fraction thereof to 12 cents a pound or fraction thereof.

"The conference substitute and the Senate amendment do not contain such provision.

"Increase in minimum charge for odd-size pieces of third-class mail. Section 205 (5) of the conference substitute, like section 204 (5) of the Senate amendment, increases from 3 cents to 6 cents the minimum charge on each odd-size piece of third-class mail. This increase provided by the conference substitute becomes effective on the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute.

"Section 106 (5) of the House bill proposed to increase such minimum charge to 5 cents, effective on October 1, 1957.

"Application of increased regular third-class mail rates to third-class mail matter of nonprofit organizations or associations, with 50 percent reduction in minimum charge per piece on bulk mail matter of such organizations and associations. Section 205 (6) of the conference substitute makes the regular third-class mail rates, as increased by section 205, applicable on and after January 1, 1959, to the third-class matter mailed by nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations and associations, except that the minimum charge per piece on the bulk mail matter of each such organization or association will be 50 percent of the regular minimum charge. Section 204 (6) of the Senate amendment contained a similar provision except that the effective date was July 1, 1958. The House bill contained no such provision.

"7. Fourth-class Mail

"Fourth-class mail, which now has a limit of weight of over 8 ounces to 70 pounds, in general includes merchandise, printed matter, and other mailable matter, which is not within the purview of any of the other classes of mail.

"House bill: Increase in the regular fourth-class mail preferential book rate and enlargement of categories of items eligible for such book rate. Section 107 of the House bill proposed an increase from 8 cents for the first pound or fraction thereof and 4 cents for each additional pound or fraction thereof to 10 cents for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof in the existing fourth-class mail postage rates for books generally.

"These fourth-class mail book rates are now applicable, however, only to those books which are permanently bound for preservation and consist wholly of reading matter or of reading matter with incidental blank spaces for students' notation and contain no advertising matter other than incidental announcements of books. These rates also now apply to sixteen-millimeter films and sixteen-millimeter film catalogs when sent through the mails except when sent to commercial theaters.

"Section 107 proposed to enlarge the category of books eligible for this book rate, as increased by the House bill, by making specific reference to books consisting of 'scholarly bibliography.' Also, section 107 would enlarge the category of other items now eligible for the book rate so as to include, in addition to the sixteen-millimeter films and film catalogs, (A) printed music in bound form or sheet form, (B) certain types of printed objective test materials and accessories thereto used by or in behalf of educational institutions, and (C) manuscripts for books, periodical articles, and music.

"Extension of existing fourth-class mail library book rate. Section 107 of the House bill also proposed an extension of the so-called fourth-class library book rate.

"Section 204 (e) of the Postal Rate Revision and Federal Employees Salary Act of 1948 (39 U. S. C. 292a (e)) now provides the rate of 4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof for books, consisting wholly of reading matter and containing no advertising matter other than incidental announcements of books, when sent by public libraries and nonprofit organizations or associations for certain library purposes and also when returned to such libraries, organizations, and associations. This rate is the so-called 'library book rate.' The library book rate also now applies to sixteen-millimeter films, filmstrips, projected transparencies and slides, microfilms, sound recordings, and catalogs of such materials when sent to or from (A) schools, colleges, universities, or public libraries and (B) nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans', and fraternal organizations or associations.

"Although section 107 of the House bill did not propose any increase in the library book rate, such section did propose an extension of such rate in three ways.

"First, section 107 proposed an enlargement of the category of items eligible for the library book rate to include (A) books consisting of 'scholarly bibliography or reading matter with incidental blank spaces for students' notations,' (B) printed music in bound form or sheet form, (C) bound volumes of academic theses in typewritten or other duplicated form, (D) bound volumes of periodicals, and (E) other library materials in printed, duplicated, or photographic form in the form of unpublished manuscripts.

"Second, section 107 proposed the extension of the library book rate (now applicable to eligible items sent to and from public libraries and nonprofit organizations or associations) to such items sent to and from schools, colleges, and universities and to nonprofit public libraries and nonprofit organizations and associations of the type listed above.

"Third, section 107 changed existing law, which now limits the application of the library book rate to mailings addressed for local delivery, or for delivery in the first, second, or third postal zone or in the State of mailing, so as to permit the application of the library book rate regardless of the postal zone of delivery.

"Senate amendment: Increase in minimum weight limitation for fourth-class mail. Section 205 (a) of the Senate amendment proposed an increase in the minimum weight limitation for fourth-class mail from 'over eight ounces' to sixteen ounces. This increase in the fourth-class mail minimum weight limitation conformed to the increase made by section 204 of the Senate amendment in the maximum weight limitation for third-class mail.

"In connection with the increase in the minimum weight limitation for fourth-class mail proposed by section 205 (a) of the Senate amendment, it may be noted that section 205 (c) of the Senate amendment proposed other conforming changes in existing law in order to reflect the increase in such minimum weight limitation.

"The House bill contained no such changes in the weight limitations for third-class mail and fourth-class mail.

"Enlargement of categories of items eligible for the regular fourth-class mail preferential book rate. Section 205 (b) of the Senate amendment proposed an enlargement of the categories of items now eligible for the regular fourth-class mail preferential book rate. These existing items are set forth above in connection with the discussion of the proposed enlargement by section 107 of the House bill of the eligibility of such items for the regular fourth-class mail preferential book rate, that is, books permanently bound and consisting of reading matter, etc., and certain sixteen-millimeter films and film catalogs.

"Section 205 (b) of the Senate amendment broadened this category of eligible items to include the same additional items as those proposed by section 107 of the House bill. In addition, section 205 (b) proposed the extension of the book rate to phonographic recordings.

"However, section 205 (b) did not contain a proposal (similar to that contained in the House bill) for an increase in the regular fourth-class mail preferential book rate.

"Extension of fourth-class mail library book rate. Section 205 (b) of the Senate amendment also contained a proposal to extend the fourth-class mail library book rate. This proposal was the same as the proposal contained in section 107 of the House bill (discussed above), except that, in addition, the Senate amendment proposed the extension of the library book rate to phonographic recordings.

"Conference substitute: Increase in minimum weight limitation for fourth-class mail. Sections 206 (a) and 206 (c) of the conference substitute adopt the provisions of section 205 (a) and section 205 (c) of the Senate amendment, which, in effect, increase the minimum weight limitation for fourth-class mail from "over eight ounces" to 16 ounces. The effective date of these provisions of the conference substitute is the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute. The House bill contained no such provisions.

"Increase in the regular fourth-class mail preferential book rate and enlargement of categories of items eligible for such book rate. Section 206 (b) of the conference substitute increases from 8 cents for the first pound or fraction thereof and 4 cents for each additional pound or fraction thereof to 9 cents for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof the existing fourth-class mail postage rates for books generally. Section 107 of the House bill provided a comparable increase from 8 cents and 4 cents to 10 cents and 5 cents in the regular fourth-class mail preferential book rate. The Senate amendment contained no such increase.

"Section 206 (b) of the conference substitute also adopts those provisions of section

107 of the House bill and section 205 (b) of the Senate amendment which enlarge the category of books eligible for the regular book rate by including books consisting of "scholarly bibliography" and which enlarge the category of other items eligible for the regular book rate. These items are set forth in the discussion of section 107 of the House bill. In addition, section 206 (b) of the conference substitute extends the regular book rate to phonographic recordings, as provided in section 205 (b) of the Senate amendment.

"The effective date of the regular book rate provisions of section 206 (b) of the conference substitute is the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute in lieu of October 1, 1957, as provided by the House bill, and July 1, 1958, as provided by the Senate amendment.

"Extension of fourth-class library book rate. Section 206 (b) of the conference substitute adopts the provisions of both section 107 of the House bill and section 205 (b) of the Senate amendment with respect to the extension of the fourth-class library book rate. This extension of the library book rate is discussed above in detail in connection with section 107 of the House bill. In addition, the conference substitute adopts the provisions of the Senate amendment which extend the library book rate to phonographic recordings.

"The effective date of library book rate provisions of section 206 (b) of the conference substitute is the first day of the first month which begins at least 40 days after the date of enactment of the conference substitute in lieu of October 1, 1957, as provided by the House bill, and July 1, 1958, as provided by the Senate amendment.

"8. Mail to and From Army and Fleet Post Offices

"Senate amendment: Section 206 of the Senate amendment pertained to mail sent to and from Army and Fleet Post Offices.

"Section 206 (a) would permit, effective July 1, 1958, the transmission in the mails free of postage, under regulations of the Postmaster General, of admissible first-class letter mail sent by any person having an Army Post Office or Fleet Post Office address.

"Section 206 (b) would permit, effective July 1, 1958, the transmission in the mails at applicable existing postal rates, under regulations of the Postmaster General, any airmail and any package subject to third- or fourth-class rates, sent by any person having an Army Post Office or Fleet Post Office address.

"Section 206 (a) and (b) would apply with respect to both military and civilian personnel having Army Post Office or Fleet Post Office addresses.

"House bill: The House bill contained no such provision.

"Conference substitute: The conference substitute eliminates the provisions of section 206 of the Senate amendment.

"9. Books for the Blind

"Senate amendment: Section 207 of the Senate amendment proposed to amend the Act of October 14, 1941 (55 Stat. 737, 63 Stat. 690; 39 U. S. C. 331), which now grants the free mailing privilege in the case of books and other reading matter for the blind, without advertising, when sent by public institutions for the blind and by public libraries to blind individuals and when returned by such individuals to such institutions or libraries. Section 207 proposed to extend this free mailing privilege, effective July 1, 1958, in the case of certain books printed or typed in raised characters, without advertising, when furnished free by any person to a blind individual.

"House bill: The House bill contained no such provision.

"Conference substitute: Section 207 of the conference substitute contains provisions identical to section 207 of the Senate amendment and is effective on and after July 1, 1958.

"10. Subscription Order, Bill, and Receipt Forms

"Senate amendment: Section 208 of the Senate amendment proposed to amend that part of the first sentence of the Act of January 20, 1888 (25 Stat. 1; 39 U. S. C. 249), which authorized publishers and news agents to enclose in their publications bills, receipts, and orders for subscriptions to such publications but which contained the requirement that such notices should be in such form as to convey no information other than the name, place of publication, subscription price, and amount due. Section 208 proposed to eliminate this requirement from the law.

"House bill: The House bill contained no such provision.

"Conference substitute: Section 208 of the conference substitute adopts the provisions of section 208 of the Senate amendment and is effective on and after July 1, 1958.

"11. Investigations and Study of Dimensional Categories for First- and Third-Class Mail Envelopes and of Impact of Third-Class Bulk Rate Increases

"Senate amendment: Section 209 of the Senate amendment proposed an investigation and study by the Postmaster General of dimensional categories for first- and third-class mail envelopes.

"Section 209 (a) authorized and directed the Postmaster General to conduct a thorough investigation and study of the feasibility and desirability of—

"(1) establishing, by regulation of the Postmaster General, such number of categories (but not less than two categories) of specified standard length and width dimensions for those envelopes which are to be used for the transmission of first-class and third-class mail, as the Postmaster General may determine to be necessary or desirable to increase the efficient handling of the mail, and

"(2) establishing an additional charge on any such first-class or third-class mail matter which is transmitted in an envelope which does not conform to the standard dimensions so prescribed for envelopes.

"Section 209 (b) required that the Postmaster General submit to the Senate and House of Representatives, on or before February 1, 1959, a report on the results of his investigation and study under section 209 (a), together with his recommendations (including recommendations for any necessary legislation).

"House bill: The House bill contained no provisions comparable to section 209 of the Senate amendment.

"However, the report of the Committee on Post Office and Civil Service of the House which accompanied H. R. 5836, Eighty-fifth Congress (House Report No. 524, Eighty-fifth Congress, first session, page 30), discloses that the House committee has requested an investigation and study by the Postmaster General of dimensional categories for letter mail and certain third-class mail and that the House committee was informed by the Post Office Department that a report with respect to such dimensional categories would be submitted by the Department to the Congress.

"Conference substitute: Section 210 of the conference substitute contains the provisions of section 209 of the Senate amendment, relating to dimensional categories for envelopes. Section 210 of the conference substitute in effect carries out both the policy of section 209 of the Senate amendment and the intent of the Committee on Post Office and Civil Service of the House as disclosed by the House Report on H. R. 5836.

"The conference substitute also contains a provision (sec. 209) requiring the Secretary of Commerce and the Administrator of the Small Business Administration to undertake independent studies to ascertain the effect on small business enterprises, on users of the mails, and on the national economy generally of the increases in third-class bulk mailing pound rates on circulars and merchandise and the third-class bulk mailing minimum piece charge, provided by section 205 (3) of the conference agreement. Each of the above agencies would be required to submit to the Congress on or before March 1, 1960, a report of its study together with such recommendations as it may consider necessary and appropriate.

"12. Determination of Class of Post Office and Compensation of Postmaster and Certain Employees

"House bill: Section 108 of the House bill provided, in effect, that the determination of classes of post offices, and the determination of the compensation and allowances of postmasters and other employees whose compensation or allowances are based on the gross annual receipts of their respective post offices, shall be made on the basis of 82 percent of the gross postal receipts of their respective post offices accruing on or after October 1, 1957. Section 108 also contained a provision designed to protect a post office from the possibility of being relegated to a lower class or receipts category in certain cases.

"The purpose of section 108 of the House bill was to maintain, to the extent appropriate, the present classes of post offices, and to avoid disturbance of existing compensation relationships among postmasters and employees whose salaries or allowances are based in whole or in part on postal receipts. The 82 percent adjustment factor would have applied equally to all classes of post offices. Any possible adverse effects of applying this adjustment to offices where the receipts were not affected by rate increases to the extent anticipated would have been prevented by the savings provision.

"Senate amendment: Section 210 of the Senate amendment provided, in effect, that no part of the gross postal receipts of any post office (which receipts are determined in accordance with estimates of the Postmaster General to be attributable to the increases in postage rates provided by the Senate amendment) shall be counted for the purpose of determining the classes of post offices and the compensation and allowances of postmasters and other employees whose compensations or allowances are based on the gross annual receipts of such post offices. Under this language, the Postmaster General would have been authorized to establish the adjustment factor or factors to be applied to all offices or to classes of offices. Section 210 also contained a savings provision (similar in principle to the comparable provision of section 108 of the House bill) the purpose of which was to protect a post office from relegation to a lower class or receipts category where, because of variations in revenue sources, increased postal rates did not yield increases in gross postal receipts comparable to the estimated average increase.

"Conference substitute: Section 108 of the House bill and section 210 of the Senate amendment both provided, in effect, that the increased revenues derived from the postal rate increases proposed by the House and the Senate, respectively, shall be excluded in determining the compensation and allowances of postmasters and other employees and in determining the classes of post offices. Existing law provides for such determinations on the basis of 100 percent of gross postal receipts. The House bill prescribed a basis of 82 percent of gross postal receipts for the making of such determinations. The Senate amendment required

that such determinations be made in accordance with estimates of the Postmaster General.

"Section 211 of the conference substitute, which becomes effective on the date of enactment, adopts the provisions of section 210 of the Senate amendment.

"13. Repeal of Existing Law

"House bill: Retirement contributions of Post Office Department. Section 109 of the House bill proposed the repeal of an existing provision of section 4 (a) of the Civil Service Retirement Act (70 Stat. 747; 5 U. S. C. 2254 (a)) which reads as follows: "Amounts contributed under this subsection from appropriations of the Post Office Department shall not be considered as costs of providing postal service for the purpose of establishing postal rates."

"In effect, the proposed repeal of this provision would remove from the law a provision which excludes civil service retirement contributions by the Post Office Department from consideration as postal costs in the establishment of postal rates.

"In addition, in order to clarify the intent and effect of such repeal, section 109 contained an affirmative statement to the effect that the amounts contributed by the Post Office Department to the civil service retirement and disability fund in compliance with section 4 (a) of the Civil Service Retirement Act shall be considered as costs of providing postal service for the purpose of establishing postal rates.

"Section 109 was to be effective as of the effective date of the Civil Service Retirement Act Amendments of 1956—that is, as of October 1, 1956.

"The House bill did not contain an express repeal of any other provisions of law relating to postal rates.

"Senate amendment: Retirement contributions of Post Office Department. Section 213 of the Senate amendment contained, among other provisions, a provision identical to section 109 of the House bill (civil service retirement contributions of Post Office Department). However, the effective date of the Senate provision was to be July 1, 1958, rather than October 1, 1956.

"Other provisions of law: Section 213 of the Senate amendment proposed the repeal of four additional provisions of law (relating to postal rates) which are either obsolete or are affected by other rate provisions of the Senate amendment.

"First, section 213 would repeal the Act of June 9, 1930 (39 U. S. C. 793), which requires annual certification by the Postmaster General to the Secretary of the Treasury and to the Comptroller General of the United States of the estimated amount of the loss incurred by the postal service on free or reduced rate mailings. This requirement (now in part obsolete) is made wholly unnecessary by procedures contained in both the Senate amendment and the House bill.

"Second, section 213 would repeal paragraph (4) of section 202 (a) of the Act of February 28, 1925 (45 Stat. 941; 39 U. S. C. 283 (4)). This paragraph (4), which is now obsolete, provides a graduated scale of rates for second-class publications based on the number of individually addressed copies to the pound. No corresponding repeal is contained in the House bill.

"Third, section 213 would repeal section 202 (b) of the Act of February 28, 1925 (43 Stat. 1066; 39 U. S. C. 283 (b)), which section 202 (b) makes the editorial rate on second-class publications applicable to advertising in any single issue in which the advertising portion does not exceed 5 percent of the entire content. This repeal would be necessary in order to make the conforming changes in the law which are made necessary by reason of the change in second-class mail rates proposed by the Senate amendment.

"Fourth, section 213 would repeal section 204 of the Act of February 28, 1925 (43 Stat. 1067; 39 U. S. C. 288). This repeal (not contained in the Houes bill) would eliminate a special postage rate which applies to any one edition or issue of a publication weighing not in excess of 1 pound and mailed to any one zone.

"Conference substitute: Retirement contributions of Post Office Department. Section 214 (b) of the conference substitute, relating to retirement contributions of the Post Office Department, is identical with section 109 of the House bill and section 213 (5) of the Senate amendment. However, the effective date provided by the conference substitute is October 1, 1956, the same as that provided by the House bill, rather than July 1, 1958, the date provided by the Senate amendment.

"Repeal of other provisions of law. Section 214 (a) of the conference substitute adopts the provisions of paragraphs (1) to (4), inclusive, of section 213 (a) of the Senate amendment which would repeal certain specified provisions of law. These provisions are set forth above in the discussion of section 213 of the Senate amendment.

"14. Automatic Salary Step Increases for Postal Field Service Employees

"Senate amendment: Section 211 of the Senate amendment proposed two changes (to be effective on the date of enactment) in section 401 of the Postal Field Service Compensation Act of 1955 (69 Stat. 122; 39 U. S. C. 981). Such section 401 relates to automatic advancement by step increases for postal field service employees.

"First, section 211 (a) of the Senate amendment proposed to eliminate the provision in subsection (a) of such section 401, which at present excludes, from the general provision pertaining to periodic advancement to the maximum step of the salary level of the employee based on each fifty-two weeks of satisfactory service, those employees whose positions are allocated to salary levels above salary level PFS–9 in the Postal Field Service Schedule.

"Second, section 211 (b) of the Senate amendment proposed the repeal of subsection (b) of such section 401, which provides for salary step increases up to and including step 4 of the salary level concerned, based on each fifty-two calendar weeks of satisfactory service, for those employees whose positions are allocated to salary level PFS–10 or a higher salary level of the Postal Field Service Schedule, and for advancement of such employees to steps higher than step 4 (but excluding longevity steps) of the salary level concerned on the basis of superior performance of the employee under regulations issued by the Postmaster General. The provisions of subsection (b) of such section 401 apply primarily to those postmasters, supervisors, and other managerial personnel of the postal field service who are in the higher salary levels of the Postal Field Service Schedule.

"The overall effect of these changes proposed by the Senate amendment in such section 401 is (A) the repeal of the existing requirement that step increases or advancements in salary level PFS–10 or a higher salary level of the Postal Field Service Schedule will be granted only under regulations of the Postmaster General on the basis of the superior performance of the employee concerned, and (B) the establishment of a new requirement that all step increases or advancements under such section 401 be automatic irrespective (except as provided by subsection (c) of such section 401) of the salary step or salary level concerned.

"The changes in such section 401 proposed by section 211 of the Senate amendment require the advancement of each employee in salary level PFS–10 or higher to that step of his salary level which he would have attained except for the limitations contained in section 401 which would be eliminated from that section by section 211 of the Senate amendment.

"In addition, these changes in such section 401 require the advancement, on the date of enactment of the conference substitute, of an employee of one step for each 52 weeks of satisfactory service standing to the credit of the employee since the date of his last automatic advancement (excluding advancement on the basis of superior performance) or equivalent increase in basic salary. No retroactive compensation or salary will be payable by reason of the enactment of section 211 of the conference substitute.

"The following example illustrates the application and operation of the changes proposed by section 211 of the Senate amendment in section 401 of the Postal Field Service Compensation Act of 1955.

"Employee X who was within the purview of subsection (b) of such section 401 by reason of the allocation of his position to salary level PFS–10 and who was in step 4 of such salary level became eligible for consideration for advancement to step 5 of such level on January 12, 1957, but was denied such advancement under the regulations of the Postmaster General concerning superior performance. However, he was granted such advancement to step 5 of such salary level six months later, on July 13, 1957, under such regulations, because of his superior performance in the interim period.

"As a result of the changes in section 401 proposed by the Senate amendment, employee X would receive an automatic advancement to step 6 of such salary level (if the conditions of service are met and if no equivalent increase was received after January 12, 1957), on the date of enactment of the Senate amendment. Such employee then would receive an automatic advancement to step 7 of such salary level on January 10, 1959, if the conditions of service are met and if no equivalent increase was received after January 11, 1958.

"House bill: The House bill contained no provisions similar to section 211 of the Senate amendment.

"Conference substitute: Section 212 of the conference substitute adopts the provisions of section 211 of the Senate amendment.

"15. Reformation of Certain Matters Pertaining to Fourth-class Mail; Conditions Precedent to Withdrawal From General Fund of Treasury

"House bill: Conditions precedent to withdrawal from general fund of Treasury. An existing provision of chapter IV of the Supplemental Appropriation Act, 1951 (64 Stat. 1050; 31 U. S. C. 695), prohibits the withdrawal (whenever fourth-class mail costs exceed fourth-class mail revenues) from the general fund of the Treasury of funds appropriated to the Post Office Department until the Postmaster General has certified that he has requested the consent of the Interstate Commerce Commission to the establishment of such rate increases or other reformations as will insure the receipt of fourth-class mail revenue sufficient to pay the cost of fourth-class mail service.

"Section 110 of the House bill proposed to amend this provision of law so as to require, in effect, that the Postmaster General shall petition the Interstate Commerce Commission for such fourth-class mail rate increases and other reformations as may be necessary to insure that the fourth-class mail revenues will not exceed the fourth-class mail costs by more than 1 percent and that the fourth-class mail costs will not exceed the fourth-class mail revenues by more than 1 percent.

"The purpose of the amendment proposed by section 110 of the House bill is to facilitate and assist the operation and administration of the established policy of the Congress that fourth-class mail pay its own way.

"The House bill contained no amendment (similar to that contained in section 212 (a)

of the Senate amendment) to section 207 (b) of the Act of February 28, 1925 (45 Stat. 942; 39 U. S. C. 247), relating to reformation of matters pertaining to fourth-class mail.

"Senate amendment: Conditions precedent to withdrawal from general fund of Treasury. Section 212 (b) of the Senate amendment proposed an amendment comparable to that proposed by section 110 of the House bill. The Senate amendment, however, required that the Postmaster General shall certify that he has requested the consent of the Interstate Commerce Commission to the establishment of such fourth-class mail rate increases or other reformations as may be necessary to insure that the cost of fourth-class mail service will not exceed by more than 8 percent the revenues from such service.

"Reformation of certain matters pertaining to fourth-class mail. Section 212 (a) of the Senate amendment proposed an amendment to section 207 (b) of the Act of February 28, 1925 (45 Stat. 942; 39 U. S. C. 247). Such section 207 (b) provides that, if the Postmaster General finds that the classification of mail matter, the weight limits, the zone or zones, or other conditions of mailability pertaining to fourth-class mail are such as to prevent the shipment of desirable articles or to render permanently the cost of the fourth-class mail service greater than the revenue from such service, he is directed, subject to the consent of the Interstate Commerce Commission after investigation, to reform such classifications, weight limits, zone or zones, or conditions in order to promote the service or to insure the receipt of revenue from fourth-class mail service adequate to pay the cost of such service.

"Existing law, therefore, directs that the Postmaster General seek an increase in fourth-class mail rates if he finds that fourth-class mail costs will exceed fourth-class mail revenues permanently by any amount.

"Under the amendment proposed by section 212 (a) of the Senate amendment the Postmaster General is required to seek an increase in fourth-class mail rates if he finds that fourth-class mail costs will exceed fourth-class mail revenues permanently by more than 8 percent.

"The Senate amendment did not establish any specific authority in the law for the Postmaster General to seek an increase in fourth-class mail rates unless and until he finds that fourth-class mail costs will exceed fourth-class mail revenues by more than 8 percent. However, the explanation of the Senate provision contained on page 12 of Senate Report No. 1321, Eighty-fifth Congress, second session, indicated that there was no legislative intent to preclude the Postmaster General from seeking a fourth-class mail rate revision on his own initiative if he finds that fourth-class mail costs will exceed fourth-class mail revenues permanently by less than 8 percent.

"Conference substitute: Section 213 of the conference substitute adopts the provisions of section 110 of the House bill, except that the variance of 1 percent provided by the House bill is changed to 4 percent in the conference substitute.

"16. Effective Dates for Postal Rate Provisions

"Section 111 of the House bill and section 214 of the Senate amendment contained the effective dates for the respective House and Senate postal rate and related provisions.

"Section 215 of the conference substitute contains the comparable effective dates agreed to in conference.

"These effective dates are set forth in the table below:

"Effective dates

	House bill	Senate amendment	Conference substitute
All rate adjustments (except as indicated below).	Oct. 1, 1957	July 1, 1958	Aug. 1, 1958.
Second class publishers pound rates	Oct. 1, 1957, July 1, 1958, July 1, 1959, July 1, 1960.	July 1, 1958, July 1, 1959, July 1, 1960.	Jan. 1, 1959, Jan. 1, 1960, Jan. 1, 1961.
Second class minimum piece charge	Oct. 1, 1957	July 1, 1958, July 1, 1959, July 1, 1960.	Jan. 1, 1959, Jan. 1, 1960, Jan. 1, 1961.
Third-class individual piece rates	Oct. 1, 1957	July 1, 1958	Aug. 1, 1958.
Third-class pound rate, circulars and merchandise, etc.	Oct. 1, 1957	July 1, 1958	Jan. 1, 1959.
Third-class bulk mailing permit fee	Jan. 1, 1958	Jan. 1, 1959	Jan. 1, 1959.
Third-class bulk mailing minimum piece charge.	Oct. 1, 1957	July 1, 1958, July 1, 1959.	Jan. 1, 1959, July 1, 1960.
Weight limitation, third and fourth class		July 1, 1958	Aug. 1, 1958.
Repeal of retirement cost provision	Oct. 1, 1956	July 1, 1958	Oct. 1, 1956.
Repeal of exemption from advertising rates of publications having not more than 5 percent advertising content.		July 1, 1958	Jan. 1, 1959.
Repeal of other laws		July 1, 1958	Date of enactment.
All other provisions	Date of enactment	Date of enactment	Do.

"Postal rate policy

"Title II of the House bill and title I of the Senate amendment each set forth a postal rate policy to serve as a guide in the determination and adjustment of postal rates by the Congress.

"The postal rate policy provisions of the conference substitute are contained in title I of the conference substitute.

"1. Short Title

"House bill: Section 201 of the House bill provided for title II of the House bill the short title 'Postal Rate Policy Act'.

"Senate amendment: Section 101 of the Senate amendment provided for title I of the Senate amendment the short title 'Postal Policy Act of 1958'.

"Conference substitute: The conference substitute adopts the Senate short title 'Postal Policy Act of 1958'.

"2. Findings

"Section 202 of the House bill contained seven paragraphs which set forth certain findings of the Congress which would form the basis for the formal statement of postal rate policy in title II of the House bill. These findings related to the historical background, development, and expansion of the postal service, the contribution of the postal service to the public welfare and the national economy, the necessity of continuing those postal services which contribute to the public welfare, the manner of performing those services, and the necessity for a declaration of Congressional policy to serve as a basis for a sound and equitable postal-rate structure.

"Section 102 of the Senate amendment contained six paragraphs of the same general import as section 202 of the House bill.

"The Congressional findings set forth in these paragraphs of section 202 of the House bill and of section 102 of the Senate amendment, and the comparable provisions of the conference substitute, are discussed below.

"A. Purpose of creation of postal establishment.

"House bill, Senate amendment, conference substitute: Paragraph (1) of section 202 of the House bill, paragraph (1) of section 102 of the Senate amendment, and paragraph (1) of section 102 of the conference substitute each state that the postal establishment was created in order to (A) unite more closely the American people, (B) promote the general welfare, and (C) advance the national economy.

"B. Enlargement of postal establishment.

"House bill: Paragraph (2) of section 202 of the House bill stated that the postal establishment has been extended and enlarged through the years into a nationwide network of services and facilities for (A) the communication of intelligence, (B) the dissemination of information, (C) the advancement of education and culture, and (D) the distribution of articles of commerce and industry.

"Senate amendment: Paragraph (2) of section 102 of the Senate amendment is identical to paragraph (2) of section 202 of the House bill, but contains an additional sentence to the effect that the Congress has encouraged the use of postal services and facilities by providing reasonable and in many cases, special postal rates.

"Conference substitute: Paragraph (2) of section 102 of the conference substitute adopts the provisions of paragraph (2) of section 102 of the Senate amendment.

"C. Contribution of postal services to the development of the national economy.

"House bill, Senate amendment, conference substitute: Paragraph (3) of section 202 of the House bill, paragraph (3) of section 102 of the Senate amendment, and paragraph (3) of section 102 of the conference substitute each state that the development and expansion of the several elements of postal service, under the authorization of Congress, have been the impelling force in the formation and development of many and varied business enterprises which contribute to the national economy and the public welfare and which depend upon the continued operation of these elements of postal service.

"D. Relationships among the several classes of mail; performance of certain postal functions on the basis of the national welfare.

"House bill: Paragraph (a) of section 202 of the House bill recognized that, in the operations of the postal establishment authorized by the Congress, there have developed certain relationships among the several classes of mail. These relationships, now recognized and accepted, have developed through the years in the public interest and as manifestations of public policy.

"In addition, paragraph (4) recognized that the postal establishment performs some functions in which the public interest outweighs the profit and loss factors which would be controlling if the postal establishment were operated solely as a business enterprise. This public interest factor in postal operations is apparent in the continued expansion of the postal service and in the authorization of the rendition of certain services and the provision of certain facilities at a calculated loss to the Federal Government.

"Senate amendment: Paragraph (4) of section 102 of the Senate amendment also recognized the existence of relationships among the several classes of mail.

"In addition, the Senate version stated that it is clear, from the continued expansion of the postal service and from the continued encouragement by the Congress of the most widespread use of the postal service, that the postal establishment performs many functions and offers its facilities to many users on a basis which can only be justified as being in the interest of the national welfare.

"Although paragraph (4) of section 102 of the Senate amendment contains different language than paragraph (4) of section 202 of the House bill, the import of the language in both House and Senate versions is similar.

"Conference substitute: Paragraph (4) of section 102 of the conference substitute adopts the provisions of paragraph (4) of section 102 of the Senate amendment.

"E. Expenses chargeable to mail users.

"House bill: Paragraph (5) of section 202 of the House bill stated that it would be an unfair burden on the mail users to compel them to underwrite those expenses incurred by the postal establishment which are not related to those postal services which such mail users receive. This statement was based on the premise that the postal service should be operated in a businesslike manner but clearly is not a commercial enterprise conducted for profit.

"Senate amendment: Paragraph (5) of section 102 of the Senate amendment stated that it would be an unfair burden on any particular mail user or class of mail users to compel them to bear the expenses incurred by reason of special rate considerations granted or facilities provided to other mail users or to underwrite those expenses incurred by the postal establishment for services of a nonpostal nature. This statement was based on the premise that, while the postal establishment, as all other Government agencies, should be operated in an efficient manner, it clearly is not a business enterprise conducted for profit or for raising general funds.

"Conference substitute: Paragraph (5) of section 102 of the conference substitute adopts the provisions of paragraph (5) of section 102 of the Senate amendment.

"F. Recognition of lack of firm policy statement with respect to identification of postal services.

"House bill: Paragraph (6) of section 202 of the House bill stated that, notwithstanding the need therefor, the Congress has not laid down a firm policy to identify and evaluate postal services rendered, in whole or in part, for the benefit of the general public or for the benefit of certain mail users.

"Senate amendment: The Senate amendment contained no such provision.

"Conference substitute: The conference substitute, like the Senate amendment, contains no provision similar to paragraph (6) of section 202 of the House bill.

"G. Need for declaration by the Congress of a postal rate policy.

"House bill: Paragraph (7) of section 202 of the House bill stated that the public interest and the increasing complexity of the social and economic fabric of the Nation require an immediate, clear, and affirmative declaration of Congressional policy for the creation and maintenance of a sound and equitable postal-rate structure which would assure efficient service, produce adequate postal revenues, and stand the test of time.

"Senate amendment: Paragraph (6) of section 102 of the Senate amendment, like paragraph (7) of section 202 of the House bill, declared an immediate need for a declaration of Congressional policy with respect to postal rates. However, unlike the House version, paragraph (6) of section 102 of the Senate amendment made specific reference to the public service activities of the postal establishment as the basis for the creation and maintenance of a sound and equitable postal-rate structure.

"Conference substitute: Paragraph (6) of section 102 of the conference substitute adopts the provisions of paragraph (6) of section 102 of the Senate amendment.

"3. Declaration of Policy

"Section 203 of the House bill, section 103 of the Senate amendment, and section 103 of the conference substitute set forth the declaration of policy by the Congress with respect to the postal-rate structure and, in connection therewith, stated certain general principles, standards, and related requirements with respect to the determination and allocation of postal revenues and expenses and with respect to the adjustment of the postal-rate structure generally.

"A. Constitutional function of the Congress in forming postal policy; general statement of Congressional policy.

"House bill: Subsections (a) and (b) of section 203 of the House bill related generally to the constitutional function of the Congress in forming postal policy.

"Subsection (a) of section 203 stated that the Congress hereby emphasizes, reaffirms, and restates its function under the Constitution of the United States of forming postal policy.

"Subsection (b) of section 203 set forth two main points of Congressional policy with respect to the postal-rate structure, as follows:

"First, it is the policy of the Congress to provide a more stable basis for the postal-rate structure through the establishment of principles, standards, and related requirements with respect to the determination and allocation of postal revenues and expenses.

"Second, it is the policy of the Congress, in accordance with these principles, standards, and requirements, to provide a means for the adjustment of the postal-rate structure by action of the Congress, from time to time, as the public interest may require, in the light of periodic reviews of the postal-rate structure, periodic studies and surveys of expenses and revenues, and certain periodic reports and recommendations required to be made by the Postmaster General, on the basis of the cost ascertainment system of the Post Office Department.

"Senate amendment: Subsections (a) and (b) of section 103 of the Senate amendment also related generally to the constitutional function of the Congress in forming postal policy, although the language of the Senate version is different from the language of the House version.

"Subsection (a) of section 103 of the Senate amendment declared, as a matter of policy, that in order to establish a more stable basis for the postal-rate structure through principles, standards, and related requirements similar to those referred to in the House version, the Congress hereby emphasizes, reaffirms, and restates its constitutional function of forming postal policy. However, the Senate version contained no reference to a cost ascertainment system.

"Subsection (b) of section 103 of the Senate amendment declared it to be the policy of the Congress that the post office is a public service.

"Conference substitute: Subsections (a) and (b) of section 103 of the conference substitute contain the same language as subsections (a) and (b) of section 203 of the House bill with the following changes:

"First, paragraph (1) of subsection (b) of section 103 of the conference substitute contains the provision of subsection (b) of section 103 of the Senate amendment to the effect that it is declared to be the policy of the Congress that the post office is a public service.

"Second, paragraph (2) of subsection (b) of section 103 of the conference substitute omits specific reference to the cost ascertainment system as a basis for the adjustment of the postal-rate structure.

"Third, such paragraph (2) also omits specific reference to recommendations of the Postmaster General.

"B. General principles, standards, and related requirements with respect to the determination and allocation of postal revenues and expenses.

"Subsection (c) of section 203 of the House bill and subsection (c) of section 103 of the Senate amendment each prescribe general principles, standards, and related requirements with respect to the determination and allocation of postal revenues and expenses. These principles, standards, and related requirements are divided into four categories, as follows:

"First, a specification of matters to be given due consideration in the determination and adjustment of the postal-rate structure.

"Second, a statement with respect to first-class mail.

"Third, a statement with respect to the assumption by the Federal Government of the cost of public service items.

"Fourth, a statement with respect to postal revenues and postal expenses in connection with the adjustment of postal rates.

"i. Specifications of matters to be given due consideration in the determination and adjustment of the postal-rate structure.

"House bill, Senate amendment, conference substitute: Paragraph (1) of subsection (c) of section 203 of the House bill, paragraph (1) of subsection (c) of section 103 of the Senate amendment, and paragraph (1) of subsection (c) of section 103 of the conference substitute are identical provisions which specify the matters to be given due consideration in the determination and adjustment of the postal-rate structure. These matters are as follows:

"(a) the promotion of social, cultural, intellectual, and commercial communications among the people of the United States of America;

"(b) the development and maintenance of a postal service which will serve the present and future needs of the people of the United States of America;

"(c) the promotion of adequate, economical, and efficient postal service at reasonable and equitable rates and fees;

"(d) the effect of postal services and the impact of postal rates and fees on users of the mails;

"(e) the requirements of the postal establishment with respect to the manner and form of preparation and presentation of mail matter by the users of the various classes of mail service;

"(f) the value of mail;

"(g) the value of time of delivery of mail; and

"(h) the quality and character of the service rendered in terms of priority, secrecy, security, speed of transmission, use of facilities and manpower, and other pertinent service factors.

"ii. Statement with respect to first-class mail.

"House bill: Paragraph (2) of subsection (c) of section 203 of the House bill provided, in effect, that the first-class mail service is a preferred service of the postal establishment, the postage rates for which should cover both its allocated costs and an additional amount representing the fair value of all extraordinary and preferential services, facilities, and factors relating thereto.

"Senate amendment: Paragraph (2) of subsection (c) of section 103 of the Senate amendment provided, in effect, that the first-class mail service is the primary function of the postal establishment, the costs of which shall be the expenses allocated to first-class mail plus the amount of the fair value of all extraordinary and preferential services, specially designed facilities, and other related factors.

"Conference substitute: Paragraph (2) of subsection (c) of section 103 of the conference substitute adopts the provision of paragraph (2) of subsection (c) of section 203 of the House bill.

"iii. Statement with respect to assumption by Federal Government of the cost of public service items.

"House bill, Senate amendment, conference substitute: Paragraph (3) of subsection (c) of section 203 of the House bill, paragraph (3) of subsection (c) of section 103 of the Senate amendment, and paragraph

(3) of subsection (c) of section 103 of the conference substitute each provide that the sum of the public service items, provided by the postal establishment and as determined by the Congress, shall be assumed directly by the Federal Government, paid directly out of the general fund of the Treasury, and not be charged to any user or users of the mails in the form of rates and fees. The House bill, Senate amendment, and conference substitute each provide that nothing contained in the respective postal rate policy provisions of such versions should be construed as indicating any intention on the part of the Congress that any such public services should be limited or restricted or as indicating any Congressional intent to derogate in any way from the need or desirability of such services in the public interest.

"iv. Statement with respect to postal revenues and postal expenses in connection with the adjustment of postal rates.

"House bill: Paragraph (4) of subsection (c) of section 203 of the House bill provided that postal rates should be adjusted from time to time so that the total amount of postal revenues (including appropriations for public service items) shall more nearly equal total expenses (including expenses for public service items), as determined on the basis of the cost ascertainment system of the Post Office Department.

"Senate amendment: Paragraph (4) of subsection (c) of section 103 of the Senate amendment provided that postal rates and fees shall be adjusted from time to time so that the total amount of all postal revenues (excluding appropriations for public service items) shall be approximately equal to the total amount of the nonpublic service expenses of the postal establishment.

"Conference substitute: Paragraph (4) of subsection (c) of section 103 of the conference substitute provides that postal rates and fees shall be adjusted from time to time as may be required to produce that amount of revenue which is approximately equal to the total cost of operating the postal establishment minus that amount which is deemed to be attributable to the performance of the public service items enumerated under subsection (b) of section 104 of the conference substitute, relating to authorization of certain appropriations to reimburse the Post Office Department on account of public services of the Department.

"4. Identification of and Appropriations for Public Services

"Section 104 of the Senate amendment contained provisions which identified certain services of the postal service as public service items which are to be financed by the Federal Government and for which the Post Office Department is to be reimbursed by certain appropriations each fiscal year to cover the costs of such items.

"The House bill contained no such identification of public service items but section 204 thereof did contain a provision authorizing appropriations to cover the costs of public service items generally.

"Identification of public services

"Senate amendment: Subsection (a) of section 104 of the Senate amendment identifies those public service items the sum of which is to be assumed directly by the Federal Government and paid out of the general fund of the Treasury.

"Paragraph (1) of such subsection (a) identifies as public services the total loss resulting from the transmission in the mails free of postage or at reduced rates of postage of certain matter under certain provisions of law which are specified in such paragraph. Those provisions of law are referred to in detail in the discussion of a similar provision identifying public service items which is contained in the conference substitute.

"Paragraphs (2) to (8), inclusive, of such subsection (a) describe as items of public service certain categories of losses and costs in the mail service. These losses and costs are described in general terms and without reference to specific provisions of law, as follows:

"In paragraph (2), the loss resulting from the operation of such public welfare postal services as the star route system, rural free delivery, and third- and fourth-class post offices.

"In paragraph (3), the loss incurred in performing nonpostal services, such as the sale of documentary stamps for the Department of the Treasury.

"In paragraph (4), the loss incurred in performing special services, such as cash on delivery, insured mail, special delivery, and money orders.

"In paragraph (5), the cost of the free handling of registered mail for the post office and other Federal agencies.

"In paragraph (6), the cost of transportation subsidies borne by the postal establishment in compliance with or resulting from the nonenforcement of Federal statutes.

"In paragraph (7), the additional cost of transporting United States mail by foreign air carriers at a Universal Postal Union rate in excess of the rate prescribed for United States carriers.

"In paragraph (8), other services provided in the interests of the public welfare, the costs of which exceed revenues therefrom.

"House bill: The House bill contained no identification of public service items similar to subsection (a) of section 104 of the Senate amendment.

"Conference substitute: Subsection (a) of section 104 of the conference substitute contains an identification of public service items which is similar to the public service identification provisions contained in subsection (a) of section 104 of the Senate amendment, except for the following changes:

"First, paragraph (1) of subsection (a) of section 104 of the conference substitute identifies as public services the total loss resulting from the transmission in the mails free of postage or at reduced rates of postage of certain matter under the following provisions of law:

"(a) section 202 (a) (3) of the Act of February 28, 1925 (39 U. S. C. 283 (a) (3)), relating to reduced postage rates on newspapers or periodicals of certain nonprofit organizations;

"(b) sections 5 and 6 of the Act of March 3, 1877 (39 U. S. C. 321), relating to official mail matter of the Pan American Union sent free through the mails;

"(c) section 25 of the Act of March 3, 1879, as amended (39 U. S. C. 286), and section 2 (b) of the Act of October 30, 1951 (39 U. S. C. 289a (b)), relating to free-in-county mailing privileges;

"(d) certain provisions of law as contained in the Act of October 14, 1941 (55 Stat. 737; Public Law 270, Seventy-seventh Congress) and as amended by the Act of September 7, 1949 (63 Stat. 690), relating to free postage and reduced postage rates on reading matter and other articles for the blind (39 U. S. C. 331);

"(e) the Act of February 14, 1929 (39 U. S. C. 336), granting free mailing privileges to the diplomatic corps of the countries of the Pan American Postal Union;

"(f) the Act of April 15, 1937 (39 U. S. C. 293c), granting reduced rates to publications for use of the blind;

"(g) the Act of June 29, 1940 (39 U. S. C. 321–1), granting free mailing privileges to the Pan American Sanitary Bureau;

"(h) the act of May 7, 1945 (59 Stat. 707), and other provisions of law granting free mailing privileges to individuals;

"(i) the second and third provisos of section 2 (a) of the Act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 289a (a)), granting reduced second-class postage rates to publications of certain nonprofit organizations;

"(j) the last proviso of section 3 of the Act of October 30, 1951 (65 Stat. 673; 39 U. S. C. 290a–1), granting reduced third-class postage rates to certain organizations;

"(k) section 302 of The Federal Voting Assistance Act of 1955 (5 U. S. C. 2192), granting free postage, including free airmail postage, to post cards, ballots, voting instructions, and envelopes transmitted in the mails under authority of such Act; and

"(l) section 204 (d) and (e) of the Postal Rate Revision and Federal Employees Salary Act of 1948, as amended (39 U. S. C. 292a (d) and (e)), including the amendment made by section 206 of the conference substitute.

"The provisions of law above referred to are the same as those referred to in the comparable provision of the Senate amendment. All changes made by the conference substitute with respect to such provisions of law are of a technical and clarifying nature only.

"Second, paragraph (2) of subsection (a) of section 104 of the conference substitute describes as an item of public service the loss resulting from the operation of such prime and necessary public services as the star route system and third- and fourth-class post offices. The language of such paragraph (2) differs from the language of paragraph (2) of section 104 (a) of the Senate amendment in two respects:

"(1) the reference in the Senate amendment to 'public welfare postal services' is changed in the conference substitute to 'prime and necessary public services'; and

"(2) the conference substitute eliminates the reference in the Senate amendment to rural free delivery.

"In connection with this elimination of the reference to rural free delivery the following statement should be noted.

"The conference substitute eliminates from section 104 (a) (2) the language, contained in the Senate amendment, which would exclude losses on rural routes from postal costs for postal rate purposes. The determination to exclude the loss on rural routes from section 104 (a) (2) of the conference substitute was based upon a decision of the committee of conference that this matter be passed over as an unresolved issue, without prejudice to further legislative consideration and action with respect to the exclusion of the loss on rural routes from postal costs for postal rate purposes by reason of such loss constituting a public service. This determination by the committee of conference was made in order not to delay further a final agreement on the remaining differences between the House bill and the Senate amendment.

"In addition, the committee of conference emphasizes that, in accordance with the declaration of policy contained in section 103 (c) (3) (B) of the conference substitute, neither the elimination by section 104 (a) (2) of the conference substitute of the reference to rural free delivery nor any other provision of the conference substitute has the effect of authorizing or requiring the elimination, consolidation, or discontinuance of any rural route, any star route, or any third-class or fourth-class post office. The committee of conference emphasizes further that it is not intended to preclude the making of appropriations for any such route or post office on either a public service or postal expense basis.

"Third, section 104 (a) of the conference substitute eliminates paragraphs (5), (6), and (8) of section 104 (a) of the Senate amendment, discussed above in connection with section 104 (a) of the Senate amendment.

"Appropriations for public services

"House bill: Section 204 of the House bill authorized appropriations to postal revenues each fiscal year in an amount equal to the sum of the public service items of the postal service, which items were not specifically identified in the House bill.

"Senate amendment: Subsection (b) of section 104 of the Senate amendment authorized appropriations to postal revenues each fiscal year of an amount equal to the total estimated expenditures of the Post Office Department for such fiscal year for the public service items specifically identified in subsection (a) of section 104 of the Senate amendment. Such expenditures were to be determined by the Congress in the particular appropriation Act based on budget estimates submitted to the Congress. These appropriations were to be paid into postal revenues to reimburse the Post Office Department for the cost of such public service items.

"Conference substitute: Subsection (b) of section 104 of the conference substitute is the same as subsection (b) of section 104 of the Senate amendment.

"5. Elimination of Reference to Cost Ascertainment System

"House bill: Section 205 of the House bill in effect reaffirmed and required the utilization of the cost ascertainment system of the Post Office Department as the basis for the determination of revenues and expenses and the making of allocations and apportionments with respect to revenues and expenses, in connection with the operation of the postal rate policy provisions.

"Subsection (a) of such section 205 provided that, for the purposes of title II of the House bill, revenues, and expenses shall be determined and ascertained, and each allocation and apportionment with respect thereto shall be made, upon the basis of the cost ascertainment system of the Post Office Department, to the extent not otherwise indicated in title II.

"Subsection (b) of such section 205 contained a savings provision to the effect that nothing contained in title II of the House bill shall be construed to affect the cost ascertainment system or any authority, power, duty, or procedure of the Postmaster General or of the postal establishment generally, except to the extent necessary to carry out the purposes of title II.

"Senate amendment: The Senate amendment contained no provision similar to section 205 of the House bill reaffirming the cost ascertainment system of the Post Office Department as the basis for the determination of revenues and expenses and the making of allocations and apportionments with respect thereto.

"Conference substitute: The conference substitute, like the Senate amendment, contains no provision similar to section 205 of the House bill with respect to the cost ascertainment system.

"6. Reports of Postmaster General

"Section 206 of the House bill and section 105 of the Senate amendment contained comparable but not identical provisions requiring the Postmaster General to initiate and conduct reviews, studies, and surveys with respect to the need for the adjustment of postal rates and fees, in accordance with the respective postal rate policy provisions of the House bill and the Senate amendment, and to submit reports of the results of the reviews, studies, and surveys to the Senate and House of Representatives.

"House bill: Subsection (a) of section 206 of the House bill required the Postmaster General to initiate and conduct (from time to time or on a continuing basis, as he may determine, but at least every two years) a review of the postal-rate structure and a study and survey of the revenues received and expenses incurred in connection with the several classes of mail and the various classes and kinds of services and facilities provided by the postal establishment. The purpose of the review, study, and survey, which were required to be conducted through the facilities of the postal establishment, was to determine the need for adjustment of postal rates and fees in accordance with the postal-rate policy provisions of the House bill.

"Subsection (b) of such section 206 required that the Postmaster General submit to the Senate and House of Representatives not later than April 15 of each alternate fiscal year, beginning with the fiscal year ending June 30, 1959, a report of the results of each such review, study, and survey. It was also required that such report include—

"(A) such information with respect to expenses and revenues as is pertinent to the allocation of expenses and the determination and adjustment of postal rates and fees in accordance with the postal-rate policy provisions of the House bill,

"(B) other information required by the Congress, or by an appropriate committee of the Congress, to carry out the postal-rate policy provisions of the House bill, and

"(C) such recommendations as the Postmaster General may deem appropriate.

"Senate amendment: Subsections (a) and (b) of section 105 of the Senate amendment contained provisions which are the same as the provisions of subsections (a) and (b) of section 206 of the House bill, except for the following differences:

"First, the Senate amendment required that the report of the Postmaster General be submitted not later than April 15 of each alternate fiscal year, beginning with the fiscal year ending June 30, 1960, in lieu of the fiscal year ending June 30, 1959, as provided by the House bill.

"Second, the Senate amendment omits specific reference to the inclusion in the report of recommendations of the Postmaster General while the House bill provides specifically for the inclusion in such report of those recommendations which the Postmaster General deems appropriate.

"Conference substitute: Section 105 of the conference substitute is the same as section 105 of the Senate amendment. However, the elimination from this provision of the conference substitute of specific reference to recommendations is not intended to preclude the Postmaster General from including in his report such recommendations as he deems appropriate.

"7. Congressional Action Prerequisite to Adjustments in Postage Rates and Fees

"House bill: Section 207 of the House bill provided that, except as otherwise provided by law, nothing contained in title II of the House bill shall be construed to authorize any change, adjustment, or revision with respect to any postal rate or fee, except by further action of the Congress.

"In effect, section 207 of the House bill reemphasized the exclusive authority of the Congress to establish and adjust postal rates.

"Senate amendment: The Senate amendment contained no specific provision comparable to section 207 of the House bill.

"Conference substitute: The conference substitute does not contain any provision similar to section 207 of the House bill.

"However, the elimination of such provision from the conference substitute is not intended to create any inference that the Congress is abdicating its exclusive authority to establish and adjust postal rates and fees in accordance with law.

"8. Elimination of Definitions

"House bill: Subsection (a) of section 208 of the House bill defined the terms 'cost ascertainment system', 'revenues', 'costs', and 'adjusted revenues' for the purposes of the postal rate policy provisions of the House bill.

"Paragraph (1) of such subsection (a) defined 'cost ascertainment system' as the cost ascertainment system (including the principles and standards thereof) utilized by the Post Office Department for the ascertainment and allocation of expenses and revenues of the postal service, as in effect from time to time, to the extent consistent with the postal rate policy provisions of the House bill.

"Paragraph (2) of such subsection (a) ascribed to the two terms 'revenues' and 'costs' the same meaning as when used in the Cost Ascertainment Report of the Post Office Department, whether applied to the total postal operation or to the respective mail classes and services. Also, the terms 'cost' and 'expenses' were declared to be synonymous.

"Paragraph (3) of such subsection (a) defined 'adjusted revenues', whether applied to the total postal operation or to the respective mail classes and services, as the revenues increased by sums authorized to be appropriated under title II of the House bill to the Post Office Department for public service items.

"Subsection (b) of section 208 of the House bill provided that any reference contained in title II of the House bill or in any law or regulation in connection with such title II to any of the several classes of mail and services shall have the same meaning as when used the Cost Ascertainment Report of the Post Office Department, except that first-class mail shall include domestic airmail other than air parcel post.

"Senate amendment: The Senate amendment contained no provisions which defined terms used in the postal policy provisions of the Senate amendment.

"Conference substitute: The conference substitute, like the Senate amendment, contains no definitions for postal policy purposes.

"9. No Requirement of Downward Adjustment in Existing Fourth-Class Mail Rates

"Section 106 of the conference substitute provides that the provisions of title II of the conference substitute shall not require any downward adjustment in the rates of postage on fourth-class mail existing on the date of enactment of the conference substitute.

"Section 106 of the conference substitute is not intended to create any inference that a downward adjustment may not be made in the future in the rates of postage on fourth-class mail.

"Postal modernization fund

"Senate amendment: Section 301 of the Senate amendment established a trust fund in the Treasury of the United States, to be known as the Postal Modernization Fund.

"Section 302 of the Senate amendment provided that there shall be paid into the fund out of the receipts of postage on first-class mail the sum of $175,000,000 for three fiscal years, beginning with the fiscal year ending June 30, 1959, and ending with the fiscal year June 30, 1961.

"Section 303 of the Senate amendment provided that the moneys in the fund, including interest on investments, would be available until expended, subject to appropriation by the Congress, for obligation by the Postmaster General for conducting research (directly or through private organizations) and for developing, acquiring, and placing into operation improved equipment and facilities for the performance of the postal function.

"Section 304 of the Senate amendment related to the management of the fund.

"Subsection (a) of such section imposed upon the Secretary of the Treasury the duty of holding the fund and of reporting annually to the Congress on its condition.

"Subsection (b) of such section imposed upon the Secretary of the Treasury the duty of investing such portion of the fund as was not, in his judgment and after consultation with the Postmaster General, required to meet current withdrawals. The invest-

ments authorized were interest bearing obligations of the United States or obligations guaranteed by the United States as to both principal and interest.

"Section 305 of the Senate amendment required the Postmaster General to include in his annual report to the President a detailed report with respect to the Postal Modernization Fund and activities relating thereto.

"House bill: The House bill contained no provisions relating to a Postal Modernization Fund.

"Conference substitute: Title III of the conference substitute adopts the provisions of the Senate amendment except that the conference agreement eliminates the provisions under which specified amounts of the proceeds of postage on first-class mail would be paid into the Fund, and instead authorizes the appropriation to the Fund, for each of the next three fiscal years, of such amounts as the Congress may determine to be necessary to carry out the purposes for which the Fund is established.

"Increases in compensation of postal employees

"Title IV of the Senate amendment provided for increases in the rates of basic salary of postal field service employees and set forth the operation, coverage, and effective dates of such increases. Title IV also proposed to amend the Postal Field Service Compensation Act of 1955 (Public Law 68, Eighty-fourth Congress; 39 U. S. C. 951–1038), by striking out the existing Postal Field Service Schedule, Rural Carrier Schedule, and Fourth-Class Office Schedule and inserting corresponding new schedules which provided generally higher rates of basic salary.

"These new schedules also provided additional salary rates identified by the term 'temporary rate' in all levels of the Rural Carrier Schedule and the Fourth-Class Office Schedule, and in the first seven levels of the Postal Field Service Schedule. The Senate amendment provided that the temporary rate would be in effect, in lieu of the regular scheduled rate, for the period beginning on the effective date of the Senate amendment and ending three years after such effective date.

"The House bill contained no provisions for adjusting the basic salaries of postal field service employees.

"1. Postal Field Service Schedule

"Basic salary is paid in accordance with the Postal Field Service Schedule to all employees in the postal field service except postmasters in post offices of the fourth class and carriers in the rural delivery service. The Postal Field Service Schedule has 20 salary levels. Each of the first 18 levels has seven step rates. Level 19 has 5 step rates. Level 20 has a single rate.

"Senate amendment: Section 401 (a) of the Senate amendment provided for a permanent increase in compensation for all employees under the Postal Field Service Schedule (except those employees in salary level PFS–20) plus a temporary (three-year) cost of living adjustment for employees in the first seven salary levels of the Postal Field Service Schedule.

"The permanent increase would have amounted to an upward adjustment of 7.5 percent in the existing rates of basic salary at the entrance step of all salary levels (except salary level PFS–20) of the Postal Field Service Schedule and an upward adjustment of 7.5 percent at the maximum step of the first fourteen salary levels. The amounts of the step increments in each salary level through salary level PFS–14 would have been increased consistently with the permanent increase of 7.5 percent in the rates of basic salary in those salary levels. There would have been no increase in the existing step increment of $300 in salary levels PFS–15 through PFS–19 and no increase of any kind in salary level PFS–20. The amount of permanent increase at the maximum steps in the higher salary levels would have been 6.2 percent at the maximum step of salary level PFS–15, 6.4 percent at the maximum steps of salary levels PFS–16 and PFS–17, 6.5 percent at the maximum step of salary level PFS–18, and 4.6 percent at the maximum step of salary level PFS–19. The number of steps in salary level PFS–19 would have been reduced from 5 steps to 4 steps. The maximum step of salary level PFS–19 would have been fixed at $100 per annum less than the per annum rate of $16,000 for salary level PFS–20.

"The temporary or three-year cost of living adjustment would have added $240 per annum to the new permanent rates of basic salary for employees in each of the first five salary levels, $160 per annum for employees in salary level PFS–6, and $80 per annum for employees in salary level PFS–7.

"In terms of percentage, the aggregate increase would have ranged from 15.8 percent in step 1 of salary level PFS–1 to 4.6 percent in the maximum step of salary level PFS–19, with no increase in salary level PFS–20.

"House bill: The House bill contained no provisions similar to section 401 (a) of the Senate amendment.

"Conference substitute: Section 401 (a) of the conference substitute amends subsection 301 (a) of the Postal Field Service Compensation Act of 1955 by striking out the Postal Field Service Schedule and inserting a new Postal Field Service Schedule which provides (1) the permanent rates of basic salary which were set forth in the Senate amendment, (2) temporary rates of basic salary in salary levels PFS–1 to PFS–6, inclusive, amounting to 2.5 percent above such permanent rates in such salary levels, and (3) temporary rates of basic salary in salary level PFS–7 amounting to 1.5 percent above such permanent rates in such salary level.

"The new Postal Field Service Schedule provides the following ranges of total increase:

"Level:	
1	$290–$380
2	315– 405
3	340– 430
4	375– 465
5	395– 485
6	430– 520
7	415– 475
8	365– 455
9	395– 485
10	435– 525
11	480– 570
12	525– 645
13	580– 700
14	640– 760
15	700– 700
16	775– 775
17	855– 855
18	960– 960
19	1,000– 700
20	0

"2. Rural Carrier Schedule

"Basic salary is paid to all carriers in the rural delivery service in accordance with the Rural Carrier Schedule. The Rural Carrier Schedule is based in part on fixed compensation per annum and in part on specified rates per mile per annum. The Rural Carrier Schedule contains seven steps.

"Senate amendment: Section 401 (b) of the Senate amendment provided for a permanent increase of approximately 7.5 percent for the rural carrier on a 42-mile route. This increase would have corresponded to the permanent increase for the city carrier with whom the rural carrier on the 42-mile route traditionally is alined.

"The Senate amendment would have granted a permanent increase of varying amounts other than the 7.5 percent for rural carriers on routes of other mileage because the proposed new Rural Carrier Schedule provided for an upward adjustment only in the fixed compensation per annum and without change in the existing specified rates per mile per annum.

"For example, the permanent increase would have been 14.1 percent at step 1 of the 6-mile route, 10.6 percent at step 1 of the 16-mile route, 8.6 percent at step 1 of the 25-mile route, 7.8 percent at step 1 of the 30-mile route, 6.6 percent at step 1 of the 60-mile route, 6.1 percent at step 1 of the 75-mile route, and 5.2 percent at step 1 of the 110-mile route.

"The temporary or three-year cost of living adjustment would have been provided with respect to all routes by adding $240 per annum to the permanent increase in each step. This method would have produced the following results with respect to the combined permanent and temporary percentage increase: a total increase of 13.6 percent at step 1 of the 42-mile route, 26.3 percent at step 1 of the 6-mile route, 19.8 percent at step 1 of the 16-mile route, 16.1 percent at step 1 of the 25-mile route, 14.6 percent at step 1 of the 30-mile route, 12.3 percent at step 1 of the 60-mile route, 11.4 percent at step 1 of the 75-mile route, and 9.8 percent at step 1 of the 110-mile route.

"House bill: The House bill contained no provisions similar to section 401 (b) of the Senate amendment.

"Conference substitute: Section 401 (b) of the conference substitute amends subsection 302 (a) of the Postal Field Service Compensation Act of 1955 by striking out the Rural Carrier Schedule and inserting a new Rural Carrier Schedule which provides (1) the permanent rates of basic salary which were set forth in the Senate amendment, and (2) temporary rates of "fixed compensation per annum" which exceed the existing rates of fixed compensation by the same amounts as the temporary rates in the corresponding steps of salary level PFS–4 in the Postal Field Service Schedule exceed the existing rates in such steps of such salary level.

"The resulting schedule, while producing a wide range of percentage increases throughout the Rural Carrier Schedule, provides a percentage increase in step 7 for the rural carrier on the 42-mile route which is equivalent to the percentage increase for a city carrier in step 7 of salary level PFS–4. This relationship reflects the traditional alignment between city letter carriers and rural carriers on the 42-mile route.

"3. Maximum Compensation for Rural Carriers on Heavy Duty Routes

"Section 302 (c) of the Postal Field Service Compensation Act of 1955 (69 Stat. 119; 39 U. S. C. 972 (c)) now provides that the Postmaster General may pay such additional compensation as he may determine to be fair and reasonable in each individual case to rural carriers serving heavily patronized routes not exceeding 61 miles in length, but that he may not pay additional compensation to a carrier serving such a route in an amount which would exceed $4,700, when added to the basic salary for the maximum step in the Rural Carrier Schedule for his route.

"Senate amendment: Subsection 401 (c) of the Senate amendment proposed to increase from $4,700 to $5,035 (and to $5,275 during the period for which the temporary cost-of-living adjustment would have been in effect) the maximum total compensation which may be paid to rural carriers who receive additional compensation for serving heavily patronized routes.

"In terms of permanent salary rates, the existing maximum compensation payable to such rural carriers would have been increased by 7.1 percent.

"In terms of temporary rates, the existing maximum compensation payable to such

rural carriers would have been increased by 12.2 percent.

"House bill: The House bill contained no provisions similar to subsection 401 (c) of the Senate amendment.

"Conference substitute: Section 401 (c) of the conference substitute adopts the permanent rate contained in the Senate amendment and establishes a temporary rate which exceeds the existing $4,700 maximum combined compensation by $465, to correspond with the amount by which the temporary rate of fixed compensation for rural carriers in step 7 is increased over the existing rate of fixed compensation for such rural carriers.

"4. Fourth-Class Office Schedule

"Basic salary is paid in accordance with the Fourth-Class Office Schedule to all postmasters in post offices of the fourth class, based on the gross postal receipts as contained in returns of the post office for the calendar year immediately preceding. The Fourth-Class Office Schedule has 8 categories of gross receipts, with a range of 7 per annum rates and steps for each category.

"Senate amendment: Subsection 401 (d) of the Senate amendment provided for a permanent 7.5-percent increase in basic salary for all employees compensated under the Fourth-Class Office Schedule and a temporary or three-year cost of living adjustment of an additional 5 percent. The total increase provided for by such section 401 (d) would have been 12.5 percent above the existing rates in the Fourth-Class Office Schedule.

"House bill: The House bill contained no provisions similar to section 401 (d) of the Senate amendment.

"Conference substitute: Section 401 (d) of the conference substitute amends subsection 303 (a) of the Postal Field Service Compensation Act of 1955 by striking out the Fourth-Class Office Schedule and inserting a new Fourth-Class Office Schedule which (1) adopts the permanent rates of basic salary contained in the Senate amendment, with certain downward modifications to ensure uniform increases between steps in the various categories of gross receipts, and (2) provides temporary rates which incorporate additional increases averaging 2.5 percent above such permanent rates.

"5. Duration of Temporary Rates

"Senate amendment: Section 401 (e) of the Senate amendment proposed the addition of a new subsection (c) to section 304 of the Postal Field Service Compensation Act of 1955 (69 Stat. 121; 39 U. S. C. 974). The new subsection (c) provided that the temporary per annum rates, wherever provided by a basic salary schedule contained in title III of the Postal Field Service Compensation Act of 1955, would be in effect, in lieu of the regular scheduled rate, for the period beginning on the effective date of the new subsection (c) and ending three years after such effective date.

"House bill: The House bill contained no provisions similar to section 401 (e) of the Senate amendment.

"Conference substitute: Section 401 (e) of the conference substitute adopts the provisions of section 401 (e) of the Senate amendment, except that the conference substitute provides that the temporary period will end on the last day of the last pay period which begins not more than three years after the effective date of title IV of the conference substitute—that is, the first day of the first pay period which began on or after January 1, 1958.

"6. Increases in the 'Saved Rates' of Certain Postal Field Service Employees

"Section 504 of the Postal Field Service Compensation Act of 1955 (69 Stat. 124; 39 U. S. C. 994) provided protection for certain postal field service employees against reduction of their former rates of compensation by reason of the operation of the new postal field service classification and salary system provided by such Act.

"For some postal field service employees, the operation of such section 504 has resulted in the retention of salary rates which exceed the respective maximum scheduled rates of the respective salary levels of the Postal Field Service Schedule, the Rural Carrier Schedule, or the Fourth-Class Office Schedule, as the case may be, to which the positions of the employees concerned are allocated.

"Senate amendment: Section 402 (a) of the Senate amendment provided that the annual rate of basic salary of any officer or employee whose existing basic salary, by reason of section 504 of the Postal Field Service Compensation Act of 1955, is at a rate between two scheduled rates, or above the highest scheduled rate in the applicable schedule of rates, would be increased by an amount equal to the amount of the increase made by title IV of the Senate amendment in the next lower rate in such schedule.

"Under such section 402 (a) an employee whose position is ranked in salary level PFS–6, but whose existing rate of basic salary is above the maximum scheduled rate of such salary level, would receive the same amount of increase as would be provided under the Senate amendment for the rate of step 7 of salary level PFS–6.

"Section 402 (b) of the Senate amendment ascribed to the term 'basic salary', as used in section 402, the same meaning as when used in the Postal Field Service Compensation Act of 1955. Such section 402 (b) in effect made applicable with respect to the provisions of section 402 (a) the definition of 'basic salary' contained in section 101 (7) of the Postal Field Service Compensation Act of 1955 (69 Stat. 89; 39 U. S. C. 951 (7)), which provided that 'basic salary' means the rate of annual or hourly compensation specified by law, exclusive of overtime, night differential, and longevity compensation.

"House bill: The House bill contained no provisions similar to section 402 of the Senate amendment.

"Conference substitute: Section 402 (a) of the conference substitute adopts the provisions of section 402 (a) of the Senate amendment.

"7. Increases in Basic Salary Not 'Equivalent Increases'

"Senate amendment: Section 403 of the Senate amendment provided, in effect, that a basic salary increase under title IV of the Senate amendment shall not be considered to be an 'equivalent increase' in basic salary within the purview of section 401 (a) of the Postal Field Service Compensation Act of 1955 (69 Stat. 122; 39 U. S. C. 981 (a)).

"Section 401 (a) of such Act (which relates to automatic advancement by step-increases for postal field service employees) provides that a step-increase may be granted only if no 'equivalent increase' in basic salary from any cause was received during the period of service on the basis of which such step-increase otherwise would be granted.

"By providing that the basic salary increases under title IV of the Senate amendment shall not be considered to be 'equivalent increases' within the meaning of section 401 (a), section 403 of the Senate amendment makes it clear that the receipt of the basic salary increases proposed by title IV of the Senate amendment would not have the effect of depriving any employee of any regular periodic step-increase to which he otherwise would be entitled under any provision of section 401.

"House bill: The House bill contained no provisions similar to section 403 of the Senate amendment.

"Conference substitute: Section 403 of the conference substitute adopts the provisions of section 403 of the Senate amendment.

"8. Postal Employees of the Canal Zone Government

"Senate amendment: Section 404 of the Senate amendment proposed to authorize and direct the Governor of the Canal Zone to grant, retroactively effective as of January 1, 1958, to postal employees of the Canal Zone Government, increases in basic salary corresponding to the increases in basic salary provided by title IV of the Senate amendment for similar employees. Section 404 of the Senate amendment is in accordance with the policy contained in section 804 of the Postal Field Service Compensation Act of 1955 (69 Stat. 130; 39 U. S. C. 1034) which provides for the adoption of applicable provisions of such Act for postal employees of the Canal Zone Government.

"House bill: The House bill contained no provisions similar to section 404 of the Senate amendment.

"Conference substitute: Section 404 of the conference substitute adopts the provisions of section 404 of the Senate amendment.

"9. Applicability to Guam

"Senate amendment: Section 405 of the Senate amendment specifically provided that title IV of the Senate amendment (provisions relating to increases in basic salary for postal field service employees) shall have the same force and effect within Guam as within other possessions of the United States.

"House bill: The House bill contained no provisions similar to section 405 of the Senate amendment.

"Conference substitute: Section 405 of the conference substitute is the same as section 405 of the Senate amendment, except that section 405 of the conference substitute is made applicable to all of the provisions of the conference substitute.

"Section 25 (b) of the Organic Act of Guam (64 Stat. 391; Public Law 630, Eighty-first Congress) provides that—

" 'No law of the United States hereafter enacted shall have any force or effect within Guam unless specifically made applicable by Act of the Congress either by reference to Guam by name or by reference to "possessions." '

"Section 405 of the conference substitute is intended to remove any inference that all of the provisions of the conference substitute do not apply to Guam by providing specifically that the conference substitute will have the same force and effect within Guam as within other possessions of the United States.

"10. Classes of Individuals Entitled to Payment of Retroactive Compensation or Salary Increase

"Senate amendment: Section 406 of the Senate amendment provided that, except for postal field service employees who died or retired during the retroactive period, the payment of retroactive salary or compensation by reason of title IV of the Senate amendment would be made only in the case of individuals in the service of the United States (including service in the Armed Forces of the United States) or of the municipal government of the District of Columbia on the dateof enactment of title IV. Retroactive payment also would be made, for services rendered during the retroactive period, in the case of postal field service employees who retired or died during such period. For the purposes of section 406, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, would include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"House bill: The House bill contained no provisions similar to section 406 of the Senate amendment.

"Conference substitute: Section 406 of the conference substitute, the operation and effect of which is discussed below is the same as section 406 of the Senate amendment.

"Section 406 of the conference substitute delineates the classes of individuals entitled to receive payment of the amount of any increase in salary or compensation which is payable, under authority of title 406 of the conference substitute, with respect to a postal field service employee within the purview of such title, for any retroactive period of service of such employee which is covered by such title.

Subsection (a) (of section 406 of the conference substitute provides, in effect, that the amount of any increase in the rate of compensation or salary of any individual resulting from the enactment of title IV of the conference substitute for any period, beginning on and after the first day of the first pay period which began on or after January 1, 1958, and ending on or before the date of enactment of such title IV, during which period such individual was on the rolls in the postal field service (excluding time on such rolls with respect to which no compensation in salary was payable), shall be paid, as follows:

"(1) to such individual, if, on such date of enactment (A) he is on the rolls as an employee in the postal field service or on any other employment roll of the Federal Government or of the municipal government of the District of Columbia, (B) is in the service of the Armed Forces of the United States, or (C) is retired under the Government civilian retirement system to which he is subject, or

"(2) to the survivor or survivors, in accordance with the order of precedence and other provisions contained in the Act of August 3, 1950 (Public Law 636, Eighty-first Congress), as amended (5 U. S. C. 61f–61k), relating to the settlement of accounts of deceased Government officers and employees, of any such individual who has died prior to such date of enactment, if, at the time of his death, such individual was (A) on the rolls as an employee in the postal field service or on any other employment roll of the Federal Government or of the municipal government of the District of Columbia, (B) in the service of the Armed Forces of the United States, or (C) retired under such retirement system.

"The order of precedence for payment to survivors under the Act of August 3, 1950, is as follows: first, the beneficiary or beneficiaries appropriately designated by the deceased officer or employee; second, the widow or widower of such officer or employee; third, the child or children of such officer or employee and descendants of deceased children by representation; fourth, the parent or parents of such officer or employee; and fifth, the legal representative of the estate of such officer or employee or, if none, to the person or persons determined to be entitled thereto under the laws of the domicile of the officer or employee.

"Subsection (a) of section 406 of the conference substitute expressly provides for payment of the increase in compensation or salary for the retroactive period to the survivor or survivors of a deceased individual only in the case in which such individual dies prior to the date of enactment of title IV of the conference substitute. If the individual dies on or after such date of enactment, his right to receive payment of such increase would have vested in him during his lifetime under that part of such subsection (a) which provides for payment to an individual on the employment rolls on such date. Consequently, the survivor or survivors of such individual would be entitled to receive payment of the unpaid amount of such increase as an item of the employment account of such individual to be settled under the provisions of the Act of August 3, 1950, in the same manner as in the case of the application of such Act with respect to the settlement of accounts of deceased Government officers and employees generally.

"Section 406 (a) of the conference substitute also provides that such retroactive compensation or salary shall not be considered as basic salary for the purposes of the Civil Service Retirement Act in the case of any such retired or deceased postmaster, officer, or employee.

"Subsection (b) of section 406 of the conference substitute provides that, in the case of an individual who is relieved from training and service in the Armed Forces of the United States or who is discharged from hospitalization following such training and service, the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia also shall be deemed to be service in the Armed Forces of the United States for purposes of such section. This mandatory restoration period of 90 days in the case of relief from such training and service and 90 days after relief from not more than one year of such hospitalization is established by section 9 of the Universal Military Training and Service Act (50 App. U. S. C. 459).

"11. Effective Dates for Salary Increase Provisions

"Senate amendment: Section 407 of the Senate amendment provided the effective dates for the salary increase provisions of title IV of the conference substitute.

"Section 407 (a) provided that title IV would become effective as of the first day of the first pay period which began on or after January 1, 1958.

"Section 407 (b) provided that, for the purposes of determining the amount of insurance for which an officer or employee is eligible under the Federal Employees' Group Life Insurance Act of 1954 (5 U. S. C. 2091–2103), all changes in rates of compensation or salary which result from the enactment of title IV shall be held and considered to be effective as of the date of enactment of title IV.

"House bill: The House bill contained no provisions similar to section 407 of the Senate amendment.

"Conference substitute: Section 407 of the conference substitute adopts the provisions of section 407 of the Senate amendment.

"It may be noted that subsection (b) of section 407 of the conference substitute establishes the date of enactment of title IV of the conference substitute as the date on which the changes in rates of compensation or salary made by such title will become effective for the purpose of determining the amount of insurance for which an employee (whose compensation or salary is so changed) is eligible under the Federal Employees' Group Life Insurance Act of 1954 (5 U. S. C. 2091–2103).

"The Federal Employees' Group Life Insurance Act of 1954 provides for the granting of life and accident insurance to a Government employee in an amount approximating his annual compensation or salary. Title IV of the conference substitute provides salary or compensation increases to postal field service employees for a past or retroactive period as well as for periods in the future. As a result of these increases, some postal field service employees will become eligible for greater amounts of insurance under such Act.

"Subsection (b) of section 407 of the conference substitute is necessary, however, in order to avoid certain problems which might result from the application of such increases for past or retroactive periods.

"Examples of these problems are as follows:

"(1) the liability of the employee to pay premiums for insurance based on the increased annual compensation or salary for the past or retroactive period;

"(2) the amount of insurance to which a deceased employee who died during the retroactive period was entitled at the time of his death; and

"(3) the amount of insurance to which an employee who retired during the retroactive period was entitled at the time of his retirement.

"In order to avoid problems of this nature, subsection (b) of section 407 of the conference substitute provides that the salary or compensation increases will become effective on the date of enactment, for purposes of determining the amount of insurance of an employee under the Federal Employees' Group Life Insurance Act of 1954.

"Title

"With respect to the amendment of the Senate to the title of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same. Such title of the conference substitute is as follows: 'An Act to establish a postal policy, to adjust postal rates, to adjust the compensation of postal employees, and for other purposes'."

TOM MURRAY,
JAMES H. MORRISON,
JAMES C. DAVIS,
EDWARD H. REES,
ROBERT J. CORBETT,
Managers on the Part of the House.

Mr. MURRAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in my judgment, the rate provisions of this bill are the finest that have ever been presented to the House. I believe that the benefits of the increased revenues which is very much needed by the Post Office Department far outweigh some of the features of this bill which, in my opinion, could be improved.

In August last year the House of Representatives approved legislation which increased postal rates in every category of mail except parcel post, which rates are fixed administratively. This legislation was subsequently amended in the Senate to include a 5-cent postage rate for nonlocal first-class letter mail, and an 8-cent rate for airmail, as well as other changes in the rate schedules. In addition, the Senate added a provision for increasing the salary of postal employees by 7½ percent on a permanent basis and a cost-of-living increase of $240 through level 5, $160 at level 6, and $80 at level 7. The salary increases were to be effective the first pay period after January 1, 1958.

After extensive conferences, the conferees have come to an agreement. This legislation is probably not completely satisfactory to anyone, but is generally conceded to be the best legislation that can be arrived at in a bill that is so complicated and which has such a wide impact upon business and individuals.

In general, with respect to the postal-rate increases, it can be said the rate increases are nearly the same as those approved by our committee in the 83d Congress and the House in both the 84th and this Congress.

Under this bill, first-class mail rates will go to 4 cents and drop letters, post, and postal cards to 3 cents. The airmail rate will go to 7 cents and airmail postcards to 5 cents.

Schedules of increases in second-class mail are not quite as high as those in the House-passed bill. For example, on the reading matter, the increases amount to approximately 30 percent, and on the advertising portion 54 percent, both increases spread in 3 increments a year apart.

The increases in third-class mail are pretty much the same as passed the House, except there is an interim increase from 1½ to 2 cents on the minimum piece rate for bulk mailings, and then a later increase to 2½ cents. These increases in the bulk minimum rate would be to 2 cents January 1, 1959, and to 2½ cents on July 1, 1960.

Books, under the provision of the bill as it passed the House, would have been raised to 10 cents on the first pound and 5 cents on each additional pound. There was no increase for books in the Senate bill. Under the Conference Agreement, the rate on books will be 9 cents on the first pound and 5 cents on each additional pound, and these rates are extended to certain additional material. There is no change in library book rates.

Probably the best way to show the differences in the effect of the provisions of the House and Senate bills and the Conference Agreement is to compare total revenue raised. The total increased revenue based on present volume under the House bill would be $550 million, under the Senate bill $730.2 million, and under the Conference Agreement $550 million.

The main change in the Conference Agreement is the adjustment in the effective dates. The effective date for most rate increases is August 1. The effective date for the first increase in second and third-class bulk mailing is January 1. As has been indicated previously, the main reason for obtaining a rule on this Conference Agreement before the House is because of the passage of time. It was necessary to advance the effective dates of all of the rate increases, having in mind the impact upon individuals and on business.

The Conference Agreement retains the authorization for a Postal Modernization Fund. As originally approved by the Senate, it contemplated that the revenues from the 5-cent nonlocal-mail rate, estimated at $175 million a year, be paid into this fund. Since the 5-cent nonlocal rate increase is not included in the Conference Agreement, the amount of the fund was struck out. The provision for the fund, however, remains with the thought that if the Appropriations Committee desires to provide such a program, the authorization for the fund will be there.

There are certain features of the postal policy provisions which will raise very serious questions in the future when it comes to appropriations called for public service. It will be something that the Appropriations Committee will want to look very carefully at when it comes to making appropriations for the total loss of certain services as compared to our position on the loss of revenue. Also, it will be inappropriate, in my opinion, to provide a subsidy for the delivery of mail to individuals or star routes or fourth-class post offices when millions of others on rural routes and in cities receive their mail delivered without any indication that it is subsidized delivery. I believe the time will come when we will have to take care of the inconsistencies in the policies and prepare to support such revisions in line with the position of our committee and the House when this bill was before them last year.

With respect to the pay legislation, the conference agreement provides a 7½ percent permanent increase for all postal employees in the postal-field service, except level 20. Level 20 presently has a ceiling of $16,000 and that ceiling is retained. There is a temporary cost of living increase of 2½ percent for 3 years for the employees in level 6 and below. A 1½ percent for those in level 7 but above level 7 there is no temporary increase provided. We were not able to extend this temporary increase to all levels because of the restrictions on the extent to which the conferees could go. There seems to be general agreement that consideration would and should be given to equalizing the salary adjustments and very likely recommendations with respect to that will be made by the Postmaster General. All of these increases are effective retroactively to January 1, 1958.

Many will agree, I am sure, that a January 1 retroactive date making retroactive salary increases earlier by nearly a half year is stretching the retroactive payment too far. I am strongly opposed to it, and so stated to the conferees. It will require a supplemental appropriation in the neighborhood of $115 million. Also, there are many who will agree with me that the 2½ percent temporary cost of living increase throws the salary increases completely out of line with the increase we have provided for the military or might possibly provide for those paid under the Classification Act schedule. It is wrong because it is over and above the increased cost of living since the last pay bill in 1955 and because it distorts the pay schedules as it does not go above level 7. The annual increased payroll cost as a result of the postal salary increase is $265 million. On the other hand, weighing the excellent postal rate increase bill providing for the increased revenue of over a half billion dollars against some of the less desirable features of the salary increase bill, it should be clear to everyone this is the best bill we could work out in such a controversial, complicated, and technical field.

I urge the Members to approve this conference agreement. There probably has been no piece of legislation that has had more lengthy consideration by the Congress than postal rates and salaries. Virtually this same rate bill was passed by the committee in the 83d Congress and the House in the 84th Congress. Again, in the first session of this Congress salary increases already have been vetoed. If this legislation is approved by the House, as it already has been approved by the other body, and it becomes law, then this very controversial and complicated problem will be solved for some time to come.

Mr. MURRAY. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, there is little further I can add to what the chairman has said with respect to this legislation except to say that the conferees spent a great deal of time in their efforts to bring about a satisfactory report. Of course, it is a compromise. This is the best report that can be secured. All the conferees have signed the report. The legislation has been approved without objection in the other body. There is nothing further that I can add except to join with my chairman in recommending the approval of this report.

Following action by the conferees on these salary increases, I stated that if the Congress approved this legislation I would recommend final approval. I have had the opportunity to discuss this legislation personally with the President and, while not presuming to predict what action he will take, I have been greatly encouraged at the prospect of obtaining final approval.

My efforts to obtain equitable salary increases for postal employees have been based on information and evidence developed both personally and through our committee deliberations which bear directly on the postal salary problem. I have pointed out these factors to Administration officials.

I repeat, I strongly concur in the statement of our committee chairman that this is the best and the most equitable legislation that we could work out in this complex and controversial area of postal activity. The agreement was reached after one of the longest and most thorough conferences in my recollection. Every provision of the agreement has received the most careful consideration. The agreement on postal rates is very close to the rate provisions passed by this House in both the 84th Congress and in the first session of this Congress. House approval of the agreement will provide an effective solution to major postal problems for some time to come.

Mr. Speaker, I urge the adoption of the motion to approve the report.

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

Mr. REES of Kansas. I yield to the gentleman from Minnesota.

Mr. WIER. In the judgment of the gentleman from Kansas, after the experience the gentleman has had here for the last 6 weeks, would you advise in the future any tieup between rate and pay bills?

Mr. REES of Kansas. No, sir; I would not advise it in the future.

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

Mr. REES of Kansas. I yield.

Mr. KEATING. Mr. Speaker, although some may quibble over specifics of provisions agreed upon by the conference committee, their overall objectives are sound. The conference report should receive overwhelming approval.

No one who has studied this matter can deny that our postal workers deserve a raise. Their salaries simply have not kept pace with the rising cost of living. That fact has been amply and ably demonstrated to me by employee groups in my District.

Let us never forget that the postal service is one of the few utterly necessary services in our national life. Through thick and thin, these people carry out their essential work. In return, they have every right to expect that Uncle Sam will provide them with an adequate living wage.

But any pay raise for postal workers, badly needed as it is, must be accompanied by increased income to help pay for such salaries. In the past, Congress has not always recognized this responsibility. All too often postal pay has been upped, but not postal rates.

Today the zero hour has come. If we are to maintain fiscal responsibility, rates must be increased on certain classes of mail in order to help pay the cost of providing postal workers with a decent wage.

There should be no blinking from the facts of life involved here. It is estimated that the Post Office Department loses about $2 million a day, or some $700 million a year, with its present revenues and wage scale. That would build 17 nuclear-powered submarines or 87 B–52 jet bombers or 700 IRBM guided missiles. Although perhaps it would be too much to expect this Department to be completely self-supporting, that deficit is clearly too large.

Thus, the crying need for an increase in rates is made doubly imperative by the pressing need for pay boosts. Neither can be denied. Both are badly needed.

Both are adequately and soundly provided for in this conference report. Although I have misgivings about some aspects of it, I believe it is a strong and sane step in the right direction. This is not a perfect bill, but because it provides substantial justice for our many fine postal workers and because it recognizes the need to offset pay raises with rate increases I shall support the conference committee's report. Only by accepting this report can we see to it that our postal employees get the salary increases they so richly deserve.

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

Mr. REES of Kansas. I yield to the gentleman from California.

Mr. BALDWIN. Mr. Speaker, I rise in support of the conference report on H. R. 5836, the postal pay increase and postal rate adjustment bill. The pay increases for postal employees provided by this bill are already long overdue.

Postal employees have received no increase in pay for 3 years, whereas pay rates in industry have continued to increase during this period, particularly in the San Francisco Bay area of California. As an illustration, blue collar wage board civil service employees whose wages under law are readjusted periodically to correspond with comparable wages paid in industry, have received three pay increases during the last 3 years in the San Francisco Bay area, whereas postal employees and classified civil service employees have received none. The postal pay increases in this bill are urgently needed.

Mr. MURRAY. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Speaker, there are several features in this report with which I cannot agree.

One of them has been discussed by the chairman, the policy statement in the report. I think the policy outlined is based upon a false premise. I trust that if this conference report is adopted, at some future time we shall have an opportunity to correct the policy as prescribed in this bill. I think it establishes wrong values for the determination of certain public service items set forth in the bill, and therefore it should be corrected.

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

Mr. GARY. I yield.

Mr. CANFIELD. I assume the gentleman refers to the rate base?

Mr. GARY. I do.

Mr. CANFIELD. I agree heartily with the statement the gentleman has just made. It is an error, and unfortunately so.

Mr. GARY. I thank the gentleman for his contribution.

Then, I call your attention to the fact that we provided in the appropriation bill some years ago, in order to carry out the provisions of the parcel post law, that the Postmaster General shall, when parcel post income is not sufficient to pay the cost of that service, increase the rates on fourth-class matter to make it self-supporting. The original parcel post law contained a provision requiring the Postmaster General to fix rates, subject to the approval of the Interstate Commerce Commission, so that parcel post would be self-sustaining. In my opinion that was put into the law for a purpose, because parcel post is the only branch of the postal service which comes in competition with private enterprise, and the Congress did not want that competition to be unfair.

At the request of the Post Office Department the House wrote into this bill a leeway of 1 percent variation between receipts and expenses before the rates would have to be changed. The other body increased that to 8 percent. Frankly, I think there is some reason for a slight leeway but the conferees finally agreed on 4 percent, which in my judgment is too high. A leeway of 2 or 3 percent is certainly ample.

Then, finally, with respect to the postal modernization fund, we have this situation. The bill as it passed the House fixed the rate of first-class mail at 4 cents per ounce; the Senate committee increased the rate on out-of-town mail to 5 cents per ounce. It was estimated that the extra cent would yield approximately $175 million. A provision was inserted in the bill that the $175 million be set aside as a special fund for the modernization of post offices.

I hope I am not developing a complex, but, as all of you know, I have been fighting every special fund that has come before this body. The reason for that is that the special fund takes away from the Congress the authority to appropriate the money in these special funds, and leaves it to the heads of the departments to spend the money as they see fit. A provision was then written into the bill to reserve to the Congress the right to appropriate the money for the special fund. Then the 5-cent rate was stricken from the bill, as the result of which the $175 million will not be realized. Nevertheless, the language with respect to the establishment of the special fund was left in the bill. I assume that under those circumstances this postal modernization fund provision is a nullity, and I would like to have the view of the chairman of the committee on that point.

Mr. MURRAY of Tennessee. I agree with the gentleman entirely, that unless the Congress makes the appropriation it has no force and effect.

Mr. GARY. This provision has no force and effect unless the Congress makes an appropriation?

Mr. MURRAY of Tennessee. That is certainly correct.

Mr. GARY. I thank the gentleman. It was my desire to clarify this situation for the record.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. REES of Kansas. The gentleman does not have any so-called complex with respect to this matter. As usual he has given this legislation his careful study.

Mr. GARY. I thank the gentleman.

I am not going to oppose the conference report but I hope these defects can be corrected later.

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

Mr. GARY. I yield.

Mr. MURRAY. I agree entirely with the gentleman's timely observations about the postal policy provisions in title I of the conference report. It should be changed.

Mr. GARY. I thank the gentleman.

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

Mr. MURRAY. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Speaker, I rise in support of the conference report and to express the hope that it will be overwhelmingly adopted by the House. I say that because I believe it is the best conference report we can get. As I stated in an exchange with the gentleman from California [Mr. ROOSEVELT] a week or so ago, I think it is time we stopped playing politics with this thing, that we started putting something in the postal workers' pockets.

There are, however, certain places where I feel this conference report fails, and I will endeavor to point them out.

First, the 7½ percent increase with a 2½ percent cost of living increase is a fair amount. However, the supervisors are treated differently. They are given only a 1½ percent cost of living increase. I venture to say that this will be the only salary bill to come before Congress in which this discrimination will take place. In the classified bill the increase will be a straight percentage across the

board. The military pay bill made no such discrimination. I think the Congress should in the near future attempt to correct this inequity.

Second, as far as rates are concerned the Members of this body will some day learn not to put rate bills and salary bills together, because I believe it gives an opportunity to those who are opposed to postal rate increases an opportunity to delay their enactment and they would like to have delayed it further than this with the result that the postal worker is the one who would suffer.

What happened with this rate bill? We put the first-class rate into effect on the first of August of this year, but the increase in second-class rates do not go into effect until January of 1959, and the new third-class mail rate, the first increment goes into effect not until January of 1959, and the second increase from 2 to 2½ cents will not become effective until July 1, 1960.

I think that is unforgivable, and as far as I am concerned, if it had not been for the fact that the postal workers would suffer I would have been in favor of sending this conference report back where it belong to correct these effective dates as far as these classes of mail are concerned. It just seems to me that we have been lobbied too much by people who are interested in second- and third-class mail. I am not opposed to second- and third-class mail; I think third-class mail, the kind known as junk mail, does serve a purpose in our economy, but they should at least have the same effective dates as these raises that we are putting into effect on first-class mail on August 1.

I hope this conference report will be adopted, I hope it will be overwhelmingly approved, but I think also that at a later date we ought to have the gumption to come in here and do something about advancing the effective date of there rate changes.

GENERAL LEAVE TO EXTEND

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this conference report.

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

There was no objection.

Mr. BYRNE of Illinois. Mr. Speaker, today's action by our august body is action which I have consistently favored since I came to Congress. In my opinion, the passage of legislation authorizing a 10 percent increase for postal workers is long over due.

In a district like mine, the Third District of Illinois, located in Chicago, I have a great many postal workers and have had first hand opportunity to observe them at work. I know about the high cost of living today and they not only deserve a pay increase but they need it to meet the necessities of life. Meeting the needs and demands of a family in the 20th century is not as easy as it used to be.

Morale is a salient factor in any organization whether it be Government or private enterprise. Factors contributing to low morale should be corrected. I believe that the legislation we have at long last acted upon today will be a step toward better service. None of us deny what a pat on the back or a boost in salary does to people. It certainly generates new interest in our job.

The postal employees in my District are familiar, I believe, with my open support since I have been in Washington. Last session I introduced a bill providing an increase for postal employees in cities like Chicago. I do not pretend to be an authority in postal matters but I did know that we had to have a starting point. Few will disagree with me that it costs more to pay the rent and buy the food in a metropolitan city like Chicago than it does in a small town.

I repeat that it is a rewarding feeling to know that I have contributed to making the salary increase possible for our many, many thousands of loyal postal employees throughout the Nation, and in particular, those employees in my District. The retroactive feature of the bill passed today is merited.

My congratulations to all those who will benefit from the legislation passed today. I am mindful of the postal rate increase problem but it is not my conviction that the committee members or anyone else should continue to quibble over this matter. Action on pay increases for our postal workers deserved priority consideration. They have been a patient group of employees.

Mr. O'HARA of Illinois. Mr. Speaker, on every occasion since I have been a Member of this body I have fought and voted for pay increases for the humble workers in the Federal service. Those in the high brackets seem to experience no difficulty in getting salary boosts, and I have yet to hear of a Presidential veto in such cases. But to get something for the humble Federal workers is another story. It has been a long, hard fight over a road hurdled with White House opposition and vetoes to get the tiniest of consideration for the underpaid postal workers. I am voting for the conference report, not that I think the pay increase is anywhere near adequate, but because I know if the report is not adopted the matter will end there and the postal workers again will come away only with a zero.

As to the 4-cent stamp, it is bad enough, considering that first-class mail at 3 cents pays its way, but it is a lot less piratical than a 5-cent stamp. In a compromise I suppose everyone has to make concessions. I cannot be stopped from thinking, however, that the new 4-cent stamp should bear the picture of a pirate's flag.

Mr. ROOSEVELT. Mr. Speaker, I find myself in complete accord with the statement previously made by my colleague the gentleman from Michigan [Mr. CEDERBERG]. I have in the past strenuously opposed, and am still opposed, to the raising of the first-class mail rate and of the postal card rate. I regret exceedingly there will be some, unfortunately, who will try to blame the increase in rates on the postal employees. The postal employees should be completely exonerated.

I shall, of course, vote for the conference report, for I feel that the postal pay increases have priority. I shall hope, although I do not have much confidence, that the suggestion of my colleague from Michigan that the other increases in postal rates should be made uniform as to the time of their effectiveness will be acted upon.

In the meantime, I also wish to state that I strongly urge the passage of the classified pay increase at the earliest possible moment.

Mr. SANTANGELO. Mr. Speaker, I rise to support this bill which the conferees have hammered out after many weeks of deliberation.

A hybrid was produced. There are many features which are good and many are bad. In my opinion, the good outweighs the bad, and in view of the fact that if we do not accept this bill now the harassed postal employees will receive no aid for several years.

I for one favored a $546 increase across the board for all postal employees. My bill would have approximated 12½ increase. This conference bill provides for a 10 percent increase for the employees in the first six levels, 2½ percent of which is considered as a cost of living bonus, and 9 percent increase for those in level seven, 1½ percent of which is considered as cost of living bonus. These provisions are retroactive to January 1, 1958, as they should be. The increases under the conference bill range from $375 to $520. The cost of this program will approximate $265 million.

The provisions with respect to the rate increases are unfair. These are substantially set forth the way the House passed them. The unconscionable charge of 5 cents for a stamp for non-local mail in first-class deliveries was fortunately struck down. The second-class mail was increased to the extent of 30 percent in three stages, while magazines containing advertising matter were increased in three stages at rates of 18 percent. These rate increases shall take effect in January 1959. The burden of carrying the Post Office rests solely upon the users of first-class mail, which is unfair.

The increase in first-class mail will produce an additional $348 million; the increase in second-class mail will produce approximately $33 million; the increase in third-class mail will produce approximately $128 million. The anticipated additional revenue for all classes of mail will be approximately $527 million.

Statistics show that the first-class mail is self-supporting, but because of a specious theory of intangible factors, it is demonstrated that the first-class mail is losing money. Once again an administration has foisted the burden upon John Q. Public and favored business and industry.

Because of the overriding need of postal workers to obtain a decent wage to meet the rise in the cost of living, I must support this bill, although it contains postal-rate features which are obnoxious and unfair. I would happily favor this bill if all classes of mail became self-supporting and it did not burden the users of first-class mail.

Mr. CUNNINGHAM of Nebraska. Mr. Speaker, I have supported postal pay increase legislation from the very beginning and I support the conference report before us today. However, I am disappointed in the bill for the reason that the temporary increase does not apply to all postal workers. I do not believe we should discriminate against any group of postal employees, and I am hopeful that we can consider and pass legislation during this session of Congress to correct this inequity. I also believe that legislation should be enacted in order to make the second- and third-class mail rates more realistic by making the effective dates apply immediately instead of later as is now the case in the bill before us.

I repeat that I do strongly support the pay bill before us as it is long overdue. I also wish to commend the fine leaders of the various postal organizations who have worked so long in an effort to bring this legislation to a successful conclusion.

Mr. COLMER. Mr. Speaker, this bill has a twofold purpose. It gives a needed increase in pay to the postal employees on the one hand, and, on the other, provides the source of revenue with which to pay it. Therefore, in view of the continued increase in the cost of living, I gladly support it.

Mr. EDMONDSON. Mr. Speaker, like many others in this House, I deplore the fact that postal rates and postal pay must be considered in one bill. They are different matters entirely, and should stand on their own merits.

I do not believe that anyone can question the need for pay increases for our postal employees, and I am glad of the opportunity to vote for them.

On the other hand, while everyone concedes the need for postal rate adjustments between certain classes of mail, there is serious question as to justification of some of these rate increases.

It is regrettable that the parliamentary situation forces us to approve some rate increases which are questionable, in order to get a pay bill passed.

That, however, is our situation, and I earnestly hope we will not meet with it again in our treatment of these problems.

Mr. RAY. Mr. Speaker, I expect to vote to accept the conference report on H. R. 5836. Across-the-board percentage increases are objectionable because they are too high in some parts of the country and not high enough in others, including New York City in which my District is situated. Nevertheless, I support this conference report as presented and hope the report will be adopted and the bill will be signed promptly by the President.

Mr. JOHANSEN. Mr. Speaker, I earnestly support the conference report, urge its adoption by this House, and trust that it will promptly become law.

Of course there are provisions in this report which I wish were not there or which I wish were otherwise. But in its broad terms this conference report gives recognition—long overdue—to the fact that a pay increase and a rate increase are both in order.

In legislation of this type compromise is inevitable if there is to be any positive accomplishment. Any features of this conference report which involve a basic error in principle can be, and I have no doubt will be, corrected by subsequent legislation. The important fact is that there has at long last been accomplishment in the way of realistic recognition that rate and pay increases are both in order.

I recognize the drawbacks which have been involved in linking together the pay and rate legislation. I have never subscribed to the proposition that employees should be denied a justified pay increase because Congress would not meet its responsibility in providing increased postal revenues. At the same time, I am glad the two bills have been tied together insofar as this has involved finally a belated recognition of the obligation of Congress to offset the more than a quarter century increase in operating costs of the Post Office Department with a revenue increase. At last we raise the rates as well as the costs of the Department—which is a victory for honesty and consistency.

With all respect to my colleagues who differ, I do not share the great concern voiced by some over the retroactive feature of the pay bill. I supported a pay increase last year. I see no reason why the increase should not be retroactive unless it can be demonstrated that justification for the pay increase has developed since January 1 of this year which did not exist then—or even last year.

Of course politics has been played with this issue—and neither side of this House has had a monopoly on the politics. I see no reason why employees of the postal service—for whom we are all so sympathetic today—should be penalized because for political or other arbitrary reasons some were not so sympathetic a year ago.

The pay increase in this conference report is, in substance, identical with the proposal I offered in the House Committee on Post Office and Civil Service earlier this year, and which was rejected by the committee. I am happy that this schedule, including the clear recognition that the hardships of inflated living costs are most severe on those in the lower income groups, has been incorporated in the legislation.

Again I express the hope that the House will overwhelmingly approve the conference report and that it will speedily become law.

Mr. MURRAY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following summary:

SUMMARY OF CONFERENCE REPORT—MAJOR POINTS

Postal pay: 7½ percent increase for all postal employees except level 20; temporary cost-of-living increase of 2½ percent for levels 1 through 6; 1½ percent for level 7; average increase of 10 percent; retroactive to January 1, 1958. Cost: (1) Annual, $265 million; (2) retroactive, $96 million (5 mo.).

Postal rates, revenue to be derived: Approximately $550 million when all rates are in effect.

First-class mail: Letters from 3 cents to 4 cents; airmail from 6 cents to 7 cents; postal and post cards from 2 cents to 3 cents; airmail post cards from 4 cents to 5 cents—effective August 1, 1958.

Second-class mail: Reading portion: Three 10-percent increases, first increase effective January 1, 1959.

Advertising portion: Three 18-percent increases, first increase effective January 1, 1959.

Minimum rate per piece: From one-eighth cent to one-fourth cent on January 1, 1959; to three-eighths cent on January 1, 1960; and to one-half cent on January 1, 1961. No increase on nonprofit, and so forth, organizations or for classroom use.

Controlled circulation: From 10 cents per pound for under 8 ounces and 11 cents per pound for over 8 ounces to a uniform 12 cents per pound, regardless of weight.

Third-class mail: Individual items—weighing less than 16 ounces—2 cents to 3 cents on first 2 ounces and 1 cent to 1½ cents on each additional ounce, effective January 1, 1959.

Books and catalogs: 2 cents to 3 cents on first 2 ounces and additional ounces; 1½ cents for each additional 2 ounces to 1½ cents for each additional ounce, effective January 1, 1959.

Bulk rates: Pound rate from 14 cents to 16 cents on circulars and merchandise, effective January 1, 1959; books and catalogs not increased. Minimum per piece rates from 1½ cents to 2 cents January 1, 1959, and to 2½ cents on July 1, 1960; bulk mailing fee increased from $10 to $20; odd sizes and shapes from 3 cents to 6 cents; no increase on nonprofit, and so forth, organizations until July 1, 1960, when the per piece minimum will be increased from 1 cent to 1¼ cents.

Books: Increased from 8 cents on the first pound and 4 cents on each additional pound to 9 cents on the first pound and 5 cents on each additional pound; extends rates to certain additional material. Continues existing library book rates and extends them to certain additional material.

Miscellaneous: 4-percent leeway before Postmaster General petitions ICC for increases in parcel post rates. Retirement contributions considered as a postal cost.

Mr. Speaker, I urge the adoption of the motion to approve the conference report.

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

The previous question was ordered.

Mr. RHODES of Pennsylvania. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. A motion to recommit is not in order on this conference report, because the Senate has already acted. This takes away that right.

Mr. RHODES of Pennsylvania. 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 Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, the conference report fails to establish the necessary basic principle in postal rate legislation contained in the House version of H. R. 5836.

I refer to section 104 (d) of the House bill which was adopted as an amendment on *August 13*, 1957, by a 171–147 teller vote—CONGRESSIONAL RECORD, volume 103, part 11, pages 14612–14614. The purpose of this amendment was simply to place a $100,000 limitation on the second-class postal subsidies for any single user of this type of mail.

For that reason I hoped to offer a motion to recommit with instructions to include this subsidy limitation in this bill. Under the present parliamentary situation this is not possible.

As I have pointed out on numerous occasions, the losses to the Post Office Department in handling second-class mail have amounted to more than $2.5 billion during the past 11 years. The subsidy to the 10 largest circulation magazines in 1 year alone totals more than $32 million. The modest increases in second-class mail rates provided in the conference report will not even begin to reduce the size of this subsidy to the big publishers. On the contrary, with ever-increasing circulation it will most likely result in an even greater deficit despite the 3 annual 10-percent rate increases. Moreover, the effective date of January 1, 1959, will provide an additional $12.5 million windfall for the publishers.

Mr. Speaker, a version of the subsidy-limitation amendment was also offered in the Senate on February 27, 1958, cosponsored by the Senator from Pennsylvania [Mr. CLARK] and the Senator from Wisconsin [Mr. PROXMIRE]. While the amendment was rejected 33 to 57 on a rollcall vote, I think that it should be pointed out Congress has made no clear-cut decision on the principle of second-class postal subsidy limitation. Adding together the House and Senate votes for and against the 2 subsidy-limitation amendments we see that 204 Members voted for the principle and exactly 204 Members voted against. One amendment was adopted, one was rejected. The conference committee has eliminated the amendment despite the evenly divided votes of those present and voting on the two occasions when it has been presented. In view of the action of the House conferees in dropping this section from the bill, I feel that the Members of the House should be given the opportunity to conclusively act on the principle of subsidy limitation.

During the past several months we have witnessed a propaganda campaign of gigantic proportions, carried on by the magazine publishers lobby against the subsidy-limitation amendment. They have filled the record with distortions and half-truths.

The fact is that the Post Office Department does not consider second-class publishers, subsidy-limitation administratively unworkable. On a nationwide television program the Postmaster General declared that this amendment is not impossible to administer.

The fact is that the subsidy-limitation amendment would not, as has been claimed, vest any life-or-death power over competing publications in the hands of the Postmaster General.

The fact is that subsidy limitation is not an attempt to penalize certain magazines with large circulation. It merely establishes a cutoff point to prevent the continued exorbitant losses to the Department in the handling of this type of mail.

The fact is that most magazine publishers can well afford to pay a fair share of the cost of handling the publications. Financial data which I placed in the RECORD last year shows that most of them are making record profits. Moreover, the additional postage costs resulting from such an amendment could easily be offset by slight increases in their subscription rates. Most publishers have raised their rates in the past 3 months in anticipation of increased second-class rates.

Mr. Speaker, I strongly favor the pay raises for postal workers contained in this bill. They are long overdue. I regret that postal rate and postal pay legislation have been combined because I feel that the two are not related. I want it clearly understood that my only objection to this conference report is based on the continued multimillion dollar subsidies to well-established, profit-making private publishing businesses, not because of the pay raises for postal workers contained in the bill.

I do not believe we should burden the American public with a 4-cent first-class rate unless some type of limitation is placed on these gigantic subsidy handouts to large magazine publishers. After adoption of my publishers subsidy-limitation amendment by the House last year, I voted for the bill on final passage because I felt that a 4-cent first-class rate was then made fair and equitable. A 4-cent first-class rate cannot, in my opinion, be justified without limiting these unwarranted subsidies.

The SPEAKER. The question is on the conference report.

Mr. MURRAY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were: Yeas 381, nays 0, not voting 48, as follows:

[Roll No. 67]

YEAS—381

Abbitt	Barrett	Broomfield
Abernethy	Bass, N. H.	Brown, Ga.
Adair	Bates	Brown, Mo.
Addonizio	Baumhart	Brown, Ohio
Albert	Beamer	Brownson
Alexander	Becker	Broyhill
Alger	Beckworth	Budge
Allen, Ill.	Bennett, Fla.	Burleson
Anderson, H. Carl	Bennett, Mich.	Bush
	Bentley	Byrd
Anderson, Mont.	Berry	Byrne, Ill.
	Betts	Byrne, Pa.
Andrews	Blatnik	Canfield
Anfuso	Blitch	Cannon
Arends	Boggs	Carrigg
Ashley	Boland	Cederberg
Ashmore	Bolling	Celler
Aspinall	Bolton	Chamberlain
Avery	Bosch	Chelf
Ayres	Bow	Chenoweth
Bailey	Boykin	Chiperfield
Baker	Boyle	Christopher
Baldwin	Bray	Church
Barden	Breeding	Clark
Baring	Brooks, Tex.	Clevenger
Coad	Jensen	Preston
Coffin	Johansen	Price
Collier	Johnson	Prouty
Cooley	Jonas	Quie
Corbett	Jones, Ala.	Rabaut
Coudert	Jones, Mo.	Rains
Cramer	Judd	Ray
Cretella	Karsten	Reece, Tenn.
Cunningham, Iowa	Kean	Reed
	Kearns	Rees, Kans.
Cunningham, Nebr.	Keating	Reuss
	Kee	Rhodes, Ariz.
Curtin	Kelly, N. Y.	Rhodes, Pa.
Curtis, Mass.	Keogh	Riehlman
Curtis, Mo.	Kilburn	Rivers
Dague	Kilday	Roberts
Davis, Ga.	Kilgore	Robison, N. Y.
Davis, Tenn.	King	Robsion, Ky.
Dawson, Utah	Kirwan	Rodino
Delaney	Kitchin	Rogers, Col.
Dennison	Knox	Rogers, Fla.
Denton	Krueger	Rogers, Mass.
Derounian	Lafore	Rogers, Tex.
Devereux	Laird	Rooney
Diggs	Landrum	Roosevelt
Dingell	Lane	Rutherford
Dixon	Lankford	Sadlak
Dollinger	Latham	Santangelo
Donohue	LeCompte	St. George
Dooley	Lesinski	Saund
Dorn, N. Y.	Libonati	Saylor
Dorn, S. C.	Lipscomb	Schenck
Doyle	Loser	Scherer
Dwyer	McCormack	Schwengel
Eberharter	McCulloch	Scott, Pa.
Edmondson	McDonough	Scrivner
Elliott	McFall	Scudder
Everett	McGovern	Seely-Brown
Evins	McGregor	Selden
Fallon	McIntire	Sheehan
Farbstein	McIntosh	Shelley
Fascell	McMillan	Sikes
Feighan	McVey	Simpson, Ill.
Fenton	Macdonald	Simpson, Pa.
Fino	Machrowicz	Sisk
Flood	Mack, Ill.	Smith, Calif.
Flynt	Mack, Wash.	Smith, Kans.
Fogarty	Madden	Smith, Miss.
Forand	Magnuson	Smith, Va.
Ford	Mahon	Spence
Forrester	Mailliard	Springer
Fountain	Marshall	Staggers
Frazier	Martin	Stauffer
Frelinghuysen	Mason	Steed
Friedel	Matthews	Sullivan
Fulton	May	Taber
Garmatz	Meader	Talle
Gary	Merrow	Taylor
Gathings	Metcalf	Teague, Calif.
Gavin	Michel	Teague, Tex.
George	Miller, Calif.	Teller
Glenn	Miller, Md.	Tewes
Gordon	Miller, Nebr.	Thomas
Gray	Miller, N. Y.	Thompson, N. J.
Green, Oreg.	Mills	Thompson, Tex.
Green, Pa.	Minshall	Thomson, Wyo.
Griffin	Mitchell	Thornberry
Griffiths	Montoya	Tollefson
Gubser	Moore	Tuck
Gwinn	Morano	Udall
Hagen	Morgan	Ullman
Hale	Morrison	Utt
Haley	Moss	Vanik
Halleck	Moulder	Van Pelt
Harden	Multer	Van Zandt
Hardy	Mumma	Vinson
Harris	Murray	Vorys
Harrison, Nebr.	Natcher	Vursell
Harrison, Va.	Neal	Wainwright
Harvey	Nicholson	Walter
Hays, Ohio	Nimtz	Weaver
Healey	Norblad	Westland
Hébert	Norrell	Wharton
Hemphill	O'Brien, Ill.	Whitener
Henderson	O'Brien, N. Y.	Whitten
Herlong	O'Hara, Ill.	Widnall
Heselton	O'Hara, Minn.	Wier
Hess	O'Konski	Wigglesworth
Hiestand	O'Neill	Williams, Miss.
Hill	Osmers	Williams, N. Y.
Hoeven	Ostertag	Willis
Hoffman	Passman	Wilson, Calif.
Holland	Patman	Wilson, Ind.
Holmes	Patterson	Winstead
Holt	Pelly	Withrow
Holtzman	Perkins	Wolverton
Horan	Pfost	Wright
Hosmer	Philbin	Yates
Huddleston	Pilcher	Young
Hyde	Pillion	Younger
Ikard	Poage	Zablocki
Jackson	Poff	Zelenko
Jarman	Polk	
Jennings	Porter	

NOT VOTING—48

Allen, Calif.	Durham	Knutson
Auchincloss	Engle	Lennon
Bass, Tenn.	Fisher	McCarthy
Belcher	Granahan	Morris
Bonner	Grant	Powell
Brooks, La.	Gregory	Radwan
Buckley	Gross	Riley
Burdick	Haskell	Robeson, Va.
Byrnes, Wis.	Hays, Ark.	Scott, N. C.
Carnahan	Hillings	Sheppard
Colmer	Holifield	Shuford
Dawson, Ill.	Hull	Sieminski
Dellay	James	Siler
Dent	Jenkins	Thompson, La.
Dies	Kearney	Trimble
Dowdy	Kluczynski	Watts

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Colmer with Mr. Allen of California.
Mr. Buckley with Mr. Kearney.
Mr. Hull with Mr. Auchincloss.
Mr. Scott of North Carolina with Mr. Gross.
Mr. Lennon with Mr. Haskell.
Mr. Durham with Mr. James.
Mr. Robeson with Mr. Siler.
Mr. Dawson of Illinois with Mr. Burdick.
Mr. Engle with Mr. Radwan.
Mrs. Granahan with Mr. Byrnes of Wisconsin.
Mr. McCarthy with Mr. Belcher.
Mr. Dent with Mr. Jenkins.
Mr. Brooks of Louisiana with Mr. Hillings.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 90. Concurrent resolution authorizing the purchase of floral wreaths to be placed in the rotunda of the Capitol for the ceremonies in connection with the Unknown Soldiers.

ADMISSION OF THE STATE OF ALASKA INTO THE UNION

Mr. ASPINALL. Mr. Speaker, by direction of the Committee on Interior and Insular Affairs, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7999) to provide for the admission of the State of Alaska into the Union; and pending that I ask unanimous consent that further general debate be limited to the balance of today, all of tomorrow, and until 2 p. m. on Monday, May 26; one-half of the time to be controlled by the gentleman from Nebraska [Mr. MILLER] and one-half by the gentleman from New York [Mr. O'BRIEN].

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

Mr. SMITH of Virginia. Mr. Speaker, reserving the right to object, there is great interest in this bill, and there are a great many Members who would like to be heard. I wish the gentleman would not make that request today. We will try to get along the best we can. I hope the gentleman will not insist on the unanimous-consent request at this time.

Mr. ASPINALL. The gentleman from Colorado does insist on his request. He understands the position of the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Speaker, I am compelled to object.

The SPEAKER. The question is on the motion.

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 further consideration of the bill H. R. 7999, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

Mr. SAYLOR. Mr. Chairman, I seek recognition.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 1 hour or any part thereof.

Mr. SAYLOR. Mr. Chairman, 97 years ago, on February 22, 1861, a new American flag was raised over Independence Hall in the city of Philadelphia. That flag was new because it had in it an additional star for the 34th State to enter our Union. Kansas had become a State on January 29, 1861. Significant enough, Kansas had only been an organized Territory for 7 short years, since May 30, 1854.

As he raised that new flag with 34 stars, one of the greatest Americans of all times, President-elect Abraham Lincoln said:

I think we may promise ourselves that not only the new star placed upon that flag shall be permitted to remain there to our permanent posterity for years to come, but additional ones shall from time to time be placed there until we shall number, as it is anticipated by the great historian, 500 millions of happy and prosperous people.

Mr. Chairman, Alaska became a Territory only 6 years after that prophetic statement by Abraham Lincoln. It has been an organized Territory since 1912, longer than any other Territory in the history of this country; yet we are still engaged in trying to pass a bill to admit the Territory of Alaska to the sisterhood of States.

The question of statehood for Alaska has been before the Congress for 40 years, since 1916 when Alaska's great and foresighted Delegate, Judge James Wickersham, introduced the first statehood bill. At no time has this matter been of greater urgency than today when this thoroughly American Territory humbly but insistently knocks at the door of the Union. Simple justice demands that we respond to Alaska's petitions and admit her into the Union as a State.

Over the years the committees of the Congress have minutely examined the proposal to grant statehood to our northernmost Territory. They have compiled hundreds upon hundreds of pages of testimony and evidence which demonstrate beyond question that Alaska is ready for and should be granted statehood.

Through these years, the committees have held hearings not only in Washington, D. C., but in the Territory itself where the private citizen, the man with small means, the homesteader, the miner, the fisherman, and the businessman, had full opportunity to be heard. Witness after witness has asked that Alaska be admitted into the Union as a State. Among Alaskans, witnesses opposing statehood were in the minority.

The arguments against statehood are few. Some say that Alaska's population is too small, but it is larger today than that of several of our States when they were admitted to the Union. Each year since 1950 has seen more and more permanent civilian residents in the Territory. Statehood can be expected to result in a rapid growth of Alaska's population and industry.

Others say that Alaska is not contiguous. Noncontiguity was no obstacle when in 1867 Alaska was purchased. It has not since been an obstacle to the thousands of Americans who have gone to Alaska to build their homes, establish industries, and to create a new State for our Union.

Noncontiguity is not a new argument. It was used against the admission of California and against the admission of Oregon. Both were then noncontiguous to the existing States. Had the proponents of those views prevailed, those States would have waited many years before being admitted into the Union where they contribute so richly to our national fiber.

So, too, with Alaska. With today's great advances in transportation and communication, our world is rapidly shrinking. The arduous and hazardous journey of a century ago is but a day's or a few hours' trip. Why should we pale at the thought of a few hundred miles of water when our great and foresighted predecessors did not pale at hundreds of miles of little-known lands inhabited by few but hostile Indians.

Still others argue that Alaska is too dependent on the Federal Government. They point to Federal expenditures in the Territory, without regard to their purpose or to their necessity from the standpoint of the Nation as a whole.

Alaska participates in most of the grant-in-aid programs which have been authorized by the Congress. Alaska must contribute its share in those programs. In fiscal year 1957 the Territory received less than $10 million from the Federal Government. Forty-six of the States received more; only 2 received less. This is no Federal subsidy which would disqualify Alaska from statehood.

The largest Federal expenditure in Alaska is for defense purposes, for the construction of military bases and for their operation and maintenance. For the past few years Alaska defense construction has cost approximately $100 million a year. It is a substantial figure and contributes greatly to Alaska's economic life. But this money is not spent because Alaska is a Territory. It is not something handed to the Territory because we feel we should subsidize Alaska. This defense program exists because Alaska occupies a highly strategic position in our national defense. The mere act of statehood will not increase or diminish the need.

But, if Alaskans are financially dependent upon the Federal Government, a major cause is the iron control over Alaska exercised by the Federal Government. Ninety-nine percent of Alaska's land is held by the Federal Government and the choice areas, more than 95 million acres, have been reserved for Federal agencies. Control over the Territory's valuable natural resources is not in the hands of Alaskans who must derive their livelihood from local resources, but in the hands of the Federal Government in Washington.

In every case in the past, statehood has been followed by a rapid growth in population and industrial development. Alaska has a vast potential of natural resources; these resources have been and will be of high importance to our Nation. Their development will be facilitated by statehood, thereby broadening Alaska's economic base and reducing such dependence as there may be on Federal expenditures.

Alaska has met every test put to prospective States by the Congress. Of this there is no question. Alaska has been and is contributing her full share to our great Nation. Justice demands favorable action on the statehood legislation now before this body.

I have heard some very significant statements made here on the floor of the House with regard to the Supreme Court of the United States expressing the hope that someday we would get back to the place where that Court commanded the respect in which it was once held. I would call to the attention of those opposing statehood that in the days when the Supreme Court occupied the position they feel it once held, and some of us are of the opinion that it still occupies that exalted position, the Supreme Court stated that once the Houses of Congress makes a Territory, an incorporated Territory, it is an embryonic State, and that the only thing that remains for admission to statehood is for the incorporated Territory to comply with all of the requirements that Congress may lay down for statehood.

I can say to the members of this committee that the Territory of Alaska has met every requirement that has ever been laid down by the Houses of Congress for the admission of any Territory to statehood since the Original Thirteen Colonies.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. ROGERS of Texas. Would the gentleman please document those requirements for me?

Mr. SAYLOR. I think if the gentleman will look at my revised remarks in tomorrow's RECORD he will find them there.

Mr. ROGERS of Texas. I prefer to have them documented today, if possible.

Mr. SAYLOR. Mr. Chairman, the arguments against statehood are few. Some say that Alaska's population is too small. But, it is much larger today than that of several of our States when they were admitted into the Union. Each year since 1950, has seen more and more permanent residents in the Territory. Statehood can be expected to result in a rapid growth of Alaska's population. And, I make that statement because, if you will examine the arguments that have been made by the opponents of other Territories being admitted into the sisterhood of States, they have uniformly played down the size of the population in each one of these Territories, and yet, shortly after admission into statehood, each one of those Territories following the Original Thirteen States has grown.

Now, it is interesting at this point, I believe, to look at the Thirteen Original Colonies that became the United States of America. We are prone to think that New York, today the State with the largest population, Pennsylvania the State with the second largest population, were the first two States, in that order, at the time the Thirteen Colonies became the original United States. If you will examine the record, you will find that that is not the case; that the State with the largest population in the Original Thirteen was Virginia; that the State with the second largest population was Pennsylvania; that the State with the third largest population was Massachusetts; that the State with the fourth largest population was North Carolina; and that the State with the fifth largest population was New York. Just slightly ahead of Maryland the State with the sixth largest population.

Now, our Founding Fathers realized that there would be inequities between the large States and the small States, so they made sure that the small States would not be discriminated against, and they provided that each State, regardless of its size, would have two Senators. We have followed that policy in the admission of the other 35 States into the Union, so that in the United States Senate, regardless of its size, whether it be large in population or large in area, whether it have only 1 or 2 industries or whether it be a State with diversified industries, each State should have 2 Senators. The State of New York has grown and prospered, and some of those who were Senators from that great State were out in the forefront fighting to see to it that the other 35 States were admitted into the Union, and they did not worry that 1 State, with a small population, might have equal voting rights in the Senate.

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-nine Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 68]

Allen, Calif.	Celler	Engle
Auchincloss	Clark	Fisher
Bass, Tenn.	Colmer	Granahan
Belcher	Curtis, Mass.	Grant
Blatnik	Dawson, Ill.	Gregory
Bonner	Dellay	Gross
Brooks, La.	Dent	Gubser
Buckley	Dies	Haskell
Burdick	Dowdy	Hays, Ark.
Byrnes, Wis.	Durham	Hillings
Carnahan	Edmondson	Holifield
James	Morris	Shuford
Jenkins	Powell	Sieminski
Kearney	Radwan	Siler
Kluczynski	Riley	Taylor
Knutson	Robeson, Va.	Trimble
Lennon	Saund	Utt
McCarthy	Scott, N. C.	Watts
McCulloch	Sheppard	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, 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. 7999, and finding itself without a quorum, he had directed the roll to be called, when 365 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. SAYLOR] has the floor.

Mr. SAYLOR. Mr. Chairman, before the roll call I commented on the fact that in the admission of the 35 States to the Union since the Original Thirteen Colonies became the United States of America, the Senators and the Members of Congress from the great State of New York had been in the forefront in leading the fight for the admission of those other States. But we need not look back to history because yesterday, in this House, a majority of the members of the delegation from New York voted to consider this bill. I have here a letter from the present Governor of the State of New York. It is addressed to the chairman of the Subcommittee on Territories and Insular Affairs, the gentleman from New York [Mr. O'BRIEN]. I would like to read this letter because I think it expresses the views of some people in authority in the great State of New York. It is dated May 9, 1958.

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, May 9, 1958.

The Honorable LEO W. O'BRIEN,
House Office Building,
Washington, D. C.

DEAR LEO: Writing from our Capitol in Albany, in the heart of your 30th New York Congressional District, I want to express my great pleasure that the Alaska statehood bill, H. R. 7999, carries your name. It is of genuine importance to all the American people that it be enacted by a rousing majority at this session of the Congress.

As a young boy I visited Alaska with my father and from that moment have had the keenest interest in the immense possibilities of its future. It is self-evident that many of these possibilities will not be realized until Alaska attains the mature status of statehood and joins its sister States as an equal partner in our national life. Statehood for Alaska is overdue. To delay it further would be gravely unwise as well as seriously unjust. It is in the interest of all Americans that statehood be granted immediately. It is the emphatic wish of the great majority of Americans that it should be. The rights of the people of Alaska as well as the wishes of the American public should no longer be thwarted.

I wish you every success in your effort which partakes in the highest degree of that selfless concern to do the right thing by the American Nation and people, which is the mark of true patriotism.

Sincerely,

AVERELL HARRIMAN.

A few days ago each one of the Members of the House received a letter from the gentleman from Virginia [Mr. SMITH]. That letter makes two points which are, in my opinion, meant to smear the cause of statehood with a giveaway label. This is a red herring out of the creel of an avowed opponent of statehood, and I believe should be recognized as a red herring and treated as such.

First, we are told that granting land to the new State of Alaska is a giveaway. Certainly every State outside the original 13 States has received grants of land upon admission into the Union. Almost 100 percent of the lands in the original States were retained either in private ownership or in the name of the State—we may skip that minor fact for the moment.

But, we do have an agreed principle, applicable to 35 States prior to Alaska: Each new State deserves land grants. The haggling, as usual, is about the amount, not the principle that Alaska deserves some grants.

The United States now owns 99 percent of the lands in Alaska. No other State has ever been in such circumstance upon admission into the Union. The bill before this House would grant 182,800,000 acres to Alaska—and the United States would still own over 50 percent of the area in Alaska. I think it should be pointed out that approximately 95 million acres are already withdrawn—set aside for Federal purposes in Alaska. And more, necessary, large withdrawals are contemplated at this very minute—one comprising 9,000 square miles in the Arctic.

With over a fourth of Alaska withdrawn, and with many acres unsuitable for development, the 182,800,000 acres mentioned in H. R. 7999 is more than likely unrealistic. I doubt that the State could, in 25 years select that many suitable acres. And it would cost approximately $120 million to complete a rectangular survey of 182 million acres in Alaska—that is, to survey and subdivide this area into sections. One hundred and eighty-two million acres equals about 7,960 townships—there are 72 miles to a township, including 12 miles of township boundaries. The cost is about $200 per mile or $15,000 per township. It would cost less, about $20 million, to survey the same area in township units only.

So—to make it a grant of 50 million acres—or 250 million—the plain fact is that Alaska cannot get any of this land until it is surveyed. And the land selected must be "vacant, unappropriated, and unreserved." I would hope and pray that whatever is granted to Alaska will be surveyed promptly.

Now, about the amount of land. In every other State, a greater percentage of the land was in private ownership at the time it was admitted into the Union than now exists in Alaska. The Alaska grant should recognize that Alaska has neither an agricultural or industrial base for its economy. It needs lands in private ownership—it needs lands to stimulate development.

In the case of Florida, the land granted to that State as of June 30, 1957, constituted 69.7 percent of the total land area. Louisiana had 39.6 percent, Arkansas 35.4 percent, Michigan 33.3 percent, Minnesota, 32.1 percent.

Now we who favor statehood for Alaska are not adamant about the amount of land granted to the new State. We do think it should be a sufficient amount to enable the State to have enough to build its economy on a firm base. It should at least own as much land as the Federal Government has seen fit to reserve for Federal purposes. Surely no Member of this Congress wants this House to believe that he believes in the all-powerful feudal Federal landlord—the benevolent bureaucracy—doling out bits of land upon which the State might build universities, county seats, playgrounds, schools, or sell to establish private industry within the State. Those who are at present time favoring that attitude come in here on other occasions and claim that they are strong advocates of States rights. The inconsistency of their position, I think, is apparent.

Now, that same letter addressed to all Members mentioned a gimmick. The author says that in giving Alaska the right to select mineral lands, we are doing something never before done for any State. The Alaskans will watch, says the author of that letter, the mineral discoveries for 25 years and make selections where valuable minerals are discovered. Now, surely not only the author of that letter, but all Members of Congress should have Public Law 88 of the 85th Congress before them, the Congress in which we are now sitting as Members. That bill passed on the Consent Calendar, and enacted into law, gives to Alaska, mark you, 90 percent of the revenues from mineral developments in Alaska without assuming any management responsibilities and without any administrative costs. Why in heaven's name anyone could impugn improper motives to the members of the Committee on Interior and Insular Affairs who wrote this bill, giving the State of Alaska the right to select minerals when the Territory already receives 90 percent of the income from the minerals is beyond my comprehension.

As I said before, I think that we have in this letter the spectacle of the red herring and the big exaggeration combined. Reflect, if you will, a moment, and you will realize that we have already made the giveaway, if that is the way you want to consider what we did with Alaska. But to those of us who believe in giving to that Territory the right to receive the income from minerals that are located in that Territory, it is not a giveaway, because the folks who live in Alaska are American citizens. It is no more a giveaway than the legislation which the people who are in favor of States rights stood here in the well of the House a few sessions ago and saw to it that we pass a bill returning the tidelands to the States.

Unless the author of that letter wants us to believe that these minerals have value beyond their potential income-producing capacity, it is impossible to imagine what objection there may be to permitting the State to select the lands, when it gets 90 percent of the revenue already, without selecting them.

Mr. Chairman, permit me to make one further comment on this issue. Because of an act of 1927 the present States can now select mineral lands. Oklahoma has received mineral rights in her original grants and Alaska will not receive the usual school sections under this bill. The quantity grants are made in lieu of specific grants for school and other purposes.

Also, although Alaska is given the right to select mineral lands under this bill the State will be required to hold title to these minerals forever. She must reserve no minerals to the State or forfeit the land back to the United States.

On public domain lands, Federal policy pursuant to law permits a miner to get title to the land and the hard rock minerals. Nothing more need be said. We are considering a bill which imposes more stringent conditions on Alaska than we are going to impose upon the Federal lands which will remain in Federal ownership in the State of Alaska.

The following is a tabulation of the acreage granted to the States and Territories as of June 30, 1953:

Acreage granted to States and Territories, as of June 30, 1953 [1]

State	For common schools	For other schools	For other institutions	For railroads	For wagon roads	For canals and rivers	For miscellaneous improvements (not specified)	For swamp reclamation	For other purposes	Total
Alabama	911,627	383,785	181	2,747,479		[2] 400,016	97,469	441,289	[3] 24,660	5,006,506
Alaska	[4] 21,009,209	[4] 438,250								[4] 21,447,459
Arizona	8,093,156	849,197	500,000						[5] 1,101,400	10,543,753
Arkansas	933,778	196,080		2,563,721			500,000	7,686,555	[6] 56,680	11,936,834
California	5,534,293	196,080					500,000	2,192,678	[7] 400,768	8,823,819
Colorado	3,685,618	138,040	32,000				500,000		[8] 115,946	4,471,604
Connecticut		180,000								180,000
Delaware		90,000								90,000
Florida	975,367	182,160		2,218,705			500,000	20,325,013	[9] 5,120	24,206,305
Georgia		270,000								270,000

See footnotes at end of table.

Acreage granted to States and Territories, as of June 30, 1953 [1]—Continued

State	For common schools	For other schools	For other institutions	For railroads	For wagon roads	For canals and rivers	For miscellaneous improvements (not specified)	For swamp reclamation	For other purposes	Total
Idaho	2,963,698	386,686	[10] 250,000						[11] 654,064	4,254,448
Illinois	996,320	526,080		2,595,133		[2] 324,283	209,086	1,460,164	[12] 123,589	6,234,655
Indiana	668,578	436,080			170,580	[2] 1,480,409		1,259,231	[13] 25,600	4,040,478
Iowa	1,000,679	286,080		4,706,945		[2] 321,342	500,000	1,196,392	[14] 49,824	8,061,262
Kansas	2,907,520	151,269	127	4,176,329			500,000		[15] 59,423	7,794,668
Kentucky		330,000	24,606							354,606
Louisiana	807,271	256,292		373,057			500,000	9,493,456		11,430,076
Maine		210,000								210,000
Maryland		210,000								210,000
Massachusetts		360,000								360,000
Michigan	1,021,867	286,080		3,134,058	221,013	[2] 1,251,236	500,000	5,680,310	[16] 49,280	12,143,844
Minnesota	2,874,951	212,160		[17] 8,047,469			500,000	4,706,503	[18] 80,880	[19] 16,421,963
Mississippi	824,213	348,240		1,075,345			500,000	3,347,860	[9] 1,253	6,096,911
Missouri	1,221,813	376,080		1,837,968			500,000	3,432,481	[20] 48,640	7,416,982
Montana	5,198,258	388,721	100,000	[19]					[21] 276,359	[19] 5,963,338
Nebraska	2,730,951	136,080	32,000				500,000		[22] 59,680	3,458,711
Nevada	2,061,967	136,080	12,800				500,000		[23] 14,379	2,725,226
New Hampshire		150,000								150,000
New Jersey		210,000								210,000
New Mexico	8,711,324	1,346,546	750,000			[2] 100,000			[24] 1,886,789	12,794,659
New York		990,000								990,000
North Carolina		270,000								270,000
North Dakota	2,495,396	336,080	[1] 250,000	[19]					[25] 82,076	[19] 3,163,552
Ohio	724,266	699,120			80,774	[2] 1,204,114		26,372	[26] 24,216	2,758,862
Oklahoma	1,375,000	1,050,000	[1] 670,760							3,095,760
Oregon	3,399,360	136,165			[27] 2,583,850		500,000	286,108	[28] 127,324	[29] 7,032,847
Pennsylvania		780,000								780,000
Rhode Island		120,000								120,000
South Carolina		180,000								180,000
South Dakota	2,733,084	366,080	[10] 250,640						[30] 85,509	3,435,373
Tennessee		300,000								300,000
Texas		180,000								180,000
Utah	5,844,196	556,141	500,160						[31] 601,240	7,501,737
Vermont		150,000								150,000
Virginia		300,000								300,000
Washington	2,376,391	336,080	[10] 200,000	[19]					[32] 132,000	[19] 3,044,471
West Virginia		150,000								150,000
Wisconsin	982,329	332,160		3,652,322	302,931	[2] 1,022,349	500,000	3,360,786	[33] 26,400	10,179,277
Wyoming	3,470,000	136,080	[10] 420,000						[34] 316,341	4,342,520
Total	[4] 98,532,429	[35] 17,033,972	[36] 3,933,274	37,128,531	[29] 3,359,188	[37] 6,103,749	7,806,555	64,895,218	[10] 6,429,590	[38] 245,282,506

[1] For additional information concerning these grants, see the Report of the Director, 1947, Statistical Appendix, pp. 118–135; 1948, p. 59; 1949, p. 59; 1950, p. 58; 1951, p. 61, 1952, p. 61.
[2] See footnote 37.
[3] Salt springs, 23,040; seat of government, 1,620.
[4] Except for 102,500 acres granted to the Territory for university purposes, the lands in Alaska are reserved pending statehood.
[5] Park and other purposes, 1,400; payment of bonds, 1,000,000; public buildings, 100,000.
[6] Public buildings, 10,600; salt springs, 46,080.
[7] Public buildings, 6,400; parks, 394,368.
[8] Biological station, 160; public buildings, 32,000; salt springs, 46,080; Carey Acts, 37,706.
[9] Seat of government.
[10] See footnote 36.
[11] Fish and game, 232; hot springs, 187; park, 6,751; public buildings, 32,000; Carey Acts, 614,894.
[12] Salt springs, 121,099; seat of government, 2,560.
[13] Salt springs, 23,040; seat of government, 2,560.
[14] Park, 544; public buildings, 3,200; salt springs, 46,080.
[15] Bridge, 3,922; game preserve, 3,021; public buildings, 6,400; salt springs, 46,080.
[16] Public buildings, 3,200; salt springs, 46,080.
[17] Includes not more than 65,000 acres of lands in Montana, North Dakota, and Washington which were selected by a grantee of the State of Minnesota.
[18] Forestry, 20,000; military purposes, 8; park, 8,392; public buildings, 6,400; salt springs, 46,080.
[19] See footnote 17.
[20] Salt springs, 46,080; seat of government, 2,560.
[21] Militia camp, 640; park, 1,439; public buildings, 182,000; Carey Acts, 92,280.
[22] Agricultural experiments, 800; public buildings, 12,800; salt springs, 46,080.
[23] Public buildings, 12,800; Carey Acts, 1,579.
[24] Payment of bonds, 1,000,000; public buildings, 132,000; reimbursement of local governments, 250,000; reservoirs, 500,000; not specified, 46; Carey Acts, 4,743.
[25] Historical Society, 76; public buildings, 82,000.
[26] Salt springs.
[27] Includes about 93,000 acres, title to which was reconveyed to the United States pursuant to the act of Feb. 26, 1919 (40 Stat. 1197).
[28] Parks, 1,402; public buildings, 6,400; salt springs, 46,080; Carey Acts 73,442.
[29] See footnote 27.
[30] Military camp, 640; missionary work, 160; parks, 2,769; public buildings, 82,000.
[31] Public buildings, 64,000; reservoirs, 500,000; Carey Acts, 37,240.
[32] Public buildings.
[33] Forestry, 20,000; public buildings, 6,400.
[34] Fish hatchery, 5,480; public buildings, 107,000; salt springs, 640; Carey Acts, 203,311.
[35] See footnotes 4 and 36.
[36] Includes acreage of grants for "educational and charitable" purposes, as follows: Idaho, 150,000; North Dakota, 170,000; South Dakota, 170,000; and Washington, 200,000; includes 669,000 acres granted to Oklahoma for "charitable, penal, and public building" purposes, and 290,000 acres granted to Wyoming for "charitable, penal, educational" and other institutions.
[37] Grants for river improvement projects, 1,505,080 acres, as follows: Alabama, 400,016; Iowa, 321,342; New Mexico, 100,000; and Wisconsin, 683,722. Grants for canals, 4,598,669 acres.
[38] See footnotes 4 and 27.

Source: U. S. Bureau of Land Management, Report of the Director, 1953, Statistical Appendix, Washington, D. C., table 115, pp. 132–133.

Mr. MURRAY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-eight Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Auchincloss	Colmer	Hays, Ark.
Bass, Tenn.	Dawson, Ill.	Hillings
Belcher	Dent	Holifield
Blatnik	Dies	Horan
Bonner	Dowdy	James
Brooks, La.	Durham	Jenkins
Buckley	Eberharter	Kearney
Burdick	Edmondson	Keating
Byrnes, Wis.	Engle	Kluczynski
Carnahan	Granahan	Knutson
Celler	Grant	Lankford
Chamberlain	Gregory	Lennon
Christopher	Gross	Lesinski
Clark	Gubser	McCarthy
Collier	Haskell	Machrowicz
Morris	St. George	Smith, Miss.
Osmers	Scott, N. C.	Spence
Powell	Sheppard	Trimble
Radwan	Shuford	Van Pelt
Riley	Sieminski	Watts
Robeson, Va.	Siler	Withrow

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, 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. 7999, to provide for the admission of the State of Alaska into the Union, and finding itself without a quorum, he had directed the roll to be called, when 364 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. SAYLOR. Mr. Chairman, few items of legislation under consideration by the Congress have inspired the national interest to the extent as has statehood for the Territory of Alaska. Interest in our northernmost Territory, long known only to a handful, has increased by leaps and bounds since World War II when Alaska's strategic importance and her natural resources focused attention on this great land.

Each year more and more settlers and businessmen have moved to Alaska to carve out a new life in the highest tradition of our Nation. Almost overnight Alaska's communities, such as Anchorage and Fairbanks, have been converted from small frontier towns to modern cosmopolitan cities. Alaska is pulsing with a new and vibrant life.

During the last 8 years, Alaska's civilian population has increased by a phenomenal 53 percent. For the most part, these new residents are young and

confident in their future and that of now their Territory, but their expectant State of Alaska. They are people who have had the typical pioneering American background and drive, wanting to find for themselves a new home. They have gone to Alaska, and they are confident of themselves and confident in the future that Alaska holds for them.

They are very much in favor of statehood because they come from every State in the Union, and they have been thoroughly imbued with our American social, political, and economic philosophy. They are interested in having created a new State, and they want a new star to be added to our flag, and this new State, the 49th to be added to our Union.

At long last the wisdom and foresight of Secretary of State William H. Seward, is bearing fruit. The vast and little-known land that he urged the United States to purchase for a ridiculous few cents an acre has proved over and over again to be a valuable, an indispensable, asset to our Nation. If for no other reason, Alaska deserves to participate fully in our political life through statehood in order to complete its destiny. It has long been awaiting statehood—over 90 years have elapsed since Secretary Seward's farsighted action.

Since 1947 committees of the Congress have held long and detailed hearings on the question of Alaskan statehood. They have consistently, since 1948, recommended that statehood be granted Alaska. In so doing, they have found that Alaska has met each of the traditional tests imposed on Territories seeking statehood. Alaskans are imbued with and are sympathetic toward the principles of democracy as exemplified in the American form of Government. And, the proposed new State of Alaska has sufficient population and resources to support State government and to carry its share of the Federal Government.

Never has Alaska's devotion to American democratic principles of government been doubted.

A question has been raised, however, as to whether a majority of the electorate desires statehood. This can be answered by votes which have been cast. In a 1946 referendum, the people of Alaska voted 9,630 to 6,822 in favor of statehood. In 1955 Alaskans voted for delegates to a convention to draft a proposed constitution for the new State. In April 1956 the draft constitution was overwhelmingly ratified by the voters. Every action of the Alaskan electorate in 1946, 1955, and 1956 was to speed the day when Alaska will be admitted into the Union as a State.

In April of this year the Territory held its primary elections. Both the present Delegate to Congress, an avowed statehood proponent, and the Republican prostatehood candidate, were supported convincingly. An antistatehood candidate was ignominiously defeated. The evidence is clear that Republican and Democrats alike in Alaska agree that the Territory should become a State.

Has Alaska sufficient population and resources to meet the cost of State government? The answer can only be "Yes." The Territory has more population than many of the States when they were admitted into the Union. As their population increased after statehood, so will Alaska's. From Alaska's vast mountain ranges, her forests, her mineral deposits and agricultural lands, and her fisheries, already flow revenue more than sufficient to meet the cost of State government.

Despite the limitations of the Territory's 1912 Organic Act, Alaska has created most of the governmental agencies found in the States, and these agencies now perform most of the services performed in the States. In other words, Alaska's Territorial government now functions almost as a State government would. Estimates of the additional cost of statehood vary but all indications are that Alaska will be able to match the increased expense with greater revenue based upon an expanded economy.

Interest in Alaska statehood is not confined to the Territory. Throughout the United States, opinion is growing that a 49th star should be added to the flag through the grant of statehood to Alaska. This opinion is shared in all sections.

More than a decade ago, the Gallup poll, one of the leading indexes of public opinion, showed that 64 percent of the American people were in favor of Alaskan statehood, while only 12 percent were opposed—a record of 5 to 1 in favor of statehood. In March of this year 73 percent of the American people were in favor of Alaskan statehood, while opposition dwindled to 6 percent. Thus, in 1946 opinion was 5 to 1 in favor of statehood, while today opinion is 12 to 1 in favor of admitting Alaska into the Union as a State.

The American people are aware that with every State added to the Union our Nation has increased in strength and wealth. They are aware that the addition of Alaska will further increase our stature. The will of the people must be served, and statehood cannot much longer be delayed. To the 85th Congress belongs the honor of granting statehood to our great northernmost Territory of Alaska.

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

Mr. SAYLOR. I yield.

Mr. UDALL. In line with the observation the gentleman from Pennsylvania is making, I wish to recall that when my own State, the last State to be admitted to the Union, came in—I know the gentleman has read some of the speeches in the Senate that were delivered—some of those who spoke said there was very little out there in that desert country, that it was inhabited by rocks, rattlesnakes, and, I think, a few Mexicans. In view of the developments that have taken place since then, particularly modern air conditioning, reclamation, and so forth, the State of Arizona today is the second fastest growing State in the Union. Does not the gentleman feel that some of the predictions we have heard that there would not be growth or development might prove to be false?

Mr. SAYLOR. I am satisfied that the predictions that were made for Arizona will never happen, and what has happened to Arizona is only proof of the fact that those who sponsored statehood for Arizona were really looking forward to the great interests of our country.

I might say that in looking over the debates of some of the other State admissions, it is interesting to note that, for example, when the Territory of Minnesota was being debated as to whether or not it would become a State, there were those who stood in the well of this House and on the floor of the Senate and said that if Minnesota was ever admitted to statehood, all that you would ever do would be to permit a few timber barons to go into that great Territory, strip it of all its wealth, and then leave it for the Indians and the beavers. I know that those folks who come from Minnesota today look with pride on their great State.

I know that when I read the debates on the admission on the great State of Mississippi to the Union, I was particularly intrigued with the remarks of a man who has been known as a famous Senator, Daniel Webster, and this was his prediction with regard to that State, that if the people of the United States ever admitted those red-legged wildmen from the bayous of Mississippi to statehood, it would not be safe for the fair womanhood of New England to walk the streets in daylight, let alone the dark, and that if they overrode his objections, he would immediately return to New England and proposed that New England secede from the United States and form a new country. Yet, as I look at the men who represent the great State of Mississippi in this House and in the Senate, I am satisfied that the folks in New England still walk the streets in the daylight without fear and that Mississippi, together with the other States, has contributed greatly to the welfare of this country.

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

Mr. SAYLOR. I yield to the gentleman from California.

Mr. HOSMER. In order that the situation of the three States just mentioned by the gentleman may be considered in context, at the time Arizona was admitted she had 0.221 of the total United States population, Minnesota had 0.547, Mississippi had 0.7827. Alaska at the present time has only about 0.0853 of 1 percent of the population of the United States.

Mr. SAYLOR. I thank the gentleman for his observation, and I am satisfied if Alaska had 10 million people, he would still be opposed to it. However, the figures used by the gentleman are very misleading and self-serving. What he should do is to submit the population of each State upon its admission and also the total population of the United States.

Mr. HOSMER. That is incorrect.

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

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

Mr. PILLION. Is it not true that conditions today are somewhat different from the conditions that existed when these States were admitted, in that the 17th amendment has now been adopted

and that there have been no States admitted into this Union since the adoption of the 17th amendment, which so drastically changed the method for the selection of our United States Senate, wherein the Senators today are no longer elected by State governments but are elected by the people of the States? And that therefore their responsibility and their accountability are no longer to the State governments but subject to the public pressures of the people whom they represent and to whom they are accountable; that we are no longer a Federal type of government and that the Senate today no longer seeks to preserve the rights of the States but instead is subject to the wishes and the requirements of their various localities and the constituents whom the individual Senators represent.

That makes a tremendous difference in the reason for having two Senators for each State.

Mr. SAYLOR. The answer to that is, that in the opinion of the gentleman from New York [Mr. PILLION] that is a condition. It is true there have been no States admitted since we changed the constitutional manner in which Senators are now chosen. But that has no bearing whatsoever, and I am satisfied that it is just another hook on which to hang a piece of clothing in an attempt to disguise the real reasons for being against statehood.

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

Mr. SAYLOR. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I should like to ask this question. I notice that statistics were used a moment ago of percentage of population represented by these States when they came in. Do those figures apply to the population in those days or do they apply to the population today? Would the gentleman clear that up for the record and indicate the number of residents in Alaska compared to the number of people in the States that recently came in? Would not that bring the discussion more into line so that we could understand the problem?

Mr. SAYLOR. That is correct. I think the figures the gentleman read were the percentages at the time the States came in.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

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

Mr. O'BRIEN of New York. Is it not true that the House of Representatives just 8 years ago voted statehood for Alaska, when it had 100,000 people, and now balks at granting statehood for Alaska when it has 212,000 people?

Mr. SAYLOR. That is quite correct.

Yesterday there were some comments made as to whether or not Alaska is financially able to support statehood. I should like to address the balance of my remarks to an affirmative answer to that question. In my opinion, Alaska is financially able to support statehood. Alaska's growth, especially in the last 15 years of its history, has been tremendous.

In fiscal year 1942, when the Territory had a population of approximately 72,500, the Governor's annual report to the Secretary of the Interior indicates that annual receipts were $3,797,863.23 and disbursements were $3,648,433.38, with a net cash balance of $1,310,015.31 as of June 30, 1942. However, the 23d Territorial Legislature, representing an estimated population of 212,000 persons, convened in Juneau on January 28, 1957, for a regular 60-day session and appropriated $36,248,818.38 for the general fund and $580,527.95 for the highway fund for the biennium ending June 29, 1959. Thus, assuming that the appropriation for fiscal 1958 would be one-half of the biennial figure, or $18,124,409.19, it is significant to note that while the population has increased 2.9 times in 15 years, the financial expenses have increased at a ratio of approximately 4.8 times during the same period.

While the foregoing may be a normal economic result of population growth, the remarkable thing is that, until Public Law 516, 84th Congress, was passed, the Territory was prohibited, by its organic act of 1912, from incurring any indebtedness. And, while the aforementioned law does allow the Territory to borrow on its credit for public improvements, in an amount not to exceed $20 million in bonds outstanding at any one time, the Territory has not as yet chosen to do so.

Alaska's vigorous young Governor, Mike Stepovich, stated in his inaugural address, on June 8, 1957, that he was going to have the tax structure of the Territory examined. Shortly thereafter, he appointed a bipartisan group composed of 2 Territorial senators and 2 Territorial representatives, as his advisory committee for that purpose. While the committee has not yet completed its work, I have learned that on Tuesday, March 11, 1958, Governor Stepovich released an interim report prepared by the committee stating that there is a possibility of a substantial surplus in the Territory's general fund. This, indeed, is especially encouraging.

The advisory committee reported that after 8 months of the current biennium, 31.8 percent of the revenues that should be collected during the 2-year period have been collected, and that the raw-fish tax on the 1957 pack would bring the amount over the desired 33⅓ percent figure. In addition to noting that at the present time the Territory's budget is in balance, the committee stated that the substantial surplus should result from oil-lease revenue returned to the Territory from the Federal Government. This came about from the enactment of Public Law 85–50 of the present 85th Congress which provides that 90 percent of the receipts from the lease and royalty money paid in for oil and gas leases shall go to the Territory of Alaska. Since the discovery of oil on the Kenai Peninsula last summer, I understand that the Anchorage office of the Department of Interior's Bureau of Land Management has done more leasing business in the past half year or so than in the 7 years preceding. As a result, the Territory in February received more than $1,800,000 from oil-lease income for the last 6 months of 1957. The committee anticipates that by July 1, 1958, the Territory will have received in excess of $4 million from these leases. While the committee recognizes that two contingencies might require an alteration in their prediction, they are optimistic that they will remain relatively in the same status as they have in the past few years. These contingencies are: First, the size of the 1958 fish pack, which cannot be predicted; and, second, the possibility of a decrease in the net-income tax which is dependent upon government construction in western Alaska.

Does this not then indicate that the Territory of Alaska is financially able to care for itself? My opponents would say, however, "You have merely shown that the Territory can care for itself as a Territory. What will happen and how will it fare if it becomes a State?" My answer to that is that it will fare very well and that it will support itself satisfactorily.

While it would be somewhat presumptuous to say what the additional expenses of statehood actually will be, it would seem that obvious increases would result from the introduction of a judicial system and from an enlarged legislature. The Governor's office, with its increased duties, would also have increased expenses. Other apparent extra expenses would result from the construction of administrative office buildings, and from the development of a State land department. The highway program could also very well increase annual expenditures, especially if the present 10 to 1 matching ratio used in the Federal Aid Highway Act is modified by the statehood bill.

Undoubtedly, there are other items of expense that might accompany the advent of statehood. However, a certain amount of this total added expense would be offset by fines collected from the State court system, by sports and commercial fish and wildlife licenses, by a transfer of a portion of the proceeds from the Pribiloff Seal Fisheries to the new State as is now proposed in the present statehood bills, by forest leases from Alaska's expanding timber industry, and by Alaska receiving 90 percent of the revenue from oil and gas leases pursuant to the recent enactment I mentioned previously. In addition, while Alaska's current income is largely derived from a Territorial income tax, a business license tax, a tax on fisheries and mines, a liquor and gasoline tax, and from oil and gas leases, nevertheless, it should be remembered that all methods of increasing the sovereignty's revenue have not been exhausted. Thus, as Alaska grows as a State under a new American flag, so too will its tax base broaden in keeping with its expanding economy. In that regard it is interesting to note that, in 1957, Alaska had a higher, per capita general revenue than did 39 of the existing States. Surely then, Alaska will be able to flourish under the banner of statehood.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. SMITH of Virginia. I was temporarily detained outside of the Chamber and did not hear the gentleman's ex-

cellent approach to the mineral-lease part. I understand he took some issue with a letter I had written to the membership some days ago on this subject. Does the gentleman question the accuracy of anything stated in that letter?

Mr. SAYLOR. I certainly do.

Mr. SMITH of Virginia. Will the gentleman kindly state what that is?

Mr. SAYLOR. I stated that before. I am sorry the gentleman was not here while I was speaking with regard to that letter. I saw him in the back of the Chamber. I called his attention to the fact that he said it was a giveaway, and I called attention to the fact that he must have been here and voted for a law under whose provisions we have already given to the Territory of Alaska 90 percent of the income from mineral leases, and that this bill which we now have before us is more stringent than the present mining laws.

Mr. SMITH of Virginia. The gentleman does not question the accuracy; he just says that I said it was a giveaway.

Mr. SAYLOR. I certainly have. I questioned the accuracy of it.

Mr. SMITH of Virginia. Does the gentleman question the accuracy of this statement?

Mr. SAYLOR. I refuse to yield any further. I made the statement while the gentleman was here.

Mr. SMITH of Virginia. I rather expected the gentleman would when we got down to it.

Mr. JACKSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 70]

Alger	Edmondson	Machrowicz
Allen, Calif.	Engle	Magnuson
Auchincloss	Evins	Miller, Calif.
Bass, Tenn.	Granahan	Morris
Bates	Grant	O'Brien, Ill.
Belcher	Gray	Powell
Blatnik	Gregory	Prouty
Bonner	Gross	Radwan
Breeding	Gubser	Rains
Brooks, La.	Haskell	Riley
Buckley	Hays, Ark.	Robeson, Va.
Burdick	Hillings	Scott, N.C.
Byrnes, Wis.	Holifield	Sheppard
Carnahan	James	Shuford
Celler	Jenkins	Sieminski
Christopher	Kearney	Siler
Clark	Kearns	Smith, Miss.
Collier	Keating	Spence
Colmer	Kluczynski	Teague, Tex.
Dawson, Ill.	Knutson	Trimble
Dent	Krueger	Van Pelt
Dies	Laird	Vursell
Dowdy	Lennon	Watts
Durham	Lesinski	Westland
Eberharter	Libonati	Withrow

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, 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. 7999) to provide for the admission of the State of Alaska into the Union, and finding itself without a quorum, he had directed the roll to be called, when 354 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. SAYLOR. Mr. Chairman, some people have raised the question as to what has been required of the 35 States to be admitted to the Union.

The following are the provisions establishing the method of Federal approval of State constitutions as contained in the enabling acts of States admitted to the Union from 1791 to 1910:

1–2. NEW MEXICO-ARIZONA (INITIAL ACT)

(a) *The act of June 16, 1906 (34 Stat. 267, 278, 280–281)*

(NOTE.—The act of June 16, 1906, constituted enabling legislation for the people of Oklahoma and the Indian Territory, and enabling legislation for the people of New Mexico and of Arizona. Merger of the 2 Territories into 1 State turned on approval by the people of such merger; the merger having been rejected, subsequent enabling legislation, in 1910—as extracted hereafter—provided for individual statehood for the 2 Territories.)

"SEC. 23. That the inhabitants of all that part of the United States now constituting the Territory of Arizona and New Mexico, as at present described, may become the State of Arizona, as hereinafter provided."

* * * * *

"SEC. 26. And if the constitution and government of said proposed State are republican in form, and if the provisions in this act have been complied with in the formation thereof, it shall be the duty of the President of the United States, within 20 days from the receipt of the certificate of the result of said election and the statement of the votes cast thereon and a copy of said constitution, articles, propositions and ordinances from said board, to issue his proclamation announcing the result of said election, and thereupon the proposed State shall be deemed admitted by Congress into the Union, under and by virtue of this act, under the name of Arizona, on an equal footing with the original States, from and after the date of said proclamation. * * *."

NEW MEXICO (SUBSEQUENT ACT)

(b) *The Act of June 20, 1910 (36 Stat. 557 and 560)*

"SECTION 1. That the qualified electors of the Territory of New Mexico are hereby authorized to vote for and choose delegates to form a constitutional convention for said Territory for the purpose of framing a constitution for the proposed State of New Mexico. * * *."

* * * * *

"SEC. 4. That when said constitution and such provisions thereof as have been separately submitted shall have been duly ratified by the people of New Mexico as aforesaid, a certified copy of the same shall be submitted to the President of the United States and to Congress for approval, together with the statement of the votes cast thereon and upon any provisions thereof which were separately submitted to and voted upon by the people. And if Congress and the President approve said constitution and the said separate provisions thereof, or, if the President approves the same and Congress fails to disapprove the same during the next regular session thereof, then * * * the Governor * * * shall * * * issue his proclamation for the election of State and county officers, * * *."

"SEC. 5. * * * when said election * * * shall be held and returns thereof made * * * the Governor * * * shall certify the result of said election * * * to the President of the United States, who thereupon shall immediately issue his proclamation announcing the result of said election so ascertained, and upon the issuance of said proclamation by the President of the United States the proposed State of New Mexico shall be deemed admitted by Congress into the Union, by virtue of this act, on an equal footing with the other States. * * *."

(C) ARIZONA (SUBSEQUENT ACT)

The Act of June 20, 1910 (36 Stat. 557, 568, 571, 572)

* * * * *

"SEC. 19. That the qualified electors of the Territory of Arizona are hereby authorized to vote for and choose delegates to form a constitutional convention for said Territory for the purpose of framing a constitution for the proposed State of Arizona."

* * * * *

"SEC. 22. That when said constitution and such provisions thereof as have been separately submitted shall have been duly ratified by the people of Arizona as aforesaid, a certified copy of the same shall be submitted to the President of the United States and to Congress for approval, together with the statement of the votes cast thereon and upon any provisions thereof which were separately submitted to and voted upon by the people. And if Congress and the President approve said constitution and the said separate provisions thereof, or, if the President approves the same and Congress fails to disapprove the same during the next regular session thereof, then * * * the Governor * * * shall * * * issue his proclamation for the election of State and county officers, * * *."

"SEC. 23. * * * when said election * * * shall be held and returns thereof made * * * the Governor * * * shall certify the result of said election * * * to the President of the United States, who thereupon shall immediately issue his proclamation announcing the result of said election so ascertained and upon the issuance of said proclamation by the President of the United States the proposed State of Arizona shall be deemed admitted by Congress into the Union, by virtue of this act, on an equal footing with the other States * * *."

3. OKLAHOMA

The act of June 16, 1906 (34 Stat. 267, 271)

"SECTION 1. That the inhabitants of all that part of the area of the United States now constituting the Territory of Oklahoma and the Indian Territory, as at present described, may adopt a constitution and become the State of Oklahoma, as hereinafter provided: * * *."

* * * * *

"SEC. 4. * * *. And if the constitution and government of said proposed State are republican in form, and if the provisions in this act have been complied with in the formation thereof, it shall be the duty of the President of the United States, within 20 days from the receipt of the certificate of the result of said election and the statement of votes cast thereon and a copy of said constitution, articles, propositions, and ordinances, to issue his proclamation announcing the result of said election; and thereupon the proposed State of Oklahoma shall be deemed admitted by Congress into the Union, under and by virtue of this Act, on an equal footing with the original States. * * *."

4. UTAH

The act of July 16, 1894 (28 Stat. 107 and 109)

"SEC. 1. That the inhabitants of all that part of the area of the United States now constituting the Territory of Utah, as at present described, may become the State of Utah, as hereinafter provided."

* * * * *

"SEC. 4. * * *. And if the constitution and government of said proposed State are republican in form, and if all the provisions of this act have been complied with in the

formation thereof, it shall be the duty of the President of the United States to issue his proclamation announcing the result of said election, and thereupon the proposed State of Utah shall be deemed admitted by Congress into the Union, under and by virtue of this act, on an equal footing with the original States, from and after the date of said proclamation."

5. IDAHO

The act of July 3, 1890 (26 Stat. 215)

(From preamble)

"Whereas the people of the Territory of Idaho did, on the fourth day of July 1889, by convention of delegates called and assembled for that purpose, form for themselves a constitution, which constitution was ratified and adopted by the people of said Territory at an election held therefor on the first Tuesday in November 1899, which constitution is republican in form and is in conformity with the Constitution of the United States; and

"Whereas said convention of the people of said Territory have asked the admission of said Territory into the Union of States on an equal footing with the original States in all respects whatever: Therefore

"SECTION 1. The State of Idaho is hereby declared admitted into the Union on an equal footing with the original States in all respects whatever; and that the constitution which the people of Idaho have formed for themselves be, and the same is hereby, accepted, ratified, and confirmed."

* * * * *

6. WYOMING

The act of July 10, 1890 (26 Stat. 222)

(From preamble)

"Whereas the people of the Territory of Wyoming did, on the 30th day of September 1889, by a convention of delegates called and assembled for that purpose, form for themselves a constitution, which constitution was ratified and adopted by the people of said Territory at an election held thereof on the first Tuesday in November 1899, which constitution is republican in form and is in conformity with the Constitution of the United States; and

"Whereas said convention of the people of said Territory have asked the admission of said Territory into the Union of States on an equal footing with the original States in all respects whatever: Therefore

"SECTION 1. The State of Wyoming is hereby declared to be a State of the United States of America, and is hereby declared admitted into the Union on an equal footing with the original States in all respects whatever; and that the constitution which the people of Wyoming have formed for themselves be. and the same is hereby accepted, ratified, and confirmed."

7–10. NORTH DAKOTA, SOUTH DAKOTA, MONTANA, AND WASHINGTON

The act of February 22, 1889 (25 Stat. 676 and 679)

"SECTION 1. That the inhabitants of all that part of the area of the United States now constituting the Territories of Dakota, Montana, and Washington, as at present described, may become the States of North Dakota, South Dakota, Montana, and Washington, respectively, as hereinafter provided.

* * * * *

"SEC. 8. * * * and if the constitutions and governments of said proposed States are republican in form, and if all the provisions of this act have been complied with in the formation thereof, it shall be the duty of the President of the United States to issue his proclamation announcing the result of the election in each, and thereupon the proposed States which have adopted constitutions and formed State governments as herein provided shall be deemed admitted by Congress into the Union under and by virtue of this act on an equal footing with the original States from and after the date of said proclamation."

11. COLORADO

The act of March 3, 1875 (18 Stat. 474 and 475)

"SECTION 1. That the inhabitants of the Territory of Colorado included in the boundaries hereinafter described be, and they are hereby authorized to form for themselves, out of said Territory, a State government, with the name of the State of Colorado; which State, when formed, shall be admitted into the Union upon an equal footing with the original States in all respects whatsoever, as hereinafter provided."

* * * * *

"SEC. 5. That in case the constitution and State government shall be formed for the people of said Territory of Colorado, in compliance with the provisions of this act * * *; and if a majority of legal votes shall be cast for said constitution in said proposed State, the said acting governor shall certify the same to the President of the United States, together with a copy of said constitution and ordinances; whereupon it shall be the duty of President of the United States to issue his proclamation declaring the State admitted into the Union on an equal footing with the original States, without any further action whatever on the part of Congress."

12. NEVADA

(*a*) *The act of April 19, 1864 (13 Stat. 47, 48–49)*

"SECTION 1. That the inhabitants of that portion of the Territory of Nevada included in the boundaries hereinafter designated be, and they are hereby, authorized to form for themselves, out of said Territory, a State government, with the name aforesaid, which said State, when formed, shall be admitted into the Union upon an equal footing with the original States, in all respects whatsoever."

* * * * *

"SEC. 5. *And be it further enacted,* that in case a constitution and State government shall be formed for the people of said Territory of Nevada, in compliance with the provisions of this act * * * and if a majority of legal votes shall be cast for said constitution in said proposed State, the said acting governor shall certify the same to the President of the United States, together with a copy of said constitution and ordinances; whereupon it shall be the duty of the President of the United States to issue his proclamation declaring the State admitted into the Union on an equal footing with the original States, without any further action whatever on the part of Congress."

13. NEBRASKA

The act of April 19, 1864 (13 Stat. 47, 48–49)

"SECTION 1. That the inhabitants of that portion of the Territory of Nebraska included in the boundaries hereinafter designated be, and they are hereby, authorized to form for themselves a constitution and State government, with the name aforesaid, which State, when so formed, shall be admitted to the Union as hereinafter provided."

* * * * *

"SEC. 5. *And be it further enacted,* that in case a constitution and State government shall be formed for the people of said Territory of Nebraska in compliance with the provisions of this act * * * and if a majority of legal votes shall be cast for said constitution in said proposed State, the said acting governor shall certify the same to the President of the United States, together with a copy of said constitution and ordinances; whereupon it shall be the duty of the President of the United States to issue his proclamation declaring the State admitted into the Union on an equal footing with the original States, without any further action whatever on the part of Congress."

NOTE.—President Andrew Johnson returned to the Senate unsigned and with his objections thereto the original Nebraska enabling acts; thereupon the Senate on February 8, 1867 passed, two-thirds of the Senate agreeing, thereto, an Admission Act for the State of Nebraska; on February 9, 1867, the House, in turn, two-thirds of the Members agreeing, passed the—

(*b*) *Act of February 9, 1867 (14 Stat. 391)*

"SECTION 1. That the Constitution and State government which the people of Nebraska have formed for themselves be, and the same is hereby, accepted, ratified, and confirmed, and that the said State of Nebraska shall be, and is hereby declared to be, one of the United States of America, and is hereby admitted into the Union upon an equal footing with the original States in all respects whatsoever."

* * * * *

"SEC. 3. *And be it further enacted,* That this act shall not take effect except upon the fundamental condition that within the State of Nebraska there shall be no denial of the elective franchise, or of any other right, to any person, by reason of race or color, excepting Indians not taxed; and upon the further fundamental condition that the legislature of said State, by a solemn public act, shall declare the assent of said State to the said fundamental condition and shall transmit to the President of the United States an authentic copy of said act; upon receipt thereof thhe President, by proclamation, shall forthwith announce the fact, whereupon said fundamental condition shall be held as a part of the organic law of the State; and thereupon, and without any further proceeding on the part of Congress, the admission of said State into the Union shall be considered as complete. Said State legislature shall be convened by the Territorial governor within 30 days after the passage of this act, to act upon the condition submitted herein."

14. WEST VIRGINIA

The act of December 13, 1862 (12 Stat. 633–634)

(From preamble)

"Whereas the people inhabiting that portion of Virginia known as West Virginia, did, * * * frame for themselves the constitution * * * and whereas * * * the said constitution was approved and adopted * * * and whereas the Legislature of Virginia * * * did give its consent to the formation of a new State within the jurisdiction of the said State of Virginia, to be known by the name of West Virginia * * * and whereas both the convention and the legislature aforesaid have requested that the new State should be admitted into the Union, and the constitution aforesaid being republican in form, Congress doth hereby consent that the said 48 counties may be formed into a separate and independent State. Therefore—

"SECTION 1. The State of West Virginia be, and is hereby, declared to be one of the United States of America, and admitted into the Union on an equal footing with the original States in all respects whatever * * *: *Provided,* Always that this act shall not take effect until after the proclamation of the President of the United States hereinafter provided for.

* * * * *

[NOTE.—The second paragraph of this Admission Act contained the language of a proposed change in the Constitution of the State of West Virginia having to do with the status of slaves and the children of slaves.]

"SEC. 2. *Be it further enacted,* That whenever the people of West Virginia shall, through their said convention, * * * ratify the change aforesaid, * * * it shall be lawful for the President of the United States to issue a proclamation stating the fact, and thereupon this act shall take effect and be in force from and after 60 days from the date of said proclamation."

[NOTE.—On April 20, 1863, President Abraham Lincoln, in pursuance of the authority vested in him by the act of December 31, 1862, upon finding "proof of a compliance with that condition" described in the 1862 act did declare the 1862 act effective and in force from and after 60 days from April 20, 1863.]

15. KANSAS

The act of January 29, 1861 (12 Stat. 126–127)

(From preamble)

"Whereas the people of the Territory of Kansas * * * did form for themselves a constitution and State government, republican in form, which was ratified and adopted by the people * * * and the said convention has, in their name and behalf, asked the Congress of the United States to admit the said Territory into the Union as a State on an equal footing with the other States: Therefore

"SECTION 1. The State of Kansas shall be, and is hereby declared to be, one of the United States of America, and admitted into the Union on an equal footing with the original States, in all respects.

* * * * *

16. OREGON

The act of February 14, 1859 (11 Stat. 683)

(From preamble)

"Whereas the people of Oregon have framed, ratified, and adopted a constitution of State government which is republican in form, and in conformity with the Constitution of the United States, and have applied for admission into the Union on an equal footing with the other States: Therefore—

"SECTION 1. Oregon be, and she is hereby, received into the Union on an equal footing with the other States in all respects whatever, with the following boundaries * * *."

17. MINNESOTA

(a) *The act of February 26, 1857 (11 Stat. 166)*

"SECTION 1. The inhabitants of that portion of the Territory of Minnesota which is embraced within the following limitation, * * * be and they are hereby authorized to form for themselves a constitution and a State government, by the name of the State of Minnesota, and to come into the Union on an equal footing with the original States, according to the Federal Constitution."

* * * * *

(b) *The act of May 11, 1858 (11 Stat. 285)*

(From preamble)

"Whereas * * * the people of said Territory (Minnesota) did, * * * form for themselves a constitution and State government, which is republican in form, and was ratified and adopted by the people * * * for that purpose: therefore

"SECTION 1. The State of Minnesota shall be one, and is hereby declared to be one, of the United States of America, and admitted into the Union on an equal footing with the original States in all respects whatever."

18. CALIFORNIA

The act of September 9, 1850 (9 Stat. 452–453)

(From preamble)

Whereas the people of California have prepared a constitution and asked admission into the Union, which constitution was submitted to Congress by the President of the United States, by message dated February 13, 1850, and which, on due examination, is found to be republican in its form of government.

"SECTION 1. The State of California shall be one, and is hereby declared to be one, of the United States of America, and admitted into the Union on an equal footing with the original States in all respects whatever."

* * * * *

"SEC. 3. * * * *Provided,* That nothing herein contained shall be construed as recognizing or rejecting the propositions tendered by the people of California as articles of compact in the ordinance adopted by the convention which formed the constitution of that State.

19. WISCONSIN

(a) *The act of August 6, 1846 (9 Stat. 56)*

"SEC. 1. The people of the Territory of Wisconsin be, and they are hereby authorized to form a constitution and State government, for the purpose of being admitted into the Union on an equal footing with the original States in all respects whatsoever, by name of the State of Wisconsin, with the following boundaries, * * *."

(b) *The act of May 29, 1848 (9 Stat. 233)*

(From preamble)

Whereas the people of the territory of Wisconsin did, * * * form for themselves a constitution and State government, which said constitution is republican, and said convention having asked the admission of said Territory into the Union as a State, on an equal footing with the original State:

"SEC. 1. The State of Wisconsin be, and is hereby, admitted to be one of the United States of America, and is hereby admitted into the Union on an equal footing with the original States in all respects whatever * * *."

20–21. FLORIDA AND IOWA

(a) *The act of March 3, 1845 (5 Stat. 742–743)*

(From preamble)

Whereas the people of the Territory of Iowa did, * * * form for themselves a constitution and State government; and whereas, the people of the Territory of Florida did, in like manner, * * * form for themselves a constitution and State government, both of which said constitutions are republican; and said conventions having asked the admission of their respective Territories into the Union as States, on equal footing with the original States;

"SECTION 1. The States of Iowa and Florida be, and the same are hereby, declared to be States of the United States of America, and are hereby admitted into the Union on equal footing with the original States in all respects whatsoever."

* * * * *

"SEC. 7. * * * *Provided,* That the ordinance of the convention that formed the constitution of Iowa, and which is appended to the said constitution, shall not be deemed or taken to have any effect or validity, or to be recognized as in any manner obligatory upon the Government of the United States."

IOWA

(Subsequent act)

(b) *The act of December 28, 1846 (9 Stat. 117)*

(From preamble)

"Whereas the people of the Territory of Iowa did, * * * form for themselves a constitution and State government—which constitution is republican in its character and features—and said convention has asked admission of said Territory into the Union as a State, on an equal footing with the original States * * *: Therefore—

"SECTION 1. The State of Iowa shall be one, and is hereby declared to be one, of the United States of America, and admitted into the Union on an equal footing with the original States in all respects whatsoever."

22. TEXAS

(a) *Act of March 1, 1845 (5 Stat. 797–798)*

(Joint resolution for annexing Texas to the United States)

"SECTION 1. Congress doth consent that the Territory properly included within, and rightfully belonging to the Republic of Texas, may be erected into a new State, to be called the State of Texas, with a republican form of government to be adopted by the people of said republic, by deputies in convention assembled, with the consent of the existing government, in order that the same may be admitted as one of the States of this Union."

"SEC. 2. *And be it further resolved,* That the foregoing consent of Congress is given upon the following conditions, and with the following guaranties, to wit: First, * * * and the constitution thereof, with the proper evidence of its adoption by the people of said Republic of Texas, shall be transmitted to the President of the United States, to be laid before Congress for its final action on or before the first day of January 1846. * * * Third. New States, of convenient size, not exceeding four in number, in addition to said State of Texas, and having sufficient population, may hereafter, by the consent of said State, be formed out of the Territory thereof, which shall be entitled to admission under the provisions of the Federal constitution. * * *"

"SEC. 3. *And be it further resolved,* That if the President of the United States shall in his judgment and discretion deem it most advisable, instead of submitting the foregoing resolution to the Republic of Texas, as an overture on the part of the United States for admission, to negotiate with that Republic; then be it

"Resolved, That a State, to be formed out of the present Republic of Texas, * * * shall be admitted into the Union by virtue of this act, on an equal footing with the existing States, as soon as the terms and conditions of such admission, and the cession of the remaining of Texan territory to the United States shall be agreed upon by the Governments of Texas and the United States: And, that the sum of $100,000 be, and the same is hereby, appropriated to defray the expenses of missions and negotiations, to agree upon the terms of admission and cession, either by treaty to be submitted to the Senate, or by articles to be submitted by the two Houses of Congress, as the President may direct."

(b) *The act of December 29, 1845 (9 Stat. 108)*

(From preamble of joint resolution)

"Whereas the Congress of the United States * * * did consent that the territory properly included within, and rightfully belonging to, the Republic of Texas, might be erected into a new State, to be called 'The State of Texas,' with a republican form of government, to be adopted by the people of said republic, * * * with the consent of the existing government, in order that the same might be admitted as one of the States of the Union; * * * and whereas the people of the said Republic of Texas, * * * did adopt a constitution, and erect a new State with a republican form of government * * * and whereas the said constitution, with the proper evidence of its adoption by the people of the Republic of Texas has been transmitted to the President of the United States and laid before Congress, in conformity to the provisions of said joint resolution: Therefore—

"SECTION 1. The State of Texas shall be one, and is hereby declared to be one, of the United States of America, and admitted into

the Union on an equal footing with the original States in all respects whatever."

23. MICHIGAN

(a) *The act of June 15, 1836 (5 Stat. 49–50)*

* * * * *

"SEC. 2. *And be it further enacted,* That the constitution and State government which the people of Michigan have formed for themselves be, and the same is hereby, accepted, ratified, and confirmed; and that the said State of Michigan shall be, and is hereby, declared to be one of the United States of America, and is hereby admitted into the Union upon an equal footing with the original States in all respects whatsoever * * *."

[NOTE.—There is omitted here quotation of language in a proviso of section 2 which constitutes an express condition precedent to admission of recognition by the proposed State of the boundaries as described therein.]

"SEC. 3. *And be it further enacted,* That, as a compliance with the fundamental condition of admission contained in the last preceding section of this act, the boundaries of the said State of Michigan, as in that section described, declared, and established, shall receive the assent of a convention of delegates elected by the people of the said State, for the sole purpose of giving the assent herein required; and as soon as the assent herein required shall be given, the President of the United States shall announce the same by proclamation; and thereupon, and without any further proceedings on the part of Congress, the admission of the said State into the Union as one of the United States of America, on an equal footing with the original States in all respects whatever shall be considered as complete, * * *."

(b) *The act of January 26, 1837 (5 Stat. 144)*

(From preamble)

"Whereas, in pursuance of the act of Congress of June 18, 1836. * * * a convention of delegates. * * * did, on the 15th of December 1836 assent to the provisions of said act, therefore:

"SECTION 1. The State of Michigan shall be one, and is hereby declared to be one, of the United States of America, and admitted into the Union on an equal footing with the original States, in all respects whatever."

24. ARKANSAS

The act of June 15, 1836 (5 Stat. 50, 51–52)

(From preamble)

"Whereas, the people of the Territory of Arkansas, did, * * * form for themselves a constitution and State government, which constitution and State government, so formed is republican: * * * and the said convention have in their behalf, asked the Congress of the United States to admit the said Territory into the Union as a State, on an equal footing with the original States:

"SECTION 1. The State of Arkansas shall be one, and is hereby declared to be one of the United States of America, and admitted into the Union on an equal footing with the original States in all respects whatever * * *."

* * * * *

"SEC. 8. *And be it further enacted,* * * * nothing in this act shall be construed as an assent by Congress to all or to any of the propositions contained in the ordinance of the said convention of the people of Arkansas, * * *."

25. MISSOURI

(a) *The act of March 6, 1820 (3 Stat. 545, 546–547, 548)*

"SECTION 1. The inhabitants of that portion of the Missouri territory included within the boundaries hereinafter designated, be, and they are hereby, authorized to form for themselves a constitution and State government, and to assume such name as they shall deem proper; and the said State, when formed, shall be admitted into the Union, upon an equal footing with the original States, in all respects whatsoever."

* * * * *

"SEC. 4. *And be it further enacted,* * * * and (the convention) shall then form * * * a constitution and State government: *Provided,* That the same, whenever formed, shall be republican and not repugnant to the Constitution of the United States; * * * ."

* * * * *

"SEC. 7. *And be it further enacted,* That in case a constitution and State government shall be formed for the people of said Territory of Missouri, the said convention or representative, as soon thereafter as may be, shall cause a true and attested copy of such constitution, or frame of State government, as shall be formed or provided, to be transmitted to Congress."

* * * * *

(b) *The act of March 2, 1821 (3 Stat. 645)*

"*Resolved* * * * that Missouri shall be admitted into this Union on an equal footing with the original States, in all respects whatever, upon the fundamental condition, that the 4th clause of the 26th section of the third article of the constitution submitted on the part of said State to Congress, shall never be construed to authorize the passage of any law, and that no law shall be passed in conformity thereto, by which any citizens, or either of the States in this Union, shall be excluded from the enjoyment of any of the privileges and immunities to which such citizen is entitled under the Constitution of the United States: *Provided,* That the legislature of said State by a solemn public act, shall declare the assent of said State of the said fundamental condition, and shall transmit to the President of the United States, on or before the fourth Monday in November next, an authentic copy of the said act; upon the receipt whereof, the President, by proclamation, shall announce the fact; whereupon, and without any further proceeding on the part of Congress, the admission of the said State into this Union shall be considered as complete."

26. MAINE

The act of March 3, 1820 (3 Stat. 544)

(From preamble)

"Whereas by an act of the State of Massachusetts, passed on the 19th day of June, in the year 1819, entitled 'an act relating to the separation of the district of Maine from Massachusetts proper, and forming the same into a separate and independent State, the people of that part of Massachusetts heretofore known as the district of Maine, did, with the consent of the legislature of said State of Massachusetts, form themselves into an independent State, and did establish a constitution for the government of the same, agreeably to the provisions of said act— Therefore,

"SECTION 1. That from and after the 15th day of March, in the year 1820, the State of Maine is hereby declared to be one of the United States of America, and admitted into the Union on an equal footing with the original States, in all respects whatever."

27. ALABAMA

(a) *The act of March 2, 1819 (3 Stat. 489–492)*

"SECTION 1. The inhabitants of the territory of Alabama be, and they are hereby, authorized to form for themselves a constitution and State government, and to assume such name as they may deem proper; and that the said territory when formed into a State, shall be admitted into the Union, upon the same footing with the original States, in all respects whatever."

* * * * *

"SEC. 9. *And be it further enacted,* that, in case the said convention shall form a constitution and State government for the people of the territory of Alabama, the said convention, as soon thereafter as may be, shall cause a true and attested copy of such constitution or frame of government as shall be formed or provided, to be transmitted to Congress, for its approbation."

(b) *The act of December 14, 1819 (3 Stat. 608)*

(From preamble of resolution of admission)

"Whereas * * * the people of the Alabama territory * * * did * * * form for themselves a constitution and State government, which constitution and State government, so formed, is republican, and in conformity to the principles of the articles of the compact between the original States and the people and States in the territory northwest of the river Ohio, passed on the 13th day of July 1787, as far as the same have been extended to the said territory, by the articles of agreement betwen the United States and the State of Georgia:—

"*Resolved* * * * the State of Alabama shall be one, and is hereby declared to be one, of the United States of America, and admitted into the Union on an equal footing with the original States, in all respects whatever."

28. ILLINOIS

The act of April 18, 1818 (3 Stat. 428–430)

"SECTION 1. The inhabitants of the territory of Illinois be, and they are hereby, authorized to form for themselves a constitution and State government, and to assume such name as they shall deem proper; and the said State, when formed shall be admitted into the Union upon the same footing with the original States, in all respects whatever."

* * * * *

"SEC. 4. *And be it further enacted,* * * * said representatives * * * shall then form for the people of said Territory a constitution and State government: *Provided,* That the same, whenever formed, shall be republican and not repugnant to the ordinance of the 13th of July, 1787, between the original States and the people and States of the Territory northwest of the river Ohio; excepting so much of said articles as relate to the boundaries of the State therein to be formed: *And provided also,* That it shall appear * * * that there are, within the proposed State, not less than 40,000 inhabitants."

29. MISSISSIPPI

(a) *The act of March 1, 1817 (3 Stat. 348–349)*

"SECTION 1. The inhabitants of the western part of the Mississippi Territory be, and they hereby are, authorized to form for themselves a constitution and State government, and to assume such name as they shall deem proper; and the said State, when formed, shall be admitted into the Union upon the same footing with the original States, in all respects whatever."

* * * * *

"SEC. 4. * * * members of the (constitutional) convention * * * when met, shall first determine, * * * whether it be or be not expedient * * to form a constitution * * * and if it be determined to be expedient, the convention shall be, and hereby are, authorized to form a constitution and State government: *Provided,* That the same, when formed, shall be republican, and not repugnant to the principles of the ordinance of the 13th of July, 1787, between the people and States of the territory northwest of the river Ohio, so far as the same has been extended to the said territory by the articles of agreement between the United States and the State of Georgia, or of the Constitution of the United States: * * *."

(b) *The act of December 10, 1817 (43 Stat. 474, 473)*

(From preamble of resolution)

Whereas * * * the people of the western part of the Mississippi Territory * * * did * * * form for themselves a constitution and State government, which constitution and State government so formed, is republican, and in conformity to the principles of the articles of compact between the original States and the people and States in the territory northwest of the river Ohio, passed on the 13th day of July, 1787.

"Resolved * * * the State of Mississippi shall be one, and is hereby declared to be one, of the United States of America, and admitted into the Union on an equal footing with the original States, in all respects whatever."

30. INDIANA

(a) *The act of April 19, 1816 (3 Stat. 289–290)*

"SECTION 1. The inhabitants of the territory of Indiana be, and they are hereby authorized to form for themselves a constitution and State government, and to assume such name as they shall deem proper; and the said State, when formed, shall be admitted into the union upon the same footing with the original States, in all respects whatever."

* * * * *

"SEC. 4. * * * members of the (constitutional) convention * * * when met, shall first determine, * * * whether it be, or be not expedient, at that time, to form a constitution and State government * * * *Provided,* That the same, whenever formed, shall be republican, and not repugnant to those articles of the ordinance of the 13th of July, 1787, which are declared to be irrevocable between the original States, and the people and States of the territory northwest of the river Ohio; excepting so much of said articles as relate to the boundaries of the States therein to be formed."

* * * * *

(b) *The act of December 11, 1816 (3 Stat.) 399–400*

(From preamble of resolution)

"Whereas * * * the people of said territory did * * * form for themselves a constitution and State government, which constitution and State government, so formed, is republican, and in conformity with the principles of the articles of compact between the original States and the people and States in the territory northwest of the river Ohio, passed on the 13th day of July, 1787.

"SECTION 1. *Resolved,* The State of Indiana shall be one, and is hereby declared to be one, of the United States of America, and admitted into the union on an equal footing with the original States, in all respects whatever."

31. LOUISIANA

The act of February 20, 1811 (2 Stat. 641–643)

"SECTION 1. The inhabitants of that part of the territory or country ceded under the name of Louisiana, by the treaty made at Paris on the 13th day of April, 1803, between the United States and France * * * be, and they are hereby authorized to form for themselves a constitution and State government and to assume such name as they deem proper, under the provisions and upon the conditions hereinafter mentioned."

* * * * *

"SEC. 4. *And be it further enacted,* That in case the (constitutional) convention shall declare its assent, in behalf of the people of said Territory, to the adoption of the Constitution of the United States, and shall form a constitution and state government for the people of said Territory of Orleans, the said convention, as soon thereafter as may be, is hereby required to cause to be transmitted to Congress the instrument, by which its assent to the Constitution of the United States is thus given and declared, and also a true and attested copy of such constitution or frame of State government, as shall be formed and provided by said convention, and if the same shall not be disapproved by Congress, at their next session after the receipt thereof, the said State shall be admitted into the Union, upon the same footing with the original States."

* * * * *

"SEC. 3. * * * members of the (constitutional) convention * * * when met, shall first determine * * * whether it be expedient or not, at that time, to form a constitution and State government, for the people of said Territory: *Provided,* That the constitution to be formed, in virtue of the authority herein given, shall be republican, and consistent with the Constitution of the United States; that it shall contain the fundamental principles of civil and religious liberty * * *;" (further stipulated requirements as to language, habeas corpus, etc.).

32. OHIO

(a) *The act of April 30, 1802 (2 Stat. 173–174)*

"SECTION 1. The inhabitants of the eastern division of the Territory northwest of the river Ohio, be, and they are hereby authorized to form for themselves a constitution and State government, and to assume such name as they shall deem proper, and the said State, when formed, shall be admitted into the Union, upon the same footing with the original States, in all respects whatever."

* * * * *

"SEC. 5. *And be it further enacted,* That the members of the (constitutional) convention * * * shall form for the people of said State, a constitution and State government; *provided* the same shall be republican, and not repugnant to the ordinance of the 13th of July 1787, between the original States and the people and States of the territory northwest of the river Ohio."

* * * * *

(b) *The act of February 19, 1803 (2 Stat. 201)*

(From preamble of the act

"Whereas, the people of the eastern division of the territory northwest of the river Ohio, did (on November 29, 1802) * * * form for themselves a constitution and State government, and did give to the said State the name of the 'State of Ohio' * * * whereby the said State has become one of the United States of America; * * *."

* * * * *

"SECTION 1. All the laws of the United States which are not locally inapplicable, shall have the same force and effect with the said State of Ohio, as elsewhere within the United States."

(c) *The act of August 7, 1953 (67 Stat. 407)*

"Whereas, in pursuance of an act of Congress, passed on the 30th day of April 1802, entitled 'An act to enable the people of the eastern division of the territory northwest of the river Ohio to form a constitution and State government, and for the admission of such State into the Union, on an equal footing with the original States, and for other purposes,' the people of the said territory did, on the 29th day of November 1802, by a convention called for that purpose, form for themselves a constitution and State government, which constitution and State government, so formed is republican, and in conformity to the principles of the articles of compact between the original States and the people and States in the territory northwest of the river Ohio, passed on the 13th day of July 1787: "Therefore, be it

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the State of Ohio, shall be one, and is hereby declared to be one, of the United States of America, and is admitted into the Union on an equal footing with the original States, in all respects whatever.

"SEC. 2. This joint resolution shall take effect as of March 1, 1803."

33. TENNESSEE

The act of June 1, 1796 (1 Stat. 491–492)

(From preamble)

"Whereas by the acceptance of the deed of cession of the site of North Carolina, Congress are bound to lay out into one or more States, the Territory thereby ceded to the United States:

"Be it enacted, etc.: The whole of the territory ceded to the United States by the State of North Carolina, shall be one State, and the same is hereby declared to be one of the United States of America, on an equal footing with the original States, in all respects whatever, by the name and title of the State of Tennessee. That until the next general census, the said State of Tennessee shall be entitled to one Representative in the House of Representatives of the United States; and in all other respects, as far as they may be applicable, the laws of the United States shall extend to, and have force in the State of Tennessee, in the same manner, as if that State had originally been one of the United States."

34. VERMONT

The act of February 18, 1791 (1 Stat. 191)

(In its entirety)

The State of Vermont having petitioned the Congress to be admitted a member of the United States, *Be it enacted (etc.)*

"On the 4th day of March, 1791, the said State, by the name and style of 'The State of Vermont,' shall be received and admitted into the Union, as a new and entire member of the United States of America."

35. KENTUCKY

(*The act of February 4, 1791 (Stat. 189)*)

(From preamble of act)

"Whereas the legislature of the commonwealth of Virginia, by an act entitled 'An act concerning the erection of the district of Kentucky into an independent State,' passed the 18th day of December, 1789, have consented, that the district of Kentucky, within the jurisdiction of the said commonwealth, and according to its actual boundaries at the time of passing the act aforesaid, should be formed into a new State: And whereas a convention of delegates, chosen by the people of the said district of Kentucky, have petitioned Congress to consent, that, on the 1st day of June, 1792, the said district should be formed into a new State, and received into the Union, by the name of 'The State of Kentucky.'

"SECTION 1. The Congress doth consent, that the said district of Kentucky, within the jurisdiction of commonwealth of Virginia * * * shall, upon the 1st day of June, 1792, be formed into a new State, separate from and independent of, said commonwealth of Virginia.

"SEC. 2. And be it further enacted and declared, that upon the aforesaid 1st day of June, 1792, the said new State, by the name and style of the State of Kentucky, shall be received and admitted into this Union, as a new and entire member of the United States of America."

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

Mr. SAYLOR. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, there is an abundance of clearly evident justification for admitting Alaska to the Union of States, while there are but few if any, truly valid arguments against such a course.

The same arguments which are being used in opposing the admission of Alaska to the Union were made against admitting many of our great States. However, it soon became evident that the admission of these States to the Union made us a stronger member of the world of nations.

It is not my intention at this time to discuss the details of Alaska's plea for statehood. In my own opinion the merits have already been established and, I trust, well known by a majority of the Members of this House.

As my colleagues know, I am from one of the southernmost States of the Union, the State of Louisiana. I believe that 90 percent of those whom I have the honor to represent in the Congress would support my petition to the cause for statehood for Alaska.

Mr. Chairman, inasmuch as I am fresh from a meeting of the Foreign Operations Subcommittee on Appropriations now *handling* our leaders' request for funds for some 70 of the other 86 nations of the world, I think it is appropriate to mention at this time the assistance we have rendered in helping to create new nations. Is it not true that the record is abundantly clear that this great country of yours and mine has helped to create and bring into being a total of 22 new nations since the end of World War II?

In this year's budget there are requests for tens of millions of dollars for the support of these nations which we are pledged to support with our life and resources.

Mr. Chairman, can we, in good conscience, continue to help bring into being new and fully independent nations, whose people enjoy first-class citizenship, and decline to do less for our own patriotic fellow Americans in Alaska?

A majority of the American people know that Alaskans are Americans, subject to the laws of our land, taxation, and conscription, yet they are without the same class of citizenship that we enjoy in the 48 States. By denying statehood to Alaska, whose people so well deserve the status afforded Americans by the Constitution, we have surely been showing a poor example of our own democracy at work to the remainder of the free world, and especially to the new nations which we have been instrumental in creating and are presently supporting politically, economically, and militarily.

But beyond this, is it not of vital importance to us here in America that we act with justice toward our own fellow Americans in Alaska?

Mr. Chairman, why should not people of the other nations of the world. including leaders as well as the masses, have a right to question our sincerity, our aim, and our doctrine when the record is so abundantly clear that we have not acted with the same justice toward our own fellow Americans in Alaska as toward citizens of other nations?

It has been my honor to represent the Fifth Congressional District of Louisiana in the Congress for 12 years, and I have steadfastly supported statehood for Alaska, and I have confidence that, at this time, the Congress in its wisdom will grant statehood to Alaska, and such an act on the part of the Congress would lessen the suspicion toward this country by many other nations of the world that we are insincere in that the record is clear that we promised to make available our resources or military might to help give them privileges that we deny our fellow Americans in Alaska. It would appear that we should either be consistent with the type of doctrine that we advocate and that, if we cannot be consistent by bringing Alaska into the Union of States, then it would be wise, no doubt, to change our foreign policy—because certainly the two positions presently in force—one treatment to foreign nations; one to our Americans in Alaska—certainly conflict one with the other.

In conclusion, Mr. Chairman, I have been in Alaska many, many times. They are fine, loyal, sincere Americans who deserve immediate statehood.

Mr. Chairman, I want to thank the gentleman from Pennsylvania [Mr. SAYLOR] for yielding, to give me this opportunity to express my personal views.

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

Mr. SAYLOR. I yield to the Delegate from Alaska.

Mr. BARTLETT. Mr. Chairman, I should like to thank the gentleman from Louisiana [Mr. PASSMAN] for his most effective remarks and to congratulate my friend from Pennsylvania [Mr. SAYLOR] for his hard-hitting, factual speech.

I hope every Member of this House who did not have the opportunity to hear it will read it in tomorrow's RECORD, because no one can read what he has had to say can be longer impressed with these allegations and accusations of giveaway in the bill now before us.

In that connection, may I ask the gentleman just one question. I ask him this because I know he has not been a blind partisan of Alaska statehood. He has insisted always that facts be developed before he would take a position.

There are reports going around that actually in Alaska there is a considerable Communist influence. Would the gentleman care to comment on that?

Mr. SAYLOR. I would be happy to comment on that. The reports I have gotten from the Federal Bureau of Investigation are that as far as the Territory of Alaska is concerned, its reputation in regard to communism is better than any one of the 48 States.

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

Mr. SAYLOR. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is not a rumor rather than an outright statement being made so that Members can hear it? It is just a rumor being circulated around to affect the passage of the bill.

Mr. SAYLOR. That is correct.

Mr. Chairman, statehood is not, should not, and cannot be a partisan issue.

Never before has the cause of statehood for these two great Territories aroused so much public interest. National TV programs have devoted time to exploring the issues involved, national magazines and newspapers from all corners of the Nation have editorialized on the subject. We should have responded to the wishes of the people long ago. The time has passed for high-sounding speeches—we want action.

On March 29 I asked the Members of this body, "How long does it take the Congress to respond to the will of the people?" A recent Gallup poll showed that the people of this Nation want Alaska admitted as a State by a margin of 12 to 1. What more do we need?

You ask who is in favor of statehood. I have been authorized by the Secretary of the Interior, the Honorable Fred Seaton, to say to the Members of the House that yesterday he had a conference with the President, and President Eisenhower said that he was in favor of H. R. 7999, a bill providing for the admission of Alaska to statehood, in its present form. The Secretary of the Interior is for it, the speaker of the House of Representatives is for it, and both parties have pledged statehood for Alaska in their platforms. The American people, I think, are ahead of Congress.

In closing, let me make this statement: Seventy-three percent of the persons questioned in a recent Gallup poll favored immediate statehood for Alaska. A pledge of statehood is in the political platforms of both parties. The President of the United States and Secretary of the Interior Seaton have spoken earnestly in behalf of statehood. The people of Alaska have voted overwhelmingly for statehood in approving their constitution. Here is a clear instance in which Congress has lagged far behind public opinion.

No new arguments are necessary to justify Alaskan statehood. On grounds of preparation, population, and ability to manage its own affairs, Alaska qualifies fully. Admission of Alaska to the Union would result in no lasting partisan gain to either party; but a successful joint effort would redound greatly to the credit of both parties and to the citizens of the United States in their dealings at home and abroad.

Let the world see that as Americans we practice what we ask others to do.

To grant to all our citizens in incorporated Territories equal rights under our Constitution.

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

Mr. SAYLOR. I am happy to yield to the gentleman from Colorado.

Mr. ASPINALL. I wish to take this opportunity to join with the Delegate from Alaska in congratulating our good friend, the gentleman from Pennsylvania [Mr. SAYLOR] for his work in behalf of statehood for Alaska. As I know the record of the gentleman from Pennsylvania [Mr. SAYLOR] on the question of statehood, it is as follows: Ever since the gentleman came from his Congressional District in the State of Pennsylvania to the Congress, he has been one of the most consistent friends Alaska has had, and I might also say that Hawaii has had in their quest for statehood. He has gone about it a little bit differently than many of us have done because he, like the gentleman from New York [Mr. O'BRIEN] has spent hours, weeks, and months

studying the problems. He certainly knows the subject of which he speaks, and I compliment him on the work that he has done in behalf of statehood for Alaska.

Mr. SAYLOR. I thank the gentleman.

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

Mr. SAYLOR. I am happy to yield to the gentleman.

Mr. PILLION. I, too, would like to add my compliments to the gentleman for his very fine statement on this subject. There has been some talk and considerable controversy concerning the question of discrimination in the field of transportation against the Territory of Alaska. I have here a figure showing that the taxpayers of this country have invested in the Alaskan railway a net amount of $130 million. Is there any other State or territory or area of this country that has the benefit of a railroad in which the investment is made solely by the people of this country?

Mr. SAYLOR. I am not able to answer the gentleman's question affirmatively or negatively as to railroads, but I might point this out to the gentleman that this year we have appropriated over $500 million to CAA alone. There is probably no other section under the American flag that has produced so much revenue for the coffers of the Treasury of the United States as has the Territory of Alaska. It was referred to when the original purchase was made as Seward's folly, but it has since developed not to be a matter of folly, but a monument to the real wisdom of that great Secretary of State. I want to say in dollars and cents the Territory of Alaska has produced untold millions of dollars, and if the United States puts back a few dollars into this Territory, we are only returning a little bit of the money that we have taken out of that great Territory.

Mr. PILLION. Will the gentleman yield for a further question?

Mr. SAYLOR. I am happy to yield to the gentleman.

Mr. PILLION. The annual return to the Federal Government from Alaska is in the neighborhood of $45 million a year, and year after year, outside of the defense expenditures, the payments and Federal aid going to Alaska have amounted to more than $100 million a year; is that not true?

Mr. SAYLOR. No; that is not correct. I am sorry to have to disagree with the gentleman.

Mr. PILLION. In connection with the Alcan Highway which was constructed at a cost of about $95 million without any contributions by Alaska. Is there any other area that has received such treatment?

Mr. SAYLOR. The Alcan Highway was built for military purposes and as a matter of national defense of this country. Certainly, I would not expect anybody to try to charge to the Territory of Alaska the cost of a highway that was built for our national defense and principally across our neighbor to the north of us, Canada.

Mr. PILLION. I thank the gentleman.

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

Mr. SAYLOR. I am happy to yield to the gentleman.

Mr. PRICE. I commend the gentleman from Pennsylvania for his very enlightening and forceful statement in support of this legislation. I am in full accord with the statement he has made. I support this legislation and hope the House will adopt the bill.

Mr. Chairman, it can be conceded, I suggest, that the people of Alaska have done everything in their power to prove that they are fit for full citizenship and that their Territory is fit for full statehood in the sistership of the States of our Union. Our problem is to take the generous, affirmative step that only we in the Congress can take—the affirmative action that will admit Alaska.

We cannot seriously believe that the distance from Alaska to the main body of our continental mainland is so great, her land area so remote, that she does not properly fit in. A century and a half ago it was farther, in time from New York to Philadelphia, infinitely farther from Boston to Charleston, than from Alaska to Washington today. Alaska is closer to our heartland than the trans-Appalachian States were to the seaboard States when the first Thirteen granted statehood to Territories of the Middle West. She is closer than California and Oregon, before the transcontinental railroads, at the time those Pacific Coast States were admitted.

A special problem, obviously, exists in regard to the defense of both Alaska and the Nation because of the Territory's location. But when could it be argued that an area became less defensible when her people were admitted to full partnership with other Americans? The bill before us protects the national interest adequately by providing that referendums on lands and reservation must be approved by Alaska's people before statehood can become effective.

There is no partisan issue here, Mr. Chairman. Both party platforms in 1956 urged the Congress to grant statehood. Our people have expressed themselves in public-opinion polls as overwhelmingly in favor of statehood.

Alaska has served an apprenticeship of 91 years. As her spokesmen point out, this is more than twice the average waiting period served in a dependent status by the present States. She has been an organized Territory for 45 years—again more than twice the period of tutelage for the present States.

Her present population of nearly 220,000 is larger than the population of 15 States when they became full members in our Union. She has achieved this growth despite distant control and frequently onerous circumstances that have deprived her of the chance to show what her people could do on their own to attract new population.

Alaska has shown a remarkable capacity to operate stable instruments of government. Her tax system supports the functions of the Territorial Government. She has the social security programs, the educational systems, the mining and development and conservation programs familiar for responsible governments.

Alaska's people have served and died in America's wars, with the bravery and loyalty shown by other Americans. Her per capita contribution of manpower has been above the national average. Alaskans pay all Federal taxes although they do not share proportionately in all the benefits these taxes support in the 48 States. Alaskans have drafted a constitution, by election of delegates and by ratification of the people, that shows her earnestness in seeking to qualify for statehood. They are ready to elect duly chosen members of the Congress when statehood becomes a fact.

Alaska now pays a penalty for the lack of status as a State. She has no control over her fisheries and minerals, her timber and her water power, comparable to that exercised by the States. The land laws that stimulated settlement of the Midwest have been a deterrent to Alaska. She is not equitably represented in our National Government through the privilege of participating in the presidential elections, through spokesmen in the Congress. She cannot elect her own governor.

Alaska has done her part, Mr. Chairman. Now it is time for us to do ours. It should be this 85th Congress, and not some later one, which takes the constructive forward step of voting admittance of Alaska to the Union.

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

Mr. SAYLOR. I am happy to yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not historically true that millions and millions of dollars in land grants were given to the railroads years ago when the States in the Midwest and the western part of this country were being opened up?

Mr. SAYLOR. That is true.

Mr. CANFIELD. And how many millions of dollars were given no one knows today; is that not correct?

Mr. SAYLOR. That is correct. No one has any idea of the amount of money given to the railroads when the Congress was interested in opening up the great western areas of our country. No one knows how much money this country gave away to the railroads and the country has prospered because we did that.

Mr. SAYLOR. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. COLLIER] may extend his remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. COLLIER. Mr. Chairman, frankly, most of the thoughts I have on this bill were so ably and thoroughly expressed by my subcommittee chairman [Mr. O'BRIEN] and the gentleman from Oklahoma [Mr. EDMONDSON] and the distinguished gentleman from Pennsylvania [Mr. SAYLOR] that I actually could not use more than 5 minutes without being entirely repetitious.

What is more, I do not think there is a great deal to be added one way or the other.

Perhaps if we were to vote on this bill in the next 5 minutes, the outcome would be little different than it would if every Member took the full time to which he is entitled.

During the long committee hearings on this bill and a rehash of the issue involved over the years, we have all been exposed to nearly every angle.

Certainly every argument of the opponents have been explored and there have been reams of facts and figures of every nature including revenue, population problems and the social and political aspects of it.

I do not infer that many of these points are not effective arguments, nor do I question their merit.

But in the final analysis when the smoke clears away, the basic issue is human rights.

That both parties had this rarely disputed statehood plank in its platform is of less importance than the effect the action of this House will have upon millions of people across the face of the globe.

Here is a vast area, as the size of States go, in the center of our northernmost perimeter of defense, an area with a tremendous potential in both human and natural resources.

It is a stepchild which we as a nation are normally obliged to adopt.

The gentleman from Oklahoma yesterday recalled that the original colonists engaged in a revolution 182 years ago as a protest against taxation without representation.

I am not prepared to believe that taxation without representation is less reprehensible today than it was at that time.

If anything, the words should ring more clearly and strongly now.

For all practical purposes the people of Alaska are citizens of the United States.

They are taxpayers of the United States as you and I.

They are expected to abide by the laws of the United States and to serve in the Armed Forces to defend our country against all enemies and they are second-class citizens only because their delegate has only a voice in this House without a vote to back it up.

And in the other body they have neither voice nor vote.

No population deficiency makes this situation morally right.

As for any conflict over resources, we must remember that when the people of any State do well, or enjoy the benefits of those resources, the United States as a whole is the beneficiary, too.

Here, I believe, is an opportunity to show in deed the spirit of America which we have failed to sell through costly and frequently unproductive foreign aid projects.

Mr. BENTLEY. 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 Michigan?

There was no objection.

Mr. BENTLEY. Mr. Chairman, I expect to vote for the passage of legislation which would enable Alaska to become a State of the Union. This represents a change in my thinking since only a few years ago I voted against similar legislation in the House. Further study of this matter, however, has convinced me that my position was incorrect at that time.

Statehood for both Hawaii and Alaska is strongly supported throughout my Congressional District. In my annual Congressional poll for 1956 the question was asked whether Hawaii and Alaska should both be admitted as States and 70.6 percent of those replying answered in the affirmative. Only 9.9 percent were opposed and 19.5 percent had no opinion. It is also well to recall that the 1956 Republican platform adopted at San Francisco stated unanimously: "We pledge immediate statehood for Alaska recognizing the fact that adequate provision for defense requirements must be made * * *." On the basis that Alaska is now ready for statehood and that taxation without representation is historically unfair and un-American, mail from my district has run about three to one in favor of Alaskan statehood.

In this connection, Mr. Chairman, it is interesting to recall that the practice followed by the citizens of Alaska in writing their own State constitution and electing certain provisional officers under it, was the same procedure used by other States in seeking admission to the Union, including my own State of Michigan. At that time, the population of Michigan was roughly 200,000, which is slightly smaller than the presently estimated population of Alaska.

The historic tests for admission to statehood are usually these: (1) That the people of the proposed State are supporters and adherents of democracy and our American way of life; (2) that a majority of the voting population desire statehood; and (3) that the new State's population and resources are such as to be able to support State government and not to be a financial burden on the Federal Government. Without going into detail, Mr. Chairman, information has been furnished me that convinces me that Alaska qualifies for statehood in all three respects. I am, therefore, happy to support this legislation for Alaskan statehood at this time and hope that similar legislation concerning Hawaii will be approved in the near future.

Mr. GWINN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-one Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Allen, Calif.	Clark	Farbstein
Auchincloss	Collier	Fino
Barden	Colmer	Fisher
Bass, Tenn.	Coudert	Granahan
Bates	Curtis, Mass.	Grant
Belcher	Dawson, Ill.	Gregory
Blatnik	Dellay	Gross
Bonner	Dent	Gubser
Boykin	Dies	Haskell
Brooks, La.	Dowdy	Hays, Ark.
Buckley	Durham	Holifield
Burdick	Eberharter	Jarman
Byrnes, Wis.	Edmondson	Jenkins
Carnahan	Engle	Kearney
Christopher	Evins	Kluczynski
Knox	O'Hara, Minn.	Smith, Miss.
Knutson	Powell	Spence
Krueger	Prouty	Steed
Laird	Radwan	Teller
Lennon	Riley	Trimble
Lesinski	Robeson, Va.	Van Pelt
Libonati	Scott, N. C.	Watts
McCarthy	Sheppard	Westland
Machrowicz	Shuford	Willis
Magnuson	Sieminski	Withrow
Morris	Siler	Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, 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. 7999, and finding itself without a quorum, he had directed the roll to be called, when 336 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. ROGERS of Texas. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman is recognized for 1 hour.

Mr. ROGERS of Texas. Mr. Chairman, I want to preface my remarks this afternoon by saying that I do not come here to engage in attacking any personalities. I have known many people from Alaska, I have known many people from Hawaii and many other territorial possessions of this country. I am sure there are Communists in those places, but it has never been my misfortune to meet one of them. The folks I have met have all been good people. I want it distinctly understood that whatever I may say here this afternoon is not intended as an aspersion on any individual who is a patriotic American citizen residing in any of the Territories.

I want to pay especial tribute to the Delegate, the gentleman from Alaska [Mr. BARTLETT], for the fine service he has rendered in this Congress in representing that great Territory, the fine work he has done on the committee. I have watched him with great diligence many times, and he has come through every time in splendid fashion. He is a fine gentleman, and certainly a scholar on legislative matters having to do with the Territory he represents here in the Nation's Congress.

I also want to pay tribute to my good friend, JOHN BURNS, who represents the Territory of Hawaii. It may be said that Hawaii is not before the House this afternoon, but we will take up that question just a little later. At present I want to pay tribute to JOHN BURNS because he has done a wonderful job for Hawaii. I have watched him on the committee and it has been my pleasure to serve with him. He has done an outstanding job, and I am sure the people of Hawaii are proud of him.

I also want to pay tribute to another good friend of mine from Alaska in the person of ex-Governor Gruening, who has done such an outstanding job in working for this particular piece of legislation. He is one of the most patient men I have ever known. He is a grand fellow and a man who tries to reason. He wrote a wonderful book on Alaska and I hope everyone gets a chance to read it.

These are all fine people, and the other people I have known in Alaska and Hawaii are fine people. They have done good jobs in what they have set out to do. But we are not here this afternoon, nor were we here yesterday nor will we be here next week to change the political situation in which this country stands because some person is a nice fellow. If that had been the purpose of this Congress there would have been many changes made in the past in our political history.

I want to try this afternoon to clarify some situations that I think are terribly confused. In the first place, there seems to be a general opinion that when a person introduces a bill in the National Congress for admission of a Territory to statehood the premise from which you should begin is that that bill should pass without any opposition, that no one should say anything about it, and that it should not even be questioned. That no person should be required to prove what is in the bill he is asking this Congress to pass. They simply take the position that the bill has been introduced, therefore it is a good bill and it ought to pass.

I want to go into it a little bit further in what I have to say as to the attitude of so many people taking the position that the premise from which you start is that Alaska or Hawaii or whatever Territory is before this House should be admitted to statehood unless some people can dig up some facts that would prove it should not be admitted to statehood. I think that is the wrong procedure. I think that the people who advocate statehood should make the case by not only a preponderance of the evidence but by evidence beyond a reasonable doubt, because we are tampering with the political welfare of the country, and I use "political" in its true sense, in the science-of-government sense, not in the political party sense. I think the people who are interested in the political welfare of this country should weigh these matters very carefully. I want to say before I go on that the people who have supported Alaskan statehood and those who have supported Hawaiian statehood are people for whom I have the deepest respect. We argued and fought in committee about this. We had some good times and we had some bad times in committee, but I have the deepest respect for all the people and I am not here to cast aspersions on any Member of this body. I think they are all devoted to what they are trying to do. I think they are all dedicated to the welfare of this Nation. They are doing what they think is right and I hope what I have to say this afternoon will cause some of them to read further than I think they have read so far.

The first thing I want to do is to find out from where we start. First, there has been speech after speech made on the floor of this House in which they have quoted every authority in the world from the President of the United States to the statements made in the political platforms of the parties. They have gone to the Supreme Court. They have gone every place else for authority as to why Alaska should be admitted as a State. I want a little later on to ask some of the ardent proponents of statehood, and they are ardent, to give me the reasons, some of the basic reasons which as yet I have not heard why Alaska should be admitted as a State. But first I want to treat this situation to find out who it is that has the responsibility of saying whether or not Alaska becomes a State. My very dear friend and very able chairman of the House Committee on Interior and Insular Affairs in the CONGRESSIONAL RECORD of yesterday placed this statement:

> Mr. ENGLE. Mr. Chairman, Alaska was promised statehood when it was annexed in 1867.
>
> The promise was clear and explicit.
>
> It is found in article III of the treaty with Russia signed March 30, 1867, by Secretary of State William H. Seward and ratified by the United States Senate.
>
> Article III reads as follows:
>
> "The inhabitants of the ceded Territory, according to their choice, reserving their natural allegiance, may return to Russia within 3 years; but if they should prefer to remain in the ceded Territory, they, with the exception of uncivilized native tribes, shall be admitted to the enjoyment of all the rights, advantages, and immunities of citizens of the United States, and shall be maintained and protected in the free enjoyment of their liberty, property, and religion. The uncivilized tribes will be subject to such laws and regulations as the United States may, from time to time, adopt in regard to aboriginal tribes of that country."
>
> The essence of that pledge is contained in the word "the inhabitants shall be admitted to the enjoyment of all the rights, advantages, and immunities of citizens of the United States."

Mind you, that was a treaty that was ratified by the United States Senate. Now you do not have to be here long in the House of Representatives before you find out that we do not have very much to do with treaties. In fact, we do not have anything to do with treaties unless we can adopt some method of passing a statute which might circumvent something we did not like in a treaty. That is questionable procedure. I would not like to see it come before the present Supreme Court because I am afraid that the treaty itself would supersede anything that this House did. But be that as it may, let us go back to the Constitution and find out who is charged with the responsibility of admitting a State to the Union. The Constitution of United States does not specify what conditions must be met to qualify a territory for statehood. Article IV, section 3 states simply:

> New States may be admitted by the Congress into the Union.

The Supreme Court can talk all it wants to about admitting States to the Union, but the fact is that the responsibility for admitting a State or refusing a State admission to the United States of America rests on the shoulders of this body right here, and we cannot discharge it by saying something that the Supreme Court said or something that the other body said in ratifying a treaty that was entered into by a Secretary of State. The obligation is ours, and it is our duty to stand up to it, to face it, and to know and understand what we are doing when we pass a bill of this kind.

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

Mr. ROGERS of Texas. I yield.

Mr. HOFFMAN. Assuming that the Supreme Court would say that treaty supersedes any statute that we pass, just how would the Court go about admitting a State?

Mr. ROGERS of Texas. Would the gentleman state that again, please?

Mr. HOFFMAN. Assuming that the Supreme Court said that a treaty superseded any statute or was superior to any statute which the Congress passed, how would the Court go about getting a territory in?

Mr. ROGERS of Texas. I think the answer would simply be that it could almost be done by Presidential directive. That is the reason I am afraid to let it go to the Court, because if it so decided, then a treaty should be entered into permitting a State to come in, and then if the other body ratified that treaty I do not know how we would get them out.

Mr. HOFFMAN. But with what nation could we enter into a treaty which would make necessary that territory to become a State?

Mr. ROGERS of Texas. It would be with the nation from which we acquired the territory itself, as far as I know.

Mr. HOFFMAN. You mean a treaty with the territory?

Mr. ROGERS of Texas. No, the nation from which we get the territory.

Mr. HOFFMAN. No, no.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. O'BRIEN of New York. I have been trying to follow the gentleman as carefully as possible. Is it his contention that we should ignore Supreme Court decisions and other matters, including treaties, and that we should rest solely upon the right of Congress to admit or not admit new States? Is that correct?

Mr. ROGERS of Texas. Yes, insofar as statehood is concerned I do not think we can discharge our obligation by permitting other people to make these decisions for us. This is an obligation that rests squarely on our shoulders, and there is no provision that whatever precedent might have been established under other fact situations by other persons or organizations are supposed to be binding upon us.

Mr. O'BRIEN of New York. I agree very thoroughly with the gentleman. I do not believe any treaty which has been made or any court decision which has been made compels us to admit any territory to statehood. I believe the gentleman is correct when he says that the decision rests entirely with Congress, and that is the decision we are attempting to reach here as readily as possible.

Mr. ROGERS of Texas. I am sure the gentleman agrees with me that since it does rest upon our shoulders every Member of this House ought to thoroughly understand what we are doing before we change the political situation that this country is in.

Mr. O'BRIEN of New York. I believe that the House should thoroughly understand. That is why I was hoping that

we would have more opportunity to debate this great question than we have had so far.

Mr. ROGERS of Texas. Well, I am sorry. Has the gentleman been denied time for debate?

Mr. O'BRIEN of New York. I have not been denied time, but I note that we have spent a great deal of time on matters other than the consideration of the bill.

Mr. ROGERS of Texas. I will confine myself to the bill as much as possible.

I now yield to the gentleman from Michigan.

Mr. HOFFMAN. Let us assume the ridiculous situation that we entered into a treaty with Mexico providing in that treaty that Alaska should be given statehood. Would the gentleman contend that it should be admitted as a State and that if Congress did not do it, the Supreme Court could issue a mandatory injunction requiring us to vote affirmatively to admit Alaska?

Mr. ROGERS of Texas. I am sorry; I did not understand the gentleman's question a minute ago. If we entered into a treaty with another country and that treaty contained such a provision and the Supreme Court passing upon it should say that the treaty was superior, then it would be an obligation.

If you follow that sort of thinking we would be obligated to pass an act simply because the Secretary of State said that is what ought to be done.

Mr. HOFFMAN. Then assuming that we did not do it, would not enact proper legislation, could the Supreme Court by a mandatory injunction require us to act?

Mr. ROGERS of Texas. I am sorry, sir, but I could not speak for the Supreme Court. I thought I had spoken in keeping with their thinking several times before, but they changed on me in the middle of the stream. I would be glad to refer your question to the Supreme Court for a proper answer.

But let us go on to the argument of those who have said that we are pledged to bring Alaska in. I do not think that anyone in this country or anywhere else has the right or the power to pledge a committee or Members of this Congress except the people that the Member represents in his home district.

We are told, and it came up on the floor of this House the last time this bill was being debated; I believe it was the Alaskan-Hawaiian bill which was being debated—as to what the great political parties had said in their platforms. It is true they did tell us that they were for statehood for these Territories, and I want to read to you what they said, because at that time the question was asked why that was not a pledge. I think at that time I said in effect that party platforms like other political matters were sometimes written to get votes. I was castigated in the press for saying that—being realistic, I might say, about it.

They said: "Oh, no; there is nothing political about this." That may be true. Maybe it was not put in the platforms to get votes; maybe it was put in the platforms to keep from losing certain votes. I do not know whether it was or not, but I want to read what those platforms said.

The 1956 platform of the Democratic Party said—

> We condemn the Republican administration for its utter disregard for the rights to statehood of both Alaska and Hawaii. These territories have contributed greatly to our national economy and cultural life, and are vital to our defense. They are a part of America and should be recognized as such.
>
> We of the Democratic Party, therefore, pledge immediate statehood for these two Territories. We commend these Territories for the action their people have taken in the adoption of constitutions which will become effective forthwith when they are admitted to the Union.

Now, there is not anything wishy-washy about that statement at all. I think it is a hard and clear statement. Of course it does have a little political tinge to it; and I think the Republican one did too, even though it was not quite as straightforward.

The 1956 Republican platform said:

> We pledge immediate statehood for Alaska, recognizing the fact that adequate provision for defense requirements must be made.

Now, you see, they conditioned that on the defense aspect of it, and there is not anyone in this Chamber who does not know that defense sometimes constitutes very good political speech material.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. In just a moment. Reading further:

> We pledge immediate statehood for Hawaii.

Without any qualification.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. What I wanted to ask the gentleman, the bill presently before us takes into consideration the defense needs of Alaska?

Mr. ROGERS of Texas. Yes. As I understand, it does.

Mr. PILLION. Mr. Chairman, will the gentleman yield further?

Mr. ROGERS of Texas. I will be happy to.

Mr. PILLION. The gentleman will recall General Twining's testimony before the committee in which he said that they were having no trouble or difficulty at present in the administration of the defense effort in Alaska and that statehood would not in any way help that defense effort.

Mr. ROGERS of Texas. Well, may I say to the gentleman from New York, who made such a wonderful presentation prior to mine, the defense situation to me—and I believe it was testified to in the hearings—is a matter that is not primarily concerned with statehood. As a matter of fact, I think a much better case can be made out for the defense of this country if you take a territory in a territorial status rather than in a statehood status, especially against the enemy with which we are faced at the present time.

Mr. PILLION. In connection with the defense effort, is the gentleman acquainted with the great concern of the military in the event of a war as to their ability to function in Hawaii in view of the fact that Harry Bridges controls the ILWU union, with a membership of 23,000, the sheriff's department, the transportation workers, and many of our public officials who are members of the United Public Workers Union, which is closely associated with Harry Bridges and his particular Communist apparatus and that in the event of war these unions could very materially obstruct our defense effort? I suppose the gentleman will recall that very recently Mr. Harry Bridges made the remark that in the event of war with the Soviet, he would not be disposed to not strike and have his union members strike in the Territory of Hawaii.

Mr. ROGERS of Texas. I will say this to the gentleman, that the question he has posed is one of the questions that is in my mind and remains in my mind with relation to both statehood for Alaska and Hawaii. So long as that question is in my mind, it would be most difficult for me to conscientiously vote for a situation that could produce another situation that might be detrimental to the welfare of this country.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from New York.

Mr. O'BRIEN of New York. May I suggest, in view of the fact that the testimony before our committee was injected into this debate, that it would be most desirable to have the membership know what General Twining did say. I have the material here before me. He was asked the direct question by Mr. BARTLETT:

> Now, General Twining, you testified on this subject in 1950, on the subject of Alaska statehood, before the Senate committee, and you were asked by Senator ANDERSON of New Mexico if you thought statehood would be advantageous.
>
> You said: "Yes; I believe statehood for Alaska would help the military."
>
> May I ask you, General Twining, if that is your thought today?
>
> General TWINING. I believe it would; yes.

Mr. ROGERS of Texas. Well, let me say this. At the time that testimony was given, was it not the McKay Line that he had in mind; certain Federal installations?

Mr. O'BRIEN of New York. Well, he might have had many things in mind, but he was not testifying specifically upon the so-called McKay Line. He was testifying on the whole subject of statehood for Alaska, and he said specifically, categorically, any way you want to phrase it, that it would help the military. And that is one of the most vital military outposts that the United States has and a very loyal people all around it, in spite of Harry Bridges in Hawaii.

Mr. ROGERS of Texas. I have great respect for the gentleman from New York and his opinion, but I think if he would review the record, he would find that at the time General Twining was testifying his testimony was somewhat tempered by some recommendations that had been made by the administration, that would have given the

Defense Department some opportunity or advantage up there that I doubt they should have had.

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

Mr. ROGERS of Texas. I yield to the gentleman from Illinois.

Mr. MASON. Going back to the two platforms from which the gentleman quoted, it runs through my mind that the platform of the so-called Republican Party was written, dominated, and controlled by modern Republicans, which does not bind me because I am not one. And the platform for the Democratic Party was written by northern New Deal Democrats mainly. And I do not see how that could bind a real Jeffersonian Democrat. So I do not feel bound by either platform.

Mr. ROGERS of Texas. Mr. Chairman, I will say this to the gentleman, I do not know who wrote the platforms and, as I said before, I am not going to condemn anyone. I was not consulted about them, but if I had been I would have objected to that language being included.

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

Mr. ROGERS of Texas. I yield to the gentleman from New York.

Mr. PILLION. I would like to read these two sentences from page 120 of the hearings:

Mr. PILLION. If there are no particular difficulties at the present time, would statehood be of any particular advantage then to the military in the administration of its duties and responsibilities in that area?

General TWINING. No particular advantages as far as military operations per se are concerned.

I thank the gentleman.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from New York.

Mr. O'BRIEN of New York. General Twining is being quoted rather freely and somewhat out of context. I think the RECORD should show what he said at the very outset of his testimony when he was testifying on statehood. He said:

As students of the history of bills favoring statehood for Alaska are aware, I testified in 1950 that I, personally, was in favor of statehood. At that time I was commander in chief of the Alaskan Command and I spoke only on the general proposition of statehood, as distinct from the specific provisions of any Alaskan bill, as such. My personal views that statehood should be granted when the time was ripe have never changed. I am happy, therefore, to be able to say in my official capacity, in this month of March 1957, that, in my opinion, the time is ripe for Alaska to become a State.

Mr. ROGERS of Texas. If the gentleman will bear with me, that is exactly the point that I am making. As we agreed before, this is a matter that should be thoroughly understood by every Member of this House. We all have great respect for General Twining who has made such a fine military record in this country. Under those circumstances, the conflict in the testimony that has been brought out produces the very result I was talking about, or it should produce that result; that is, that this bill certainly needs to be studied, the testimony should be studied by all Members of this House in order to understand exactly where we are and where we are going, because I am afraid that as much as many of them think they do know, they really do not.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield further?

Mr. ROGERS of Texas. I yield further.

Mr. O'BRIEN of New York. Would the gentleman suggest that we study it for another 42 years?

Mr. ROGERS of Texas. No; 22 would suit me.

Mr. O'BRIEN of New York. I thank the gentleman.

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

Mr. ROGERS of Texas. I yield to the gentleman.

Mr. DINGELL. Mr. Chairman, I would like to ask my dear friend from Texas this question. I must say that I have read the bill very carefully and looked for the word "Hawaii" in this bill. I have heard a great deal of debate on this floor about Hawaii in connection with this bill. I was wondering if the gentleman, or any other Member of this body, would explain just what the significance of Hawaii is in the question of the consideration of a bill for statehood for Alaska, when the word "Hawaii" does not appear anywhere in the bill.

Mr. ROGERS of Texas. I am very happy to treat that. I was intending to in just a moment. My good friend has anticipated that situation.

I like to face these things realistically. Of course we know that the reason Alaska and Hawaii were not tied together is that there were some people who were afraid it would defeat both Territories. I know there is no politics tied to this thing, yet you wait from one year to the next and you wonder which side of the political fence each Territory might be on. So what has been done is this: The Alaska bill has been brought up before this House as a separate bill. If anyone in this House is naive enough to think that Hawaii is not next I wish he would stand up and tell me why, because there has not been one argument in this entire debate, there was not one argument presented in the Committee on Interior and Insular Affairs in support—or not in support, to tear down the arguments against statehood. There was not anything in support of it. The arguments that were in support of statehood were arguments actually to tear down arguments against statehood. There was not one of those arguments that you could not use to support the admission to statehood of any Territory of the United States of America, including the trust islands; and if you pass this bill and do not admit them, you are guilty of discrimination.

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

Mr. ROGERS of Texas. I yield to the gentleman from Florida.

Mr. MATTHEWS. I want to thank the gentleman for the splendid statement he is making. He has brought up a matter that I think gives me my chief concern about this bill. As I understand it, for the first time in the history of America it is proposed that we take in a State that is separated from America not just by land but by a foreign country. For the first time in America we are going across Canada. This idea about how close we are from the standpoint of jet airplanes, this idea that the other States in the Union were not contiguous, I do not think is particularly relevant. We are going across a foreign country to take in a State.

Then does the gentleman believe that would establish a precedent, so that in another year or perhaps later on this year the fine people of Hawaii might say, "You have established your precedent. We are 4,000 miles, or however many miles we are, out in the Pacific, but now that you have established this precedent you should grant us statehood." Does the gentleman believe that?

Mr. ROGERS of Texas. I think the gentleman from Florida has made an excellent contribution to this debate. I think he has brought out a point that I intend to treat later, but it is a point that is one of the essentials that ought to be considered. It ought to be considered and evaluated every way in the world before any move is made to move from the shores of the United States of America in taking in another State.

Mr. MATTHEWS. Would the gentleman say this might establish a precedent not only for the addition of Hawaii but Puerto Rico, Guam, and the Virgin Islands?

May I just say one other thing: We had a colleague here a couple of years ago who very frankly said he would be for Puerto Rico because it was the impulse of history. I just wonder if the gentleman thinks this might not create a precedent for many of us to have these waves of the future, these impulses of history, and perhaps be a little careless in getting more States into the Union.

Mr. ROGERS of Texas. It would be most difficult to deny statehood to any Territory of this country; as a matter of fact, it would be difficult to deny statehood to any place thereafter once you broke that barrier.

Mr. MATTHEWS. I thank the gentleman.

Mrs. BLITCH. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentlewoman from Georgia.

Mrs. BLITCH. I wonder if the gentleman would mind if I went back a little bit into the colloquy he had a few minutes ago with the gentleman from Illinois [Mr. MASON], who referred to the fact that the platforms of both national parties had included planks for Alaskan and Hawaiian statehood. I appreciate the gentleman yielding to me so that I may state for the RECORD that I was a delegate to the Democratic National Convention, and also served on the platform and resolutions committee. When this particular subject was brought up at any time during our discussions and came to a vote, my vote was always registered as "no". May I add that when the platform of the platform and resolutions committee was

adopted by the Democratic National Convention, I also voted against the whole platform. I just want that to be in the RECORD for the information of my colleagues in the House.

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

Mr. ROGERS of Texas. I yield.

Mr. WHITENER. In connection with the remarks of the gentleman from Michigan and the gentleman from Florida [Mr. MATTHEWS] I would like to call to their attention some of the thoughts expressed by one of the greatest thinkers, I believe, in American history when this matter was before the Congress some years back. He wrote several letters, one of which will be found in the CONGRESSIONAL RECORD, volume 93, part 3, page 3833. Along the same line there is a letter which I would like to quote in part, written by him on July 15, 1947, to the editor of the New York Times. I speak of Dr. Nicholas Murray Butler who certainly is not one whose thinking could not be accepted by most of us. He said in part as follows:

> I am greatly distressed at the progress being made in Congress toward the admission of Hawaii to statehood and the like action contemplated, first, for Alaska, and then, for Puerto Rico.
>
> It is my judgment that to admit one or more of these distant Territories to statehood would be the beginning of the end of our historic United States of America. We should soon be pressed to admit the Philippine Islands, Cuba, and possibly even Australia.
>
> We now have a solid and compact territorial nation bounded by the two great oceans, by Canada, and by Mexico. This should remain so for all time.
>
> It would be grotesque to put territory lying between two and three thousand miles away on the same planes in our Federal Government as Massachusetts, or New York, or Illinois, or California, or Texas, or Virginia.
>
> My own suggestion is that we should set up these three outlying Territories as independent nations by definite diplomatic action. Their independence should have only two conditions: First, their relations with foreign powers should be subject to the approval of the President of the United States and the Senate. This would prevent any foreign power from using them to our disadvantage. Second, litigants in any of these three Territories should have the right of appeal to the Supreme Court of the United States. Such action would tend to build up a uniform system of public and civil law in this part of the world. * * *
>
> I earnestly believe it is not too late to prevent this dreadful mistake from being made.

I would like to point out to my friend, the gentleman from Michigan [Mr. DINGELL] that the only difference in the situation now and when this letter was written by that great scholar, Dr. Butler, is that they have now moved Alaska into the batter's box and they have Hawaii on deck, whereas before they had Hawaii in the batter's box and Alaska on deck.

Mr. ROGERS of Texas. I thank the gentleman.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. O'BRIEN of New York. I followed with a great deal of interest the quotation from that distinguished scholar. I am forced to the conclusion that the gentleman accepts the idea that we should—call it an independent nation if you will—establish a foreign nation out of what is now American soil right next to Siberia. With all due respect to Dr. Nicholas Murray Butler, I think that is the worst thing that could happen to the United States.

Mr. ROGERS of Texas. I am sorry I do not get the connection about establishing a foreign nation because I think Alaska has been a very patriotic Territory. I think the people there have followed along with the United States in a wonderful fashion. I am very proud of Alaska and very proud of the people up there.

Mr. O'BRIEN of New York. I know the gentleman is, but the suggestion which was just made to the gentleman was that an independent nation was created. That would make foreigners out of Americans. There would be no other description of it.

Mr. ROGERS of Texas. Well, that might be true. Of course we are in that same situation as far as Canada is concerned.

Mr. O'BRIEN of New York. But you want to spread that up to the borders of Siberia.

Mr. ROGERS of Texas. Oh, no. That was Dr. Butler talking.

Mr. O'BRIEN of New York. I was doing my best to answer Dr. Butler.

Mr. ROGERS of Texas. I have great respect for Dr. Butler, but I do not agree with him on every minute point. That is one we would need to discuss.

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

Mr. ROGERS of Texas. I yield.

Mr. HOSMER. I think the colloquy regarding Dr. Butler has wandered afield from that by which it can be viewed. I do not think he was talking about establishing any foreign nation as such, but I think perhaps he had in mind where noncontiguous territories have been regarded as part and parcel of the mainland, and we all know that that experiment has failed very miserably. I think that is the concept of political science that Dr. Butler has in mind, and I think it points up to us whenever we enter this area of noncontiguity that, historically speaking, wherever it has been experimented with in the past it has failed. As a consequence, I believe that one of our major concerns in this legislation is with that exact point.

Mr. ROGERS of Texas. I thank the gentleman.

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

Mr. ROGERS of Texas. I yield.

Mr. DINGELL. Referring to the comment of the gentleman from Florida [Mr. MATTHEWS], had his criterion been applied, for example, to the State of California, the State of California might not have been admitted to the United States, or might have been admitted to the United States much later, because then the United States was separated by what was reported to be about 1,500 or 2,000 miles from the then Republic of Mexico.

Mr. ROGERS of Texas. I want to commend the gentleman. His thinking is right along the line of that of the majority leader [Mr. MCCORMACK], but with which I do not agree.

Mr. DINGELL. If I may also ask the gentleman to yield further, I would like to point out that each piece of legislation ought to stand on its own merits. The question of the admission of a State to this Union ought to stand on its own merits the same as any other piece of legislation.

Mr. ROGERS of Texas. That is exactly correct. And while we are on that, we have a bill that is before the House, and when the Members all understand it, they will find that there are about 20 pieces of legislation, and I am very conservative when I say that. The gentleman from Pennsylvania made the remark a minute ago that our great President said he was for this bill, and that it ought to be passed just like it is. I was encouraged to find out that our great President knew what was in the bill, but alarmed that he was for it as written. The committee expects to make several changes in it.

Mr. DINGELL. I would like to avoid commenting on what the President knows about this bill. I think we ought to legislate here with regard to Alaska and not with regard to what our prejudices may be on the subject of Hawaii or Puerto Rico. I happen to think that the people of Puerto Rico are in a good position and they do not want to come into the Union as a State. They are getting some pretty tremendous tax advantages out of their present situation.

Mr. ROGERS of Texas. The gentleman has much more knowledge than I do about that subject, because it has been my impression there are a lot of territories that would like to become a State. But I appreciate the gentleman's information and I will consider it in voting on this legislation.

Mr. BARTLETT. I wonder if we might go back to the treaty of cession which the gentleman mentioned. He referred to the language in somewhat these words:

> The inhabitants of the ceded territory shall be admitted to the enjoyment of all the rights, advantages, and immunities of citizens of the United States—

And so forth. Do I understand the gentleman correctly to say that this body did not have an opportunity to pass on that?

Mr. ROGERS of Texas. Will the gentleman repeat his question?

Mr. BARTLETT. Did I understand the gentleman correctly? Did the gentleman say that this body, this House of Representatives, never had any opportunity to pass upon that language in any form?

Mr. ROGERS of Texas. On that treaty; we did not pass on that treaty. The treaty was cited by our distinguished chairman as one of the reasons why we should, just as the Gallup polls have been cited by other Members.

Mr. BARTLETT. Actually, however, history records the fact that this very treaty for a very curious reason was passed upon by the House of Represent-

atives; it did not have to be, in a constitutional sense, but the treaty was brought before the House.

Mr. ROGERS of Texas. I cannot take notice of the extracurricular activities of a body back in those days which may not have been apprised of what the Constitution provided and did not realize that they were not supposed to handle treaties.

Mr. BARTLETT. I dislike to have the gentleman use such a statement, because Russia might think, it being so long ago, that we were not entitled to Alaska. The House appropriated money, of course, for the payment for Alaska.

Mr. ROGERS of Texas. I am sure that if Russia attempted to take Alaska, that Alaskans and people all over the United States would rush to her defense. I would be glad to enlist my services now for her defense in time of war.

Mr. BARTLETT. And should the time ever come that any country tried to invade Texas, Alaska would go down to help her.

Mr. ROGERS of Texas. I thank the gentleman.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. SMITH of Virginia. I had wanted to ask the gentleman a question or two. I do not know what there has been in the gentleman's speech that is so controversial, but he has certainly aroused more interest in this bill than I have seen in the 2 days the debate has thus far proceeded.

I understood the gentleman from Michigan to question whether we ought even to think about these other outlying territories. As a matter of fact, we know that Hawaii was on the list before Alaska, and if we look at things practically, we know that the next thing will be Hawaii, and it will come in this Congress if this bill passes. Now, that will take three Members out of the present representation in the House. Then comes Puerto Rico. Puerto Rico has something over 2 million inhabitants against Alaska's—I say 80,000 bona fide citizens. How can you consistently refuse statehood to Puerto Rico? The conversation to the effect that Puerto Rico does not want statehood does not make much impression on me. I am sure they would like to have statehood, and I do not see how you are going to avoid it or how you are going to get around 2 or 3 more Congressmen being displaced from the present representation. I have worried a good deal about that until I questioned the gentleman from New York, my good friend here, in the Rules Committee about that the other day. He said: "Oh, I will give Alaska my seat in Congress." So that took care of that situation.

Then comes along Hawaii and I think the gentleman from Louisiana [Mr. PASSMAN] said he would give his seat up to one of these offshore Territories. So that only left one fellow to be worried about, because there would be three; we have two already taken care of. I wonder if the gentleman from Michigan would now agree to give his seat to the third one so that the rest of us may cease to worry about whether our State is going to be reduced in representation?

Then I wonder whether the States that these gentlemen represent and who are so generous are going to be equally generous and willing to give up their representation in the Congress of the United States. Has the gentleman any information on that subject?

Mr. ROGERS of Texas. If the gentleman will permit me, they have not confided in me as to what their future intentions are. But I will say that I have a sneaking suspicion—and I have deep respect for all of them—that they are not in danger of losing their seats in this body.

Mr. SMITH of Virginia. I have a similar suspicion. May I ask the gentleman another question?

Mr. ROGERS of Texas. Certainly.

Mr. SMITH of Virginia. The gentleman from Pennsylvania, my good friend [Mr. SAYLOR]—and I hope he is here, because he made some allusion in his remarks about a letter I had written to the Members of the House on the 6th of May.

So, I asked him if he would not yield to me, because I wanted to see whether he questioned the accuracy of the statements in that letter. And he said he did, because I had said this was the greatest give-away in the history of the country. And that is the only thing he apparently challenged. Maybe he was right about that because, when you consider the many billions of dollars that we gave away in foreign aid, it may be that that is somewhat larger than this give-away we are making in this bill. But I wanted to question him further as to some of the statements made there and that I called the attention of the House to, and I would like to make it a matter of record now. I made certain statements in that letter. The gentleman from Pennsylvania declined to be questioned on the remarks he made about that letter. Now, I challenge him or anyone else to challenge any statement of fact contained in that letter. Now, here is what I alleged in that letter. I said that there have been explorations in Alaska that disclosed that, of the 33 strategic metals that we need for the defense of this Nation, 31 of them have been discovered in Alaska. I said that, for the first time in the history of statehood in this Nation, that in this bill for statehood we have not reserved to the people of the United States, to whom it belongs, all of the mineral resources in the land that we give to the new State.

Mr. ROGERS of Texas. Would the gentleman permit me to interject at this point?

Mr. SMITH of Virginia. Yes.

Mr. ROGERS of Texas. If this bill, as it is written, passes, it is entirely possible that a present law will be repealed because there is a savings clause in the last feature that repeals all laws in conflict with it. There is a statute on the books right now that prohibits this Government from transferring lands to States without reserving mineral interests. And this bill could repeal that.

Mr. SMITH of Virginia. The gentleman is correct. So this is the first bill that does not specifically reserve. And I have photostatic copies in my file—and I expect to speak on it on Monday—of every statute constituting a State since the Civil War, and they have all reserved. For the first time in the history of this country, this bill specifically grants to the State the mineral rights in every piece of property that they take. Now, then, this bill gives to the State of Alaska one-half of that great Territory, lands that belong to all the people of the United States. One hundred eighty-two million—not thousands, but 182,800,000 acres of land that belongs to your constituents and mine are given to the State of Alaska, and we also give them all of the mineral rights under all of those acres. Now, that is not all. I do not know who wrote this bill, but somebody did a pretty sharp job on it. For the first time in the history of any legislation for statehood, if you will look at the bill, you will find that the State of Alaska is given the right, not for 1 year or 2 years, but for 25 years, to make a selection of those lands, and it is given the right to spot them all over the Territory of Alaska, in areas not less than five-thousand-and-some-hundred acres. Now, what does that mean? That means that for 25 years any of these 33 strategic materials that are discovered in paying quantities the State of Alaska can jump on them, like a chicken on a June bug, and grab up and take unto itself every bit of minerals by making this selection in small spots here and yonder that may be developed in that State. I want to know if there is any Member of this House, Democrat or Republican, who is prepared to go home and tell his people that we have given away property that belongs to them, to this little group of folks up in Alaska, property that has been carried at great expense to the taxpayers of this country for 100 years. Are you prepared to go home and tell your people, "Here, we have given it away"?

I thank the gentleman.

Mr. ROGERS of Texas. Mr. Chairman, I thank the gentleman for his splendid contribution.

Mr. Chairman, the gentleman from Florida a minute ago made reference to the situation that has been referred to in past discussions of statehood bills as the noncontinguity theory. Of course, that theory was pooh-poohed by many who were strong supporters of statehood for these Territories. The arguments that are advanced in support of statehood are not arguments or reasons why Territories should be admitted as States to the Union; they are nothing in the world but charges and answers to what was said by the opponents of these bills. In other words, they are reasons why statehood should not be denied to these people. Let us follow that out to its logical conclusion. It would apply to Alaska, Hawaii, Puerto Rico, and to every Territory that we own or in which we have an interest, including the Trust Territories. I venture to say there are a number of people within the sound of my voice who are not familiar with the situation of the Trust Territories and do not realize that there are over 2,000

islands in the Pacific that cover an area about the size of the United States of America, that come within the term Trust Territories. If you are going to say to the people of Alaska, "You are entitled to come in," how are you going to deny statehood to the smallest island that we have, regardless of who lives on it or how many people live on it? There is not any sensible answer. If you say, "You cannot come in," but you take in Alaska or Hawaii, then you are begging the question. You are not being honest with yourself when you do it.

People say this: "Well, the noncontiguity theory is no good." But it is probably the most important factor in this whole situation.

The question was asked by the gentleman from Michigan [Mr. DINGELL] a minute ago concerning the situation when California was taken in. Here is something that must be understood. The territory between the United States of America and California, when California was admitted, was owned by the United States of America. It was property that was owned by us. The contiguity situation alone then would have been sufficient in my mind to have justified statehood for the Territories. But without that contiguity, the Territory should not be admitted. Now you may ask why. I am going to tell you why, briefly. And I wish I had more time to go into this matter. But, to state it as briefly and simply as I can, it is this. Today land and inland waters are the boundary lines between sovereign powers. When you cross a boundary line, you move into the jurisdiction of a foreign nation, and you either violate it, if it is an enemy nation, or you must get permission to cross even if it is a friendly nation. This would be the first time in the history of this country that we would have granted statehood to a Territory that is situated so that you could not get to it without going outside of the exclusive jurisdiction of the United States of America. In order to get to Alaska you must get permission to cross a foreign nation, Canada, or you must cross the high seas.

I implore each of you to weigh this bill and every feature in it, with the greatest scrutiny and care. It's passage could be the beginning of the end of the Republic as we know it.

The CHAIRMAN. The time of the gentleman from Texas [Mr. ROGERS] has expired.

Mr. CANFIELD. Mr. Chairman, I rise to speak for Alaskan statehood.

The CHAIRMAN. The gentleman is recognized for 1 hour or any part thereof.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. CANFIELD. Yes; I shall be glad to yield for that purpose.

Mr. MILLER of Nebraska. Mr. Chairman, if permissible, I should like to pose a parliamentary inquiry as to the situation tomorrow. I understand we do meet tomorrow, but if there are going to be any quorum calls perhaps the Committee will rise. I wonder if there is any agreement that has been made with the other side. Some of our Members want to get away, to get to New York or to get to their offices and do some work there. May I inquire what the parliamentary situation may be concerning tomorrow and Monday?

The CHAIRMAN. The Chair regrets that he is not in a position to anticipate what may happen tomorrow. The gentleman might direct his question to the acting chairman of the Committee on Interior and Insular Affairs.

Mr. MILLER of Nebraska. As the loyal opposition, I will do that.

Mr. ASPINALL. There is an understanding at the present time that as soon as the Committee of the Whole rises this evening I shall submit a unanimous-consent request that general debate be continued tomorrow and through Monday, closing at 5 o'clock Monday evening, the time to be controlled by the gentleman from Nebraska [Mr. MILLER] and the gentleman from New York [Mr. O'BRIEN]; that tomorrow we shall proceed to debate the bill under general debate, and if we find ourselves without a quorum, because so many of our people have already promised to go away, we shall respect their position and protect them in their rights.

Mr. MARTIN. If the gentleman will yield, do I correctly understand that the Members who are going to handle the time on Monday are both in favor of the legislation?

Mr. ASPINALL. As I understand it, the gentleman is correct. However, we have an understanding that the time will be divided absolutely equally between those in favor of and those in opposition to the legislation.

Mr. MARTIN. Does the gentleman from Nebraska share in that understanding?

Mr. MILLER of Nebraska. I think that is a proper agreement; yes.

Mr. ASPINALL. The gentleman from Nebraska has already promised the acting chairman that he will do that.

Mr. MARTIN. The gentleman will do the same on his side?

Mr. ASPINALL. The gentleman from New York has already made that promise.

Mr. O'BRIEN of New York. Certainly, that would be very definitely understood.

Mr. CANFIELD. Mr. Chairman, I have a duty to perform in this House today and I intend to perform that duty. I represent about 368,000 people in my district in New Jersey. I am prepared to go back to those people and tell them that in this year of 1958 I voted for Alaskan statehood, even as I did in this House in 1950, when the bill was approved by a majority of the membership.

Historically the House has passed the Alaskan statehood bill on 1 occasion, the Senate on 2 occasions. The Senate once recommitted the bill by a margin of 1 vote, the vote being 45 to 44.

Mr. Chairman, yesterday between quorum calls speakers on this bill literally drummed into our ears the idea that voting for Alaskan statehood was repugnant to our American way of life. I do not agree with any such premise. I hold there are many, many American people—yes, people important in American life who disagree. Who does favor Alaskan statehood? The list of those who favor Alaskan statehood, and they should be recapped at this time in the debate, is very impressive. This list starts with the President of the United States, Dwight D. Eisenhower. Alaskan statehood is also favored by his predecessor in office, Harry S. Truman, who urged statehood for Alaska in his first state of the Union message in January, 1946, and repeatedly thereafter.

There is Secretary of the Interior, Fred A. Seaton, the Federal departmental official who—above all others—has responsibilities in and to the Territory of Alaska. Some of these he will relinquish if Alaska, as she hopes it will, becomes a State. I might add that his two immediate predecessors, Secretary of the Interior Oscar L. Chapman and his predecessor in turn, Secretary Julius A. Krug, both warmly supported statehood for Alaska.

Mr. Chairman, I might digress here to say that only yesterday 88 students from my Congressional District came to my offices on Capitol Hill. I posed to them this question: How do you students now feel regarding Alaskan statehood which you will hear debated on the very floor of the House of Representatives this afternoon? All 88 were unanimous in speaking out their wishes that the bill be passed.

Mr. Chairman, there is Gen. Nathan F. Twining, former Chairman of the Joint Chiefs of Staff, whose name has been brought into debate this afternoon, whose service from 1947 to 1950 as Commander in Chief of the Alaskan Command made him intimately familiar with the Territory. And it is worth repeating one of his predecessors as Chief of Staff of the Air Force, the late Gen. H. H. "Hap" Arnold, was likewise a strong supporter of statehood for Alaska.

Mr. Chairman, while we are citing five-star supporters of statehood for Alaska, let us include two more—General of the Army Douglas MacArthur and Fleet Admiral Chester W. Nimitz. To these I could also add the name of late Rear Adm. Richard E. Byrd, the famous explorer.

Many important national organizations representing the most diverse interests with memberships totaling many millions of Americans have in recent years endorsed statehood for Alaska. These include the United States Chamber of Commerce, an organization of our foremost businessmen. Likewise, the Junior Chamber of Commerce of the United States—the Jaycees who represent the up and coming youth among the businessmen of America. They, too, strongly endorse statehood for Alaska.

Mr. Chairman, organized labor in our country is as favorable to statehood for Alaska as is organized business. Among those who have endorsed statehood for Alaska are the American Federation of Labor and the Congress of Industrial Organizations—the AFL–CIO. Another great group representing organized labor are the railway brotherhoods—16 in number. They, too, have endorsed statehood for Alaska.

The patriotic societies—the men who served our country in war—are strongly in favor of statehood for Alaska. Alaskan statehood has been endorsed by the Veterans of Foreign Wars, by the American Legion, by the AMVETS, and by the Catholic War Veterans.

Great women's organizations have also endorsed Alaskan statehood.

Few women's organizations stand higher in public esteem, or have a wider distribution of membership than the General Federation of Women's Clubs—with some 5 million active members. They have strongly endorsed statehood for Alaska. Another women's organization which also has, is the Dames of the Loyal Legion.

Statehood has also been endorsed by such diverse organizations as the National Grange, the Association of State Attorneys General, the Congress of Home Missions—representing some 30 Protestant denominations.

Several years ago, the Catholic Bishop of Alaska, the Right Reverend Francis D. Gleeson, authorized the two priests of longest residence in Alaska, to testify at a statehood hearing, which both did—strongly in its favor. The senior of these, the Reverend G. Edgar Gallant, is now vicar general of the Diocese of Juneau, which includes the southern part of Alaska.

Service clubs, the Kiwanis International and the Lions International—and fraternal organizations such as the Loyal Order of Moose, have endorsed statehood for Alaska.

Indeed, no national organization of importance which interested itself in Alaska, has declined to endorse its statehood cause.

The press of the Nation is preponderately for statehood.

The House of Representatives enacted an Alaska statehood bill 8 years ago, on March 5, 1950.

Our House passed the Alaska statehood bill before the decennial census of 1950 was taken. The estimated population at that time was 100,000. That population has more than doubled since.

If the House could enact statehood legislation then, why not now?

Much else has happened since 1950 to make statehood for Alaska even more valid and more urgent than it was 8 years ago.

Since the passage of the Alaska statehood bill by the House in 1950, both the Democratic and Republican platform planks have pledged immediate statehood. It is in both parties' 1956 platforms. That was not the case in 1950.

Since the passage of the Alaska statehood bill by the House in 1950, Alaska's economy has leaped forward with—

First. The establishment of a 500-ton pulp mill in Ketchikan in 1954, the first major utilization of Alaska's vast timber resources.

Second. The construction of a second pulp mill at Sitka, with a 300-ton capacity. Negotiations for two more are in process.

Third. The striking of oil in Alaska and the filing, in the 10 months since that strike, of oil leases on over 30 million acres of Alaska lands.

Since the House enacted the Alaska statehood bill in 1950, the people of Alaska have unmistakably shown their intense desire for statehood by holding a constitutional convention, drafting an excellent constitution, ratifying that constitution by an election of the people, and further adopting the so-called Alaska-Tennessee plan—following the precedents set by Tennessee, Michigan, Iowa, California, Minnesota, Oregon, and Kansas—and electing two Senators and a Representative to come to Washington and plead the cause of statehood.

Since the House voted an Alaska statehood bill in 1950, 8 years have elapsed, extending Alaska's period of pupilage to 91 years—the longest duration of territorialism in our history.

Since the House voted an Alaska statehood bill in 1950, international tension has greatly increased. Colonialism has become an acute worldwide issue, furnishing a potent reason for America to show the world that it practices what it preaches.

Oh, what disillusioning news it would be to the Free World, to the whole world, to hear that the House of Representatives in our great Nation's Capital in this year of 1958, yes, in the month of May, turned down a bill providing for Alaska statehood.

But to return to the long list of those who favor statehood for Alaska.

The most important of those supporters is the American people.

In the last 3 years, a score of polls have been taken in various Congressional Districts by their Representatives. They have all favored statehood—some by overwhelming majorities.

And, finally and quite significantly the Gallup polls taken on the issue of statehood for Alaska, reported—as recently as last March—a vote of 75 percent in favor to 6 percent opposed, or over 12 to 1 for statehood for Alaska.

Yes, the American people want statehood for Alaska.

Just what are we waiting for?

I now yield to my valiant friend from New York [Mr. DOOLEY] who once established a record, an intercollegiate record that has never been beaten, throwing a successful pass for 67 yards, on the football gridiron, this for old Dartmouth.

Mr. DOOLEY. I thank the gentleman for his gracious but very embarrassing introduction.

Mr. CANFIELD. I want the gentleman to throw a pass now for statehood.

Mr. DOOLEY. Mr. Chairman, I rise to speak in favor of statehood for Alaska. The subject—one of the most important and significant we have yet been called on to face in the 85th Congress, has been thoroughly explored. The admission of a Territory into the Union of States, however, is a momentous event, such that it cannot be dealt with cursorily or casually, but must be weighed carefully on the scales of propriety, equity, and commonsense.

It was Ernest Gruening, Senator-elect from Alaska, who in his testimony before the Committee on Insular Affairs, pointed out that approximately 90 years ago the United States made a specific pledge as to the future of the Territory of Alaska when this Government proclaimed in the treaty of cession signed with Russia, that "the inhabitants of the ceded Territory, according to their choice, shall be admitted to the enjoyment of all rights, advantages, and immunities of citizens of the United States, and shall be protected in the full enjoyment of their liberty and sovereignty."

Instead of fulfilling that promise, it is an irrefutable fact that for decades our Government's relationship with Alaska constituted a deplorable succession of shabby dealings, pitiable neglect, and unforgivable apathy to the status of that Territory and the well-being of its residents.

Alaska, to my mind, deserves statehood if any Territory ever did. Purchased in 1867 for the price of 2 cents per acre, Alaska today embraces 375 million acres of land, the mineral worth of which has never been closely evaluated.

But, what is more important, Alaska gives great promise for future importance, more so than most of the 35 Territories admitted to the original Union of States. I say this not only because of Alaska's natural wealth—its minerals, its timber, and its fish—but because it is our great outpost of the northern frontier, the nearest point of our country to the North Pole—the focal point for future air assaults.

The gentleman from New York, Mr. LEO O'BRIEN, delineated for the Members of this body only yesterday the various reasons why Alaska should be granted statehood. He did so eloquently and well. I do not wish to try to embellish his fine and trenchant statement.

Permit me to add, however, that, in addition to the great promise Alaska has of developing into a huge and resourceful area, its military importance cannot be overestimated. Only 54 miles of sea separate Alaska from Siberia. The international boundary, as a matter of fact, runs directly through the waters of Little Diomede Island and Big Diomede Island—which is Russian—in the Bering Strait. And I might recall that Alaska is the only part of the American Continent which suffered actual enemy occupation during World War II.

It is important—even vital—that we bind this Territory to our country by ties of statehood. We do not want Alaska thought of by the rest of the world as a half-American segment isolated and neglected, a partly disowned and wholly disenchanted area which other countries might continue to eye eagerly. Let us nail it down once and for all as a State.

There is definite reluctance on the part of the gentleman from New York to inject into these remarks any mention of Hawaii. Yesterday, however, the distinguished gentleman from New York, my colleague [Mr. PILLION], stated in effect, and I do not quote him verbatim, that Hawaii is under the control of Harry Bridges—the Communist labor leader.

In other words, we should, according to the gentleman to whom I have reference, but for whom I have proper respect, not give consideration to a Territory made up of 500,000 people, because

1 notorious Communist is active in their midst.

It was my privilege to visit Hawaii last fall and it can be said in all fairness that the influence of communism on the islands is generally exaggerated. Most of the dock workers lend lip service to Bridges to retain their jobs.

The islands—a valuable bastion of naval and air strength in the Pacific—the only sizable haven for our ships of the fleet between the Pacific coast and Asia, is filled with people who are loyal Americans.

True, there is a heavy segment of people of Japanese origin, 34 percent to be exact, but they are for the most part good Americans.

When the Nisei regiment which was annihilated in Europe was being reformed, 2,600 men were asked for—some 9,000 volunteered for Uncle Sam—knowing full well they were signing their own death warrants. The people of the islands are proud of their American affiliations, but chagrined—like the people of Alaska—from having had to suffer in the role of second-class citizens for over half a century. The best antidote for Communist inroads in Hawaii is statehood—not apathy and condemnation.

The Representative from New York chided the advocates of Alaskan statehood by pointing out that such statehood would ultimately pave the way for statehood for Hawaii. I ask would that be tragic. Politically, it might be painful to some who do not want the status quo disturbed—who do not want to take the risk of Senators of alien origin entering the high council chambers of our country.

Such an attitude is provincial and unwarranted.

Newspaper polls reflect that sentiment for Alaskan statehood is 12 to 1.

If this great body is to do justice to a group of Americans who have too long been disenfranchised, if we are to bow to the demands of the times, and acknowledge the weight of public acceptance and public sufferance, we will quickly vote Alaska into the Union.

None of the 35 Territories admitted to the Union over the last 100 years has failed to meet the expectations of statehood since its admission. Neither will Alaska.

Mr. CANFIELD. I thank the gentleman from New York.

Mr. Chairman, some years ago Izvestia or some other prominent newspaper printed in the Soviet Union reportedly carried comment to the effect that the United States of America acquired the Territory of Alaska by fraud and that it should be returned to the Soviet Union. I am having Dr. Griffith of the Legislative Reference Service in the Congressional Library seek a record of that statement. But, I am sure the Delegate from Alaska, the distinguished gentleman now representing the Territory here on the floor this afternoon, recalls that some years ago a statement of that kind was made.

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

Mr. CANFIELD. I yield to my friend from Ohio.

Mr. BOW. Mr. Chairman, I wonder if the gentleman would agree with me that the answer to those who say that Alaska cannot afford statehood is that if statehood is granted to Alaska, the heavy hand of bureaucracy and control by the Department of the Interior would be lifted from them and that then Alaska will go forward and will have great development; that private enterprise and private money will come in to develop another great State in this Union?

Mr. CANFIELD. That is the sincere belief of all who favor statehood for Alaska and most certainly that is my strong belief.

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

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. And I might say that the history of every State that was admitted to the Union is exactly along the lines indicated by the gentleman from Ohio.

Mr. BOW. Mr. Chairman, I thank the gentleman; and I want to say to my friend, the gentleman from New Jersey [Mr. CANFIELD] that I agree with what he has said and that it is my intention to support this bill for statehood for Alaska.

Mr. CANFIELD. I thank the gentleman. I know something about his fairness, his desire to assist others who rightly seek help. He is a crusader for justice.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Mr. Chairman, I want to commend the gentleman for his statement. I should like to point out to the Committee that on this question of the amount of land that is to be given to the new States, we must take into consideration the fact that we have a great undeveloped Territory up there that is going to need all of the help that it can get. And we are all concerned in seeing to it that a new State gets off to a good start.

Mr. Chairman, it is my pleasure to lend my wholehearted support to the proposition of granting Alaska her hard-won and well-earned statehood. Many of our Western States—Utah among them—are not so many years removed from their own battles to cast off the bonds of territorial status and take their destined place in our great democracy.

Like Alaska, those Territories were faced with the acid test of growing sufficiently to merit statehood under conditions which seemed inspired specifically to discourage that growth. History has shown that the growth may be slow but it is mighty tough, and flourishes in the open sunlight of statehood.

Alaska has met that test. Now is the time to let her begin realizing her true potential.

But if Alaska is to be given the duties and responsibilities of statehood, she must also be given a visible means of support. That 99 percent of Alaska still lies within the public domain speaks for itself of how Federal ownership inhibits the development of natural riches—riches which, incidentally, would benefit all of the United States, not just the State of Alaska. It is to Alaska's everlasting credit and our own never-ending wonderment that she has been able to come as far as she has in Territorial status.

To provide the new State with this base for a going and growing economy, H. R. 7999 proposes—in the well-established tradition which has accompanied all of our westward expansion—to grant some of the public lands to the State to be used and developed by her people.

Mr. Chairman, it is to these public-land features of the bill that I wish to address myself today.

There has been criticism that the land grants are too generous. As the bill now reads, they would total 182,800,000 acres. While even that figure represents only half the public domain in Alaska, I can agree that it is perhaps overly generous, and at the appropriate time an amendment will be offered to reduce the total to 103,350,000 acres. That was the amount asked for in the statehood bills originally introduced into this session of the Congress.

A hundred million acres of land admittedly is still a lot of real estate—it is about the size of the State of California—but we must remember that we are dealing here with a vast area which would make, staggering as the thought may be, two of Texas with enough left over for Florida.

In fact, that 103-million acres would amount to only 28 percent of Alaska, leaving some 70 percent of the total area still under the control of the Federal Government. That happens to be about the same ratio of Federal ownership currently experienced in my own State of Utah, and we in Utah are prepared to testify that it is as much tax-exempt land as the traffic and the taxpayers will bear.

In addition to the virtually complete Federal ownership of present-day Alaska, there are other circumstances necessitating a larger grant than has been the case in admission of other States.

For one thing, in the interests of national defense it is proposed to draw a line through the middle of the State, north and west of which the Federal Government may at any time make massive defense withdrawals and in that area Alaska can choose no lands without the approval of the President or his designated representative. About 45 percent of Alaska lies within that defense area, pretty well limiting Alaska's land selections to the remaining 55 percent.

Further, over 92-million acres—both in and out of the defense area—already have been withdrawn by the Federal Government, and these include much of the most valuable resources. They include, for example, nearly 21-million acres of the best forest lands and nearly 49-million acres of oil and gas reserves.

While Alaska is a land of great potential wealth, we cannot drop the emphasis upon the "potential". By reasons of climate and geography, the develop-

ment must be, if steady, slow and hard. To make the statehood grants meaningful—to accomplish their purpose of giving the State something to grow and to nurture on—the bill offers the new State a chance to select lands of value instead of barren tundras.

If these terms seem generous in comparison with what other States have received, it is for just one good and sufficient reason: They must be more generous if Alaska is to take and retain her place among the States. But that is no argument against Alaskan statehood, because it is a situation which will hold as true 90 years from now unless statehood is granted, as it did 90 years ago. The important point is that Alaska has demonstrated she is ready, if given fair opportunity, to take her place.

These terms to which I refer include the right to select lands known or believed to be mineral in character, and—for the first five years of statehood only—to select lands which may already be under Federal lease for oil, gas, or coal development. All grants include the mineral rights, but these rights must be retained by the State if the lands pass into private ownership. In other words, the mineral rights will always belong to the people of Alaska, and never to private individuals.

It can also be observed that of 29 States containing public lands, only 10 were admitted to the Union with mineral reservations of any kind in their enabling acts.

For the development and expansion of communities, Alaska would be allowed to choose 400,000 acres of vacant and unappropriated national forest lands and another 400,000 acres of vacant, unappropriated and unreserved lands adjacent to established communities or in areas suitable for communities or recreational areas. I intend, incidentally, to amend the time limit for selection from 50 to 25 years.

The bulk of the grant—102,550,000 acres if my amendment is adopted—must be selected from vacant, unappropriated and unreserved public lands within 25 years after statehood. On all of these grants, existing claims, entries, and locations would be fully protected.

As to that lion's share of lands which would remain under Federal control, Alaska would receive—for the support of its public schools—5 percent of the net proceeds from the sale of any land by the Federal Government.

Additionally, Alaska would receive 90 percent of the proceeds from the operation of Government coal mines and from the production of coal, phosphates, oil, oil shale, and sodium from the public domain. Reflecting Alaska's exclusion from the Reclamation Act of 1902, these are the same provisions which this Congress approved—by consent—for the Territory of Alaska last year in Public Law 85–88.

The bill also repeals a 1914 law which withdrew certain coal lands, and thus makes them available to selection and development.

If these provisions are, as charged, a "giveaway of our natural resources", to whom are they being given? They are being given to the people of Alaska, citizens of the United States. How much are they being given? They are being given a little more than one-fourth and somewhat less than one-third of the land which is their home and their livelihood, and which must be opened up if Alaska or any other part of the United States are to reap the benefits of the bargain purchase we made 91 years ago.

These provisions are the foundation upon which Alaska can and will build to the enormous benefit of the national economy shared by her sister States. We cannot make Alaska a "full and equal" State in name and then deny her the wherewithal to realize that status in fact.

Mr. CANFIELD. I am sure the gentleman from Utah has visited Alaska even as has the gentleman who is in the well of the House, and I am glad to have his contribution.

Mr. DAWSON of Utah. Mr. Chairman, I will say that I have been to Alaska on two occasions on statehood hearings. We went to every part of Alaska in considering this problem, and I have had occasion to talk with many people up there as well as in Hawaii. I am thoroughly convinced that statehood is the only solution to the problem that those people are now facing.

Mr. CANFIELD. That is my deep feeling, too.

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

Mr. CANFIELD. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, first I wish to thank my colleague, the gentleman from New Jersey [Mr. CANFIELD], for his kindness in yielding to me because, under the rule under which we are now operating, such action gives the opportunity to some of us who have not been recognized, to say a few words on this subject.

Mr. CANFIELD. Mr. Chairman, may I say to my friend that because of his unique background, not only in the House but in life as a whole, I am very anxious to hear his presentation today. Frankly, I do not know whether he is going to speak for or against statehood for Alaska, but I shall doff my hat to him on what he has to offer.

Mr. HOLIFIELD. Mr. Chairman, I thank the gentleman. He has always been very courteous to me during the 15 years we have served together in the House.

Mr. Chairman, I wanted to comment for just a moment on the point that the gentleman from Utah, Mr. DAWSON, just brought up. That is as to the type of land in Alaska. It is true that there is land in Alaska which can be lived upon, but I believe the gentleman from Utah will also agree with me—I, too, have flown over the millions of acres in Alaska—that many of these millions of acres are composed of tundra, or inaccessible mountain ranges, which swell the total in terms of acreage; but in terms of habitable and tillable land it would actually not be a true representation.

Mr. DAWSON of Utah. I would say that is absolutely correct. You need only to go up there to see what the situation is to realize that you cannot possibly compare the situation in Alaska to the situation in this country.

Mr. HOLIFIELD. I think this is very important. I believe my colleague will agree that when we talk about 180 million acres of land and giving these people a period of time in order to select the land which is suitable for human habitation and development, we realize that there is a tremendous area of this land which cannot be used for that purpose.

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

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

Mr. PILLION. Is it not true that if Alaska is given 182 million acres of land, approximately one-half of the total area, actually that will represent 100 percent of the valuable lands because so much of the lands up there are tundra and wasteland; so that when you are giving them one-half of the acreage and permit them 25 years to make their choice, in some instances 50 years to make their choice, you are in effect giving to Alaska 100 percent of the valuable lands in Alaska.

Mr. HOLIFIELD. I would say that if that be true, I see nothing wrong in our treating the States of our Union equally. When we took in California, when we took in the other different States of the Union, of course we gave to the people of those great States the resources of those States, but we did not thereby lose them from the Union. They became a part of the Union and they were developed and became items of strength in our Union. So it is a great deal different from giving your wife part of your sustenance and keeping it in the family and giving it away to a stranger to be squandered. In anything we do to strengthen Alaska I hope we do not feel that we are losing Alaska. We are merely cementing Alaska to us with the strong bonds of statehood. We are insuring that the people will have the interest and the opportunity to develop those resources, to strengthen the Union, as each State we have added has strengthened the Union.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. O'BRIEN of New York. May I commend the gentleman from California for his statement. A new State does need sinews.

Mr. HOLIFIELD. That is right.

Mr. O'BRIEN of New York. It is just like giving a bride a dowry, we are not contemplating supporting her and her husband and the children and grandchildren in perpetuity.

The gentleman from New York overlooked one important factor in this matter. He said they will choose the best land in Alaska. We provide right in this legislation that they may not choose any of the land which is withdrawn by the Federal Government, which includes the most valuable oil land in Alaska. Further, we expect an amendment will be offered next week to reduce the land grants by 80 million

acres. Personally, I think that is unfortunate, but I believe the committee will accept that amendment. So instead of getting nearly 50 percent of their land, which they should have, they will get about 27 percent of their land. They will not be able to choose from these rich oil lands withdrawn by the Federal Government.

I would suggest to the gentleman and to the other ladies and gentlemen of the House that when you hear talk here about giveaways you think not of your own State but of a vast Territory which has many mountains and other useless places. Think of the fact that to survey a given land as you gave it to other States it would take 12,000 years, and if you attempted to hasten it it would cost a minimum of $120 million. I am sure the gentleman from New York is fully aware of these facts.

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

Mr. CANFIELD. I yield to the distinguished delegate from Alaska.

Mr. BARTLETT. I thank the gentleman.

I merely want to add a postscript to what my chairman, the gentleman from New York [Mr. O'BRIEN] has said, and that is that the Federal Government has already reserved for its own uses in Alaska some of the very best land there, the tremendous acreage of 92 million acres. The State of Alaska is going to get second choice no matter how many acres are given to it in any statehood bill. The Federal Government has taken the best already.

Mr. HOLIFIELD. As a matter of fact, under the Federal laws we allow the citizens of the United States to homestead lands. This has been a traditional procedure. When the lands are opened up in Alaska the same rights of citizenship will accrue there to the people who want to go to Alaska to live there that have accrued in other States of the Union.

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

Mr. CANFIELD. I yield.

Mr. McCORMACK. We must keep in mind that there were only Thirteen Original States in the Union. Every one of the other 35 States had to be admitted into the Union. As we look back through our past history, we find that the same arguments were made against the admission of many of the 35 additional States as we hear being made here today against the admission of Alaska. The same arguments were made against the admission of Utah, Wyoming and Montana and many of the other States as are being made against Alaska today. It is hard for me to understand how anyone coming from a State other than one of the Original Thirteen States can forget and overlook the history of their own State when it was admitted to the Union.

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

Mr. CANFIELD. I yield.

Mr. HOLIFIELD. Mr. Chairman, if my colleagues will bear with me, I would like to develop a few thoughts that I believe are of value for the RECORD.

PUBLIC OPINION AND ALASKA STATEHOOD

We are frequently asked, How responsive should an elective body be to public opinion?

Should a Representative always follow the wishes of his constituents?

These questions arise occasionally in the minds of our membership. We all know that because we have discussed the problem with some of our colleagues.

Every Member properly reserves the right to follow the dictates of his conscience. At times, he may be in disagreement with the sentiment of his constituency, and so vote.

Yet I think few of my colleagues will dissent from the view that unless a Representative has a deep conviction, that his vote must be cast on one side of an issue regardless of his constituents' wishes, or unless he believes that his constituency is badly misled and mistaken, he is bound to be powerfully influenced by public sentiment in his District. Especially will this be so if this sentiment at home is clearly not the result of some unusual happening, some spectacular event, some national or local crisis which will cause a sudden swing of opinion into attitudes that may be altered when passion or alarm subside. If public opinion on a given issue is persistently held, grows in strength, and is not due to obvious misconceptions, then certainly few of us would maintain that such opinion was not a potent or even a determining factor in our legislative decisions.

Which brings me to point out that on few public issues has there been so widespread, so general, a sentiment, as that which favors the admission of Alaska to statehood.

That striking fact is proved by a dozen and a half legislative polls taken in as many Congressional Districts over the last 4 years. They show:

First, that public sentiment in the United States strongly favors statehood for Alaska.

Second, that the sentiment is universal, and it is found in every section—east, west, north, south, and in between.

The next poll, taken early in 1957, was in south central Texas, in the 21st District, represented by O. CLARK FISHER, of San Angelo.

Third, that that sentiment has grown steadily, reaching new highs.

Fourth, that statehood is not only favored, but favored by very substantial majorities. Few of us are so fortunate as to be elected in our Districts by the majorities which they give statehood for Alaska.

I have recorded in my remarks today the results of 18 polls which have been published in the CONGRESSIONAL RECORD. I may, inadvertently, have omitted some. If so, the omission is unintentional. I have sought to make the record complete, and if there are published polls on Alaskan statehood that I have overlooked, I shall be happy to have them called to my attention. Eleven of these 18 polls were taken by Republicans, 7 by Democrats.

The first poll I have recorded was taken in 1954 in the 11th Massachusetts District, ably represented by THOMAS P. O'NEILL, JR. The poll showed 69 percent favoring statehood, 17 percent opposed, a ratio of slightly better than 4 to 1. In giving these proportions, I am excluding those who say they have no opinion.

The next poll, in chronological order, was taken in the First Iowa District, represented at that time by our former colleague, THOMAS E. MARTIN, now the junior Senator from the Hawkeye State. The vote there was 81 percent for statehood, 18 percent opposed—a majority of 4½ to 1.

In western Nebraska, in the State's Fourth District, our colleague, A. L. MILLER, took a poll in the spring of 1955. Result: 78 percent, yes; 22 percent, no, or—just 3½ to 1 for statehood.

In June 1955, our friend, THOMAS L. ASHLEY took a poll in his Ninth Ohio District—an urban and industrial area in the northwestern part of the Buckeye State. There, 73 percent favored statehood, 22 percent opposed—a ratio of well over 3 to 1.

The following year, 1956, produced another Ohio poll in the opposite part—the southeastern end of the State, in the rural and agricultural area represented by JOHN E. HENDERSON. His constituents voted 86.4 percent for statehood. He did not report the remaining 13.6 percent, as to whether they were opposed or had no opinion.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. ROGERS of Texas. The gentleman is talking in percentages. Does he have the numbers?

Mr. HOLIFIELD. I do not have them here. They are in the RECORD. I think the percentages are indicative, because they are all over the Nation. The Gallup poll percentages are taken the same way.

Mr. ROGERS of Texas. As I observed in my remarks, if the Gallup poll was indicative, Tom Dewey would be President.

Mr. HOLIFIELD. When there are differences of 4 or 5 percent, the gentleman's remark is well taken, but when you are talking in percentages of 4 to 1, I think no man who understands polls would say that that type of poll is not indicative of general sentiment in his District.

Mr. ROGERS of Texas. I was really seeking information.

Mr. CANFIELD. Was the gentleman not referring to the Literary Digest Poll? After that poll the Literary Digest became extinct.

Mr. ROGERS of Texas. I thought that was another transaction. I was thinking about 1948, to be honest.

Mr. HOLIFIELD. I would like to put in a few more of these polls.

There, the vote was yes, 67 percent; no, 17 percent—a shade under 4 to 1. Another Texas poll in the 16th District, the most westerly Texas district, represented by J. T. RUTHERFORD, showed 79 percent, yes; 21 percent, no—not far from 4 to 1. A third Texas poll in JIM WRIGHT'S District—the 12th—which is chiefly the fine city of Fort Worth, showed 80 percent for statehood, 10 percent against—or a vote of 8 to 1. Thus, 3 Texas districts—2 of them favoring

Alaskan statehood by just under 4 to 1, one of them by 8 to 1—would indicate that Texans do not balk at the idea of admitting a State larger than the Lone Star State. In fact, they welcome it. Good old, little Texas.

In the Empire State—in a district both urban and suburban, in northwestern New York—WILLIAM E. MILLER found that in his 40th District, 74 percent favored statehood, 13 percent did not—a ratio of 5½ to 1.

In the Show Me State, MORGAN MOULDER showed that in the heart of the Nation—his 11th Missouri District, in the center of the State—79.6 percent favored statehood, 10.1 percent did not—or just under 8 to 1.

In West Virginia's 4th District, WILL E. NEAL learned that 71 percent of his constituents favored statehood and 21 percent did not—a majority of over 3 to 1.

In Ohio, our third poll in the Buckeye State, WILLIAM E. MINSHALL—representing the 23d District—found 82 percent favoring statehood, 10 percent opposed—over 8 to 1. Is it not striking how closely those 3 Ohio polls parallel the 3 Texas polls, representing in both States, both urban and rural constituencies?

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

Mr. CANFIELD. I yield to the gentleman from Cape Cod who is always so fair and forthright.

Mr. NICHOLSON. I thank the gentleman.

Mr. CANFIELD. The gentleman knows how I like to go to Cape Cod in the summer each year and talk to people who love him so much.

Mr. NICHOLSON. And I love them, too.

On this question of the Gallup poll, when they ask you a question, what is the question? Is it, "Do you favor Alaska becoming a State?" or do they say, "Are you in favor of admitting Alaska with all the things we will have to do to take care of them?" Do they ask those questions, or is it just "Do you favor taking Alaska and Hawaii and Puerto Rico and the Virgin Islands in as States?"

Mr. HOLIFIELD. If I may answer, my answer to that would be that I am not questioning the type of question which my colleagues answered, although I may comment on 1 or 2 of the questions in a few minutes and show you a surprising result. I hope the gentleman from New York [Mr. PILLION] is on the floor when I get to that particular poll, because I know he will be interested in it.

Now, we cross south, below the Mason-Dixon line, into the Old Dominion State. There, in BURR HARRISON'S 7th District, the people who elected him voted 69 percent for statehood, 20 percent against—approximately 3½ to 1.

Next, we sound out the voters in the Prairie State. But the voters in EMMET BYRNE'S 3d Illinois District are scarcely prairie dwellers. They live in the heart of the great Midwest metropolis, Chicago. There, 80 percent favored statehood for Alaska, 12 percent opposed—a ratio of over 6½ to 1.

We now come to the present year, 1958. In the Wolverine State, ROBERT P. GRIFFIN found that 84 percent of those polled in his 9th Michigan District favored statehood, 7.1 percent opposed, a shade under 12 to 1.

Back in New York, in the 39th District, HAROLD C. OSTERTAG found that 85 percent favored statehood, 9 percent opposed—or over 9 to 1.

Two more polls, taken this year, belong in a special category, because the question regarding statehood was not a simple recording of voters' opinion, but appeared to be in the category of what are known as leading questions:

In the 18th California District, 1 of the 12 Congressional Districts in Los Angeles County, CRAIG HOSMER'S poll asked:

> Do you believe that because of present world conditions we should wait before granting statehood to Alaska and Hawaii.

I leave for your own judgment as to whether or not that would be, in the parlance of legal interrogation, known as a leading question.

Well, 61 percent of CRAIG HOSMER'S constituents said "No"—we should not wait, but go right ahead with statehood, and 27 percent said "Yes," we should wait—over 2 to 1 for proceeding immediately to grant statehood, despite their Representative's hint that waiting might be preferable.

Finally, one of the most interesting exhibits of voter sentiment is found in New York's 42d District. It is represented by our friend JOHN R. PILLION. He has devoted his all-out efforts to fighting statehood for Alaska and Hawaii—by press release, public address, radio, television, in committee, and on the floor of the House—for three whole Congresses. If any Member of Congress deserves the title of "Mr. Antistatehood," it is JOHN R. PILLION. If constituents of any Congressman are indoctrinated with antistatehood arguments, they would certainly be his. Recently, he sent out a questionnaire. To say that it was slanted, would do his talents an injustice. To say that it was loaded, would come closer to accuracy. He did not poll his constituents on Alaska and Hawaii separately. He combined the two Territories, with the question:

> Do you favor statehood for the Territories of Hawaii and Alaska now?

And followed this with the further questions:

> Or would you prefer to delay statehood until—
>
> (a) Communist influence in Hawaiian politics is eradicated; and
>
> (b) Legislation is enacted which would apportion membership in the United States Senate on some equitable population basis for States hereafter admitted; or
>
> (c) Require Alaska and Hawaii to consent to less than two United States Senators—

In addition, Representative PILLION accompanied the questionnaire with a memorandum of issues relating to the questions.

Nevertheless, JOHN PILLION'S constituents answered the question, "Do you favor statehood for Hawaii and Alaska now?" with 4,339 votes "yes" and 3,867 "no."

Representative PILLION'S District, the 42d, is contiguous to MILLER'S 40th and OSTERTAG'S 39th, which, as they recorded, gave ratios of 5½ to 1 and 9 to 1, respectively, for Alaskan statehood.

An interesting thing occurs here, because Representative PILLION'S District, the 42d, is contiguous to Representative MILLER'S 40th and Mr. OSTERTAG'S 39th, which, as they recorded a simple question, gave answers 5½ to 1 in favor of statehood and 9 to 1; and I would challenge my friend to send out a straight question to his constituents. I guarantee the difference between yes and no would be more sharply defined.

The fact is that no poll taken in the last 3 years anywhere in the United States shows any constituency not favoring statehood, and none—except HOSMER'S and PILLION'S—by less than 3 to 1, and most of them higher.

These favorable pro-Alaskan statehood polls were taken throughout the Union, in States touching the Atlantic and Pacific Oceans, the Canadian and Mexican borders, indeed, "from the mountains to the prairies, from the oceans white with foam," in rural and urban areas, in Democratic and Republican districts. Everywhere, the people wanted Alaska to be a State.

And finally is the overall, and overwhelming evidence of the Gallup polls, which show how the nationwide sentiment for Alaskan statehood has grown. From 5 to 1 in 1946, to 7 to 1 in 1956, to 9 to 1 in 1957, and this year, as recently as last March, to 12 to 1. Twelve to one. Now. On what other public issues do we get as close to unanimity?

The American people have spoken. They have spoken over a period of years. This is no fleeting emotion on their part. This is a call, a clarion call, welling up from the hearts of Americans, from the deep consciousness of their destiny, an expression of yearning to add one more great chapter to the American story, one more verse to the American epic. Their chorus of approval for Alaskan statehood has swelled to a mighty symphony.

Even if I did not believe wholeheartedly in statehood for Alaska, I would vote for statehood as an act of simple justice after 91 years of strangling territorialism; as an overdue fulfillment of treaty pledges and platform commitments; as of great value to our whole people in opening up a new frontier of opportunity in a time of recession; as an extension of democracy to our Nation's farthest North and farthest West; as an evidence that our Nation is still young, still on the march, still imbued with the pioneer spirit; as a validation of that most basic of American principles—the principle of government by consent of the governed; as an act that will contrast Russia's enslavement of her satellites with America's conferment of equality on a dependency, especially one that once belonged to Russia, and which lies within naked-eye view of the Soviet police state; as an evidence to all mankind that America practices what it preaches, even if I did not believe—as I do—in any of these valid reasons for conferring statehood on Alaska, I would unhesitatingly rise to the compelling call of American public opinion, and vote to make Alaska the 49th State.

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

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

Mr. PILLION. The gentleman perhaps is acquainted with Dr. Miller's poll taken in Alaska?

Mr. HOLIFIELD. Taken in Alaska?

Mr. PILLION. Yes. It is in the RECORD of July 1, 1957. He asked this question, which is not slanted in any way: "Do you favor immediate statehood for Alaska?" And, the answer from Alaska was, "Yes, 522; no, 1,394." In other words, a ratio of more than 2 to 1 against statehood right in Alaska.

Could the gentleman tell me whether one-half or one-quarter percent of the people who were polled in the various polls that were cited by the gentleman from California ever read any one of these statehood bills or ever read the debates or the articles pro and con and really studied these things? The gentleman must know that these are not mature judgments, such as we are called upon to render here; that the polls are mere impulsive first-hand opinions, and that is all they are. So, certainly the gentleman would not recommend that we act in this House according to polls. The people are entitled to more than merely a reflection of first-hand opinions, and we in this House, rather than taking those opinions, should study the matter and give it very serious and sober consideration before we pass judgment on a matter as important as statehood.

Mr. HOLIFIELD. I would just briefly say that I do not have the time to answer the gentleman's question.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

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

Mr. O'BRIEN of New York. Just on one of these many polls that have been taken. I might point out there is a big difference between a poll in Alaska and the polls mentioned by the gentleman from California. These polls were addressed to specific individuals in their districts asking for guidance on important public problems, one of which was statehood. The one in Alaska was a newspaper poll, and I know how I would feel on a newspaper poll if I were a Federal employee who might lose his job or a military officer or an individual who thought he would lose the 25 percent pay differential. There were several hundred affirmative votes on statehood for Alaska that I did not put in the committee record because I did not think that was the way to find out what the public was thinking about.

Mr. BENNETT of Florida. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Florida, who looks like a friend of Alaska.

Mr. BENNETT of Florida. Mr. Chairman, the most compelling reason for statehood for Alaska is the strength that this will give our national defense. However, I wish to address my remarks to remarks of some of my colleagues who raise the point that they think Alaska has not enough population to justify statehood.

If the policy of not admitting States with fewer people than those already in the Union had prevailed from the beginning, we should still be a nation of 13 States.

The United States would still be a thin fringe of States along the Atlantic seaboard.

But our predecessors in Congress, fortunately, did not pursue that policy, and the United States has become a great nation, continental in size, extending from the Atlantic to the Pacific. I doubt whether anyone present regrets that this is so, or would seek to undo it, if he could. Our Nation grew in strength, power, and greatness as we admitted new States to the Union.

Actually, Alaska has more population today, with some 210,000, than had two-thirds of the States admitted after the Original Thirteen at the time of their admission. The estimated population of Florida, my home State, at the time of admission was 72,000.

Alaska will have far more population, and rapidly, when it achieves statehood.

Those of us who have observed the restrictive policies pursued toward Alaska, for some of which our own Congress has been responsible, some of which have arisen from bureaucratic practices, will realize as I do how difficult it is for Alaska to grow in population under its present Territorial status.

The way to get more population to Alaska—and quickly—is by conferring upon its people the equality and sovereignty of statehood.

It has been argued by some that while this was a practice that we approved of in the past, we must not extend it into the future. They argue that if we pursue this policy we shall soon have a more disproportionate representation in the Senate than we have now. Conceivably—if there were a prospect of admitting another dozen or two dozen States—there might be a basis for this fear. But a realistic appraisal of the situation will make clear that by no stretch of imagination is there any probability of even any serious request for statehood for any in excess of two additional States.

According to traditional practice, in order to become a State, an area must first become an incorporated Territory. We have only two incorporated Territories. We need never have any more. I don't know whether we ever will have. In the case of Alaska, I can confidently predict—from my knowledge of its resources and its vast potentials—that it will not remain long a "small" State, meaning "small" in terms of population.

Alaska with statehood, will become the American equivalent of Scandinavia. Theodore Roosevelt pointed that out over half a century ago. Across the world, in corresponding latitudes, with the same climates, and with natural resources not as great as those of Alaska, the 3 Scandinavian countries and Finland, in an area about three-quarters of Alaska's, have a population of 18 million people, supported by a thriving economy.

What is the reason, then, that these countries, lying between the latitudes of the 54th and 72d parallels—as does Alaska—have this vast population, while Alaska has not? There are several reasons.

In the first place, they have government by consent of the governed. Despite the fact that three of them have kings, they are democracies. Their ideas of freedom are the same as ours. They possess the basic political ingredient which made our Nation great. Alaskans do not have government by consent of the governed. Statehood will give it to them.

Second, the Scandinavians have been at it for 2,000 years. Alaska has been under the flag for 91 years, but during that time—regrettable as it may be to confess it—Federal policies have been so restrictive that Alaska could not develop.

Third, the Scandinavian countries and Finland, have been, and are close to the greatest centers of population—Berlin, Hamburg, Amsterdam, Antwerp, Brussels, London, Paris, St. Petersburg—now Leningrad—which have furnished, and continue to furnish them markets for their exports. Alaska, on the other hand, has been remote. Its nearest areas on the Continent have been sparsely settled. The air age, the jet age, is transforming all that.

Give Alaska statehood and I prophecy within 5 years it will have half a million people, a million at the end of the first decade, and will continue to grow. The way to meet the small population argument is to vote for statehood.

Mr. CANFIELD. Mr. Chairman, I thank the gentleman from Florida for his contribution.

Mr. Chairman, former Gov. Alfred E. Driscoll, of New Jersey, worked in the Territory of Alaska as a lad. He fell in love with the Territory and is a great champion of its cause for statehood today. I have a letter from the Governor of very recent date in which he says in part:

> For many years I have earnestly sought statehood for Alaska. I recognize there are some interests on the west coast that, for personal reasons, have opposed statehood. On the other hand, if we are to maintain a real leadership, we must practice what we preach—and this, in my judgment, includes fair play for our Territories.
>
> Over the years the United States has achieved an unparalleled record of giving freedom to people who, through the chances of war or fate, found themselves within our protective custody. If we had wished to be a colonial power, Cuba and the Philippines would have offered us tremendous opportunities.
>
> With such a record, it is hard for me to understand why we have been so slow to fulfill the hopes of the Alaskans and Hawaiians. The inhabitants of these Territories have earned their right to full citizenship in our Republic. Indeed, they have served a longer apprenticeship than was served by the inhabitants of many of the Western States prior to their admission to the Union.

Mr. ROOSEVELT. 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 California?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, by adding another star to our flag, we

strengthen our heritage of liberty and freedom.

I am stirred by a reading of the various sections of Alaska's Constitution which guarantee the right of its citizens. Appropriately, they are included in the very first article.

They reaffirm those principles of human dignity that are being challenged as never before in the history of freedom by the tyranny of Communist totalitarianism.

I repeat, admitting into our Union a State dedicated to those principles strengthens our own heritage of liberty. Moreover, in this grave hour of history we need to command all such possible resources of spirit, as well as material, for our arsenal of defense if we are to experience the victory which should be ours.

"Eternal vigilance is the price of liberty" cannot be repeated often enough if we are to be constantly reminded of the wisdom of that slogan of a free society.

We need to guard against all corrosions to our liberty. A vigilance must always be exercised in combatting it. Maintaining liberty requires nothing less.

There is no question in my mind after a reading of Alaska's Constitution that this wisdom will be hers in the years to come.

This record on the admission of Alaska will be, I hope, a basic document of Alaska's history as well as our own. I think it more than appropriate, therefore, to discuss candidly some of our own failings so that Alaska might take heed in preserving from corrosiveness her own noble traditions in the decades to come.

This record on the admission of Alaska should include comment on some of our practices which do not reflect exactly the traditions expressed so eloquently in article 1 of Alaska's Constitution—to be found on page 49 of House Report No. 624 of this Congress.

The Bible suggests:

> Pride goeth before destruction, and a haughty spirit before a fall.

I feel impelled to comment on the significance of section 7, article 1, of Alaska's Constitution which reads, as does our Federal fifth amendment:

> No person shall be deprived of life, liberty, or property, without due process of law.

Then, the section goes on to guarantee that—

> The right of all persons to fair and just treatment in the course of legislative and executive investigations shall not be infringed.

This is a magnificent formulation of a protection which I hope we can establish fully in our law to protect citizens in their rights against encroachments by legislative investigation.

I take heart in Alaska's recognizing the necessity for formulating a guaranty against this threat to freedom.

It should be stated that as blunt and clumsy an instrument as it is, the investigative power is a necessary part of our lawmaking process. We need not dwell long on the proposition that Congress could not perform effectively its basic appropriation and lawmaking functions without the power to investigate.

Indeed, I think it will become an even more important aspect of lawmaking in the years to come. We will not be able to legislate in a growingly complex society without exercising first the power to investigate exhaustively.

I think that we need not dwell likewise on the further proposition that effective use of the investigative power necessitates compelling citizens to testify. This, in turn, involves imposing criminal penalty if such a subpenaed witness refuses to testify.

And so section 192 of title 2 of the United States Code reads that:

> Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House * * * willfully makes default, or who, having appeared, refuses to answer any question to the question under inquiry.

The courts have held in language which I believe is deeply rooted in our American tradition of individual liberty, that such power has definite limits.

In Watkins against United States the Supreme Court held in its central holding that a "person is entitled to have knowledge of the subject to which the interrogation is deemed pertinent with the same degree of explicitness and clarity that the due-process clause requires in the expression of any element of a criminal offense."

Certainly no one can dispute the proposition that if a person is going to be indicted for criminal contempt because of his refusal to answer a question put by a Congressional committee, he should be accorded the same basis for predicting the consequences of his conduct as he does with respect to every other criminal conduct.

Let me say that the ability to predict the criminal consequence of one's act is perhaps the essential difference between life in a free society and life in a Communist society.

The Court sustained this principle in Watkins against United States. And I cannot see how any thoughtful American could disagree with this result.

I think we in the House recognize that the Watkins case does not provide a remedy specific enough to curb the chief abuses involved in the Congressional investigative process by its central holding.

The question which we have to face is whether it is ever possible to determine the pertinence of a question with the clarity constitutionally required of a criminal statute.

I think Mr. Justice Clark did raise this problem in his dissent:

> Such a requirement has never been thought applicable to investigations, and is wholly out of place * * * . The Congress does not have the facts at the time of the investigation for it is the facts that are being sought. In a criminal trial the investigation has been completed and all of the facts are at hand. * * * In the conduct of such a proceeding it is impossible to be as explicit and exact as in a criminal prosecution.

The majority, however, faced the problem in a more affirmative manner.

Mr. Chief Justice Warren's discussion of the factors involved in the Watkins case itself in determining pertinence suggests the difficulty in according the witness, before he refuses to answer a question the same degree of predictability available to him in a law defining a criminal offense. He discussed such factors as the prohibition against governmental intrusion afforded by the first amendment, the lack of power in Congress to expose for exposure's sake, and the scope of the committee's authorization from Congress.

These are limits to governmental power which are often blurred, and have to be studied in the light of a whole and complicated record before they can be made specific. Thus, the question remains whether a witness should have to risk criminal penalty in making this kind of difficult judgment, on the spur of the moment.

I think in all candor we should admit that more extensive oral remarks made by the chairman of a Congressional investigating committee outlining the exact purview of a particular hearing—as suggested by the Court—will help less than most people imagine in establishing for the witness the constitutionally guaranteed sense of predictability.

It is not difficult for a committee to establish an apparently logical pertinence of a question to a legislative purpose, so as to put the witness in considerable quandary before deciding to challenge the committee in its right to ask the question.

The present criminal statute penalizing a witness for refusing to answer any question pertinent to an inquiry was passed in 1857. Before this came into existence, a recalcitrant witness was tried before the full House and might be ordered to answer a specific question.

In this procedure, as a matter of fact, the witness had an ample opportunity to be informed of the pertinence of that question, and did not risk criminal punishment. This has not been true since 1857. The recalcitrant witness has had to face a criminal prosecution, during which pertinence as well as propriety of the question is determined, and avoidance of criminal punishment rests on the accuracy of his original judgment.

The Watkins decision does suggest that in time the courts will hammer out a rule of reason in defining constitutional limits to Congressional investigative power, but a witness should be able to determine, before criminal prosecution, what would be the consequences of his decision to challenge a committee's right to ask a question without himself having to apply a rule of reason to a complicated situation.

In this connection, I would like to take note of H. R. 259, introduced by my distinguished colleague on the opposite aisle, the gentleman from New York [Mr. KEATING], which has been approved by the House Judiciary Committee.

The bill would authorize Congressional committees to apply to a Federal District Court to pass upon the propriety of a question which a witness has refused to answer; if the court found the question proper, it would order the witness to answer.

Under the procedure of the bill, a witness may have the opportunity to raise all defenses—first amendment, lack of authorization, impertinence, and so forth—and obtain a judicial determination of the committee's right to ask the question before facing a criminal prosecution. This type of legislation should be more fully studied. It suggests what might prove to be one of the most significant safeguards yet proposed against investigative abuse.

Future legislatures of the State of Alaska may well examine closely the work and procedures of the House Un-American Activities Committee.

I would like to have it clearly understood that my thinking is based upon my own independent soul searching of this problem which was largely prompted by the Supreme Court's decision in Watkins against United States when it was handed down almost a year ago on June 17, 1957.

I think the time is due for some hard-headed thinking on some of the questions regarding the status of the House Un-American Activities Committee which has been posed by the courts.

And I would like to reiterate my feeling that including these remarks in the record on Alaska's admission is the appropriate time. It is to be hoped, for instance, that the Alaskan Legislature in implementing article I of its constitution, will never fall into the error of giving a mandate to an investigating committee, which reads as follows: To investigate "the extent, character, and objects of un-American activities in the United States" and "the diffusion within the United States of subversive and un-American propaganda that is instigated from foreign countries or of a domestic origin and attacks the principle of the form of government as guaranteed by our Constitution"—mandate to the House Un-American Activities Committee.

In view of the central holding on the Watkins case, I ask my colleagues how in the world can a witness resolve for himself whether a question put by the committee is authorized in view of the vagueness of the authorization which spills over into constitutional doubt.

I think Chief Justice Warren's comment in this connection is appropriate:

> It would be difficult to imagine a less explicit authorizing resolution. Who can define the meaning of "Un-American"? What is that single, solitary "principle of the form of government as guaranteed by our Constitution."

And then the Chief Justice goes on:

> 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 the individual is affected. An excessively broad charter, like that of the House Un-American Activities Committee, places the courts in an untenable position if they are to strike a balance between the public need for a particular interrogation and the right of citizens to carry on their affairs free from unnecessary governmental interference. It is impossible in such a situation to ascertain whether any legislative purpose justifies the disclosures sought, and, if so, the importance of that information to the Congress in furtherance of its legislative function. The reason no court can make this critical judgment is that the House of Representatives itself has never made it. Only the legislative assembly initiating an investigation can assay the relative necessity of specific disclosures.

It seems to me that the judiciary has a right, and duty as a matter of fact, to tell the legislative branch, "If you want us to process a criminal prosecution for contempt of Congress, we need a basis for determining pertinency, as an element of criminal conduct. We do not have it in the mandate of the House Un-American Activities Committee. It is too vaguely written."

On July 1, 1957, my esteemed friend and colleague from California [Mr. DOYLE] introduced House Resolution 307, providing for change in the mandate and name of the House Un-American Activities Committee, attempting to cure the vagueness discussed in the Watkins decision. As far as I can discover no action or consideration has been given by the Rules Committee to which the resolution was referred.

However, I regret that in reading the provision of the resolution I do not find the solution. It authorizes investigations into "the extent, character, and objects of subversive activities and propaganda in the United States" and to investigate "the origin, extent, character, and control and objects of any subversive movement in the United States and to destroy the representative form of government provided for in the United States Constitution, by its use of deceitful infiltration of other groups; conspiracy, treachery, sabotage, espionage, terrorism, subversion, and any subversive activity and propaganda."

It seems to me with all due respect to my dear friend from California the term "propaganda" covers speech, writing, and association, all of which involve conduct protected by the first amendment. Since this is an area about which we cannot legislate, we are precluded from investigating.

While some of the objectives of a subversive movement, in the last part of the language I quoted, are specified, several of the standards of judgment are so subjective that they are bound to restrict free speech and association. Such imprecise wording may not meet the limits suggested by the Supreme Court in its Watkins decision.

I do not believe that we should abolish the function of investigating matters legitimately related to the area of internal security about which we could legislate. I believe to do so would be in dereliction of our duty.

However, in so doing, we have to meet the problem suggested in the United States Court of Appeals dissent of Chief Justice Edgerton in Barenblatt against United States, decided on January 16, 1958, which I believe to be expressive of the Supreme Court ruling in the Watkins case.

I understand Watkins to hold that the Committee on Un-American Activities had no authority to compel testimony because it had no definite assignment from Congress. The Supreme Court said: "When first amendment rights are threatened, the delegation of power to the committee must be clearly revealed in its charter."

In short, I do not think we can possibly continue in the 86th Congress with the mandate of the present House Un-American Activities Committee. I think we have no other choice but to repeal the mandate given to the committee since 1938, and rewrite it with clarity and preciseness.

Accordingly, I respectfully submit to my colleagues that this matter must be given the utmost attention and thought from this point on, so that we can deal intelligently with the problem at the very start of the 86th Congress.

I think that my colleagues, regardless of political disposition, and including the members of the House Un-American Activities Committee, will agree that the problem of fighting communism from the point of view of internal security is a different problem today than it was 20 years ago or even 10 years ago. The ease with which the committee, by following wrong paths, can lose the support of American citizens who are known to be conservative in their views is well illustrated by a letter by Frank Waldrop addressed to the editor of the Washington Post and Times Herald and published on Saturday, February 15, 1958. I quote it because this is the opinion of no radical leftwinger, but rather that of a former editor of the Washington Times Herald, well known for its consistently conservative viewpoint:

UN-AMERICAN MISCHIEF IN INDONESIA

I have just finished trying to read a document entitled "International Communism" (Communist Designs on Indonesia and the Pacific Frontier), published December 16, 1957, by the House Committee on Un-American Activities as a staff consultation with Gen Charles A. Willoughby, the former Chief of Army Intelligence in the Far Eastern Command under General MacArthur.

General Willoughby proves without any doubt that Communists have designs on Indonesia and that Communists exist in Indonesia and have influence there. This astonishing discovery equals in news value and importance the truth that Communists have designs on the United States, that Communists exist here and have influence here.

Sometimes, indeed, when I reflect on my now nearly 30 years of intensive effort to understand communism and its unique methods of operation, I am almost persuaded that it has built as one of the most effective engines the House Committee on Un-American Activities, with which I have spent so many futile hours of effort and vain hope that it would learn its business.

What excuse, in God's name, has any committee of Congress for spending the taxpayers' money on such indefensible drivel as this compound of Willoughby's? By what test can the committee justify issuing this staff consultation as if it were a thing of value and discovery?

As it happens, I know something about Indonesia myself, especially as it is today by comparison with what it wanted to be when it became an independent nation. My first knowledge of what was brewing out there came in the winter of 1942–43, when Mr. Van Mook, the Governor General of the late Netherlands East Indies, undertook to educate us here in Washington about the Netherlands' plan for reformed colonial government in the Indies after the war.

The situation at the time was that the Japanese had just thrown the Dutch out of the Orient in violent style, and apparently

without much difficulty. Then any Dutch in the Indies were doing their best to look small and avoid anything to remind either J panese or the people of the region of their presence.

The American performance in the Philippines was not much, perhaps, as a military demonstration against the Japanese; but as a character test for the men and women on Bataan it hadn't done anything to destroy us with the people of the region, and our prewar commitment to work for Philippine independence was both believable and believed, then and thereafter.

But here was Van Mook running around Washington, while the Japanese were chasing Dutchmen through the woods of the Guineas, with a grandiose plan for "elevating the natives" from their former low estate to some kind of "equality within the Netherlands Empire," once the war was over, of course, and all had returned to normal.

I was one invited to the Netherlands Embassy (not since, I may add), to hear the plan presented and to offer comments. All I asked, and in those days I had little notion of the situation in the Orient as it was and was to become—all I asked was what we were supposed to do if the little brown brothers didn't like being little brown brothers, but instead just wanted to be people on their own.

Before the evening was over, I was well established as a low fellow who had no understanding of the "real" problem out there.

The actuality of politics in all of Asia in 1942 was plain as day. Need I spell it out? I can do no better than General Willoughby's chief, Gen. Douglas MacArthur, in his superb address to Congress after he came home in supposed disgrace as a casualty, after many years of high honor and great public service, to the ineptitudes of President Truman.

MacArthur's speech to Congress is all anybody needs to aline himself with the facts of life and politics in all the Pacific regions. The central point is that the people of Asia have aims and hopes and aspirations to live the modern life. They have become national in their attitudes. They have shown themselves determined to make their own mistakes, rather than go on taking the blows that come from the mistakes of others.

Certainly it is true that Indonesia, today, is having ghastly troubles making its way in the world. Certainly it is true that the Communists will destroy Indonesia if they can. But the question is whether the Indonesians will be able to survive the problems of emergence from centuries of blight at the hands of colonial imperialism. Do we want the Indonesians to survive or do we want them to fail?

If we want them to fail we can continue puffing up such peculiar thoughts as those which seem to obsess Willoughby, namely, that calling Indonesian leaders hard names will make them go away. We can also occupy ourselves with refusing to give ear to Indonesian friends who try to tell us their difficulties and their hopes. We can refuse them the respect and friendly consideration that one grown man offers and expects in his dealings with others who grow up, too, and have done so.

Such a policy of negation and fretful childishness has already cost us much in the Middle East. Now are we to cost ourselves remnants of friendship in the Pacific regions, such as we have?

Just which side is this Willoughby working for, anyhow? And I may ask the same of this nonsensical committee which has, indeed, at last established itself as clearly the true Committee on Un-American Activities. The joke is feeble and damned tired, I will admit, and I wish it didn't fit. But it does.

To this I would like to add the words of our respected colleague from New York [Mr. KEATING], the ranking Republican member of the Judiciary Committee, who certainly cannot be attacked as a radical thinker. He said, in an article in 29 Notre Dame Lawyer 212:

> The rights of Congress are no broader than the legitimate objects from which they have been implied. And I believe those objects are only the two referred to a moment ago: (1) to gather facts about proposed legislation, and (2) to inquire into the workings of existing Federal laws. There lies the first and perhaps the only important substantive restraint which Congress must impose upon itself. No Congressional investigation is justified unless it can be directly related to the lawmaking process in one of these two ways. In other fields, the investigations are proper and often necessary, but not by Congress. It follows that I disagree strongly with those who argue that Congress is also responsible for informing and educating the public by looking into anything which may happen to catch the popular fancy at the moment.

Mr. KEATING may well have put his capable hand on just the kind of thing which would have eliminated the recent spectacular announcement that a subpena had been signed for the appearance of Mr. Cyrus Eaton. I understand that Mr. Eaton has not been served with the subpena, and has not yet even been invited to appear before the committee. I have an idea that he would be delighted to do so, but certainly it must be in a context which does not question the constitutional right of Mr. Eaton to express himself freely, without fear of coercion to himself because of his statements.

I must acknowledge that I, too, think that Mr. Eaton's statements were unfortunate and that he may be guilty of recklessness in equating our FBI and other investigative agencies with Hitler's Gestapo police. But I will defend his right to think so and to say so in a free America, and I would not allow any comparison with Communist censorship.

I congratulate the wisdom of Alaska for her well-composed constitution. I hope that she will benefit from the experiences of our Federal system, good as well as bad. It would be wonderful indeed if the rebirth of the pioneering spirit from this, a new frontier, might bring to all our States a resurgence of that spirit which was written into our Constitution in the Bill of Rights.

I hope this bill will pass. I hope that it will signify to the world the true greatness of American constitutional government and I hope that it will inspire every American citizen to insist in his State that the 21 sections of article I, the declaration of rights in the constitution of the State of Alaska should be equally practiced throughout our land.

The preamble of the constitution might well be a prayer in which all of us may join:

> We the people of Alaska, grateful to God and to those who founded our Nation and pioneered this great land, in order to secure and transmit to succeeding generations our heritage of political, civil, and religious liberty within the Union of States, do ordain and establish this constitution for the State of Alaska.

Mr. WOLVERTON. Mr. Chairman, the bill to admit the Territory of Alaska as a State of the Union, now under consideration by the House, presents many questions of a fundamental character that require serious and careful consideration.

The matter has been before the Congress in one way or another many times during my service in the House since 1926. Consequently, I have had occasion to study the arguments for and against. I have done so again at this time. After careful consideration, I am of the opinion that it would not be to the best interest of the people of Alaska to grant statehood at this time, but, aside from that, I am further convinced that it is not in the best interest of our country at large and its citizens.

First, with respect to the citizens of Alaska. It has not been made plain to me that the small population now in Alaska could finance the cost of maintaining a State government without a heavy tax burden, a burden that would be, in the opinion of some of its substantial businessmen, too great to be carried. In other words, the economic conditions are not sufficient nor favorable enough at this time to sustain an adequate State government. But, as to this, there is some disagreement between the proponents and opponents of statehood. However, the fact that there is such a pronounced disagreement among prominent citizens of Alaska in this important matter of State government is sufficient in itself, in my opinion, to cause us to be cautious and make certain that we do not place an unbearable burden upon the people of Alaska and thereby destroy the progress and advantages that it is hoped would follow the granting of statehood.

But this feature of doubt as to the ability to carry the cost would not necessarily lead me to vote against statehood for I am aware that a pioneering people can now, as they have so often done in the past, overcome obstacles that have seemed unsurmountable. My basic objection arises from my feeling that it is not in the best interest of all our people when considered from the standpoint of our national welfare.

Foremost in the consideration of our national welfare is the effect the granting of statehood might have or, at least, could have on our national security. We should not overlook the fact that Alaska is one of the most strategic areas in our entire system of national defense. Not only is it separated from the Russian territory of Siberia by less than 30 miles across the Bering Straits, but, in addition its location is peculiarly adapted to the polar air routes that are now receiving so much attention from several nations, including Russia. The North Pole routes to and from Europe and Asia, that are now being developed, require that the whole area constituting Alaska be most carefully guarded against any possible unfriendly approach to our west coast by enemy planes utilizing the polar routes. There is no part of our defense system more important to our national defense than the Territory of Alaska. I am, therefore, strongly of the opinion that because of this it is best at this time, as well as in foreseeable future, that we should keep all the Alaskan area under Federal rather than State control.

It must necessarily be the Federal Government and not the State government that will carry the heavy cost of providing the intricate means of defense in the polar area so necessary in this scientific time in which we live. The Federal Government should have a free hand to accomplish this without any impediment by reason of divided jurisdiction.

Furthermore, Alaska is considered by many to be a land of great wealth in natural resources, particularly in a wide variety of minerals important in war, as well as in peace, including oil and lumber. How extensive these resources may be is not too well known at this time. Whatever does exist in the way of natural resources now belongs to the Federal Government. Under the bill before us making Alaska a State, all these natural resources would be relinquished to the State of Alaska. This is not right to the people of the Nation at large.

Nor, is it fair to the people of our Nation, or the other 48 States, that a Territory with such a small population, approximately only 160,000, should have 2 Senators, the same as New York, Pennsylvania, Illinois, California, and our own State of New Jersey, and many others with millions of people living in each of them. Furthermore, it would also have a Member in the House of Representatives, the same as our own First Congressional District of New Jersey that now has over 500,000 population. According to the information I have, less than 30,000 votes in all of Alaska were cast in the last election for officials of the Alaskan government. It is preposterous in my opinion that such senatorial and representation in the House be granted to such a limited number of people. It is all out of proportion to what is right and just. And, you can rest assured if statehood is granted Alaska, it will be only a short time until Hawaii will demand a similar right of statehood, and then possibly Puerto Rico.

The fact that some of our Western States were granted statehood when they had a small population may be true, but it must be remembered that our whole national population was also small at that time. An examination of the population figures at that time will show that the Territories which were granted statehood possessed a much higher comparative percentage toward the whole population of our country than does Alaska today. What advantage would come to any one of our 48 States, or to the Nation as a whole, by granting statehood to Alaska? There is nothing I can see that would begin to compensate for the disadvantages that would accrue.

Thus, as I consider the matter as a whole and evaluate the different elements pro and con, and stripped of all emotionalism, and without mentioning other elements that might also be urged against statehood, I cannot feel justified in supporting the bill that is now before us that seeks to grant statehood to Alaska at this time.

Mr. ASPINALL. Mr. Chairman, I ask unanimous consent that any member of the Committee on Interior and Insular Affairs who has an amendment which he intends to offer when we read the bill under the 5-minute rule, may have permission to insert a copy of that amendment in today's RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

AMENDMENTS TO H. R. 7999 TO BE OFFERED BY MR. MILLER OF NEBRASKA

On page 15, line 2, after the comma following the word "rejection" add the following: "by separate ballot on each."

On page 15, line 3, add the following language: "(1) Shall Alaska immediately be admitted into the Union as a State?"

On page 15, lines 3 and 8, respectively, change the figures "1" to "2" and "2" to "3."

On page 15, line 14, after the word "event" add the words "each of" and change the word "are" to "is."

On page 15, line 19, after the word "event" add the words "any one of" and change the word "are" to "is."

Mr. ASPINALL. 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. MILLS, 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. 7999) to provide for the admission of the State of Alaska into the Union, had come to no resolution thereon.

GENERAL DEBATE ON THE BILL H. R. 7999

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that further general debate on the bill H. R. 7999 be limited to the legislative sessions of tomorrow, May 23, and Monday, May 26, closing not later than 5 o'clock p. m. on the said May 26, and that one-half of said time be controlled by the gentleman from New York [Mr. O'BRIEN] and one-half by the gentleman from Nebraska [Mr. MILLER].

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

There was no objection.

RICE ACREAGE ALLOTMENTS

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8490) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to rice acreage allotments, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

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

Mr. MARTIN. Reserving the right to object, Mr. Speaker, is this the so-called rice bill?

Mr. THOMPSON of Texas. That is correct. It is a bill we passed in this body last summer. It has just been acted on by the Senate, with an amendment which applies only to the State of Louisiana and has no effect whatever on any other State.

Mr. MARTIN. I realize that, but I wish the gentleman would withdraw his request at this time. One of the Members on our side who is on the Committee on Agriculture and who I believe is in favor of the gentleman's request is not here and cannot be here until tomorrow morning, and he would like to speak on the bill. I would not like to object to the gentleman's request, so I hope he will withdraw it for the time being.

Mr. THOMPSON of Texas. It is my understanding the bill has been cleared on the gentleman's side.

Mr. MARTIN. This one Member thought he might have something to say about the bill when it came up.

Mr. THOMPSON of Texas. I withdraw my request, Mr. Speaker.

BOSTON NATIONAL HISTORIC SITES COMMISSION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12088) extending the time in which the Boston National Historic Sites Commission shall complete its work.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the joint resolution entitled "Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area," approved June 16, 1955 (69 Stat. 136), as amended by the act of February 19, 1957 (71 Stat. 4), is further amended by striking out "3 years" and inserting in lieu thereof "4 years."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CEREMONIES IN CONNECTION WITH THE UNKNOWN SOLDIERS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 90.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Sergeant at Arms of the Senate and the Sergeant at Arms of the House of Representatives are each hereby authorized and directed to purchase a floral wreath to be placed by the catafalques bearing the remains of the unknowns of World War II and Korea which are to lie in state in the rotunda of the Capitol of the United States from May 28 to May 30, 1958, the expenses of which shall be paid from the contingent funds of the Senate and the House of Representatives, respectively.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER pro tempore (Mr. METCALF). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PLIGHT OF THE MARINES

Mr. ZELENKO. 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. ZELENKO. Mr. Speaker, at a time when the Nation never needed it more, the Marine Corps is being steadily whittled down in strength and fighting power. The Marines pride themselves on being lean and hard, but it is difficult to stay in fighting trim on a starvation diet. The administration's treatment of the Corps is a classic example of penny wise, pound foolish, for the Marines have always been able to make a dollar go farther than the larger services.

By law, the Marine Corps is required to maintain three combat divisions and three aircraft wings. To maintain these air-ground teams requires 215,000 Marines; however, in the face of directed economies, the Marines have calculated that a strength of 200,000 would give them a marginal capability of fielding the three divisions and wings, although all units would lack staying power. But even this minimum figure is being denied them. Over the past 3 years, the Corps has been steadily forced down from just over 200,000 to a directed strength of 175,000 by the end of fiscal year 1959. This will mean that the marine combat forces will then be at 75 percent strength—in other words, if they have to go into combat, they will have suffered 25 percent casualties before a shot is fired.

It is universally accepted that limited war is the most likely threat. To meet this threat, we need balanced mobile forces—versatile forces which can move to the scene of trouble on the shortest notice. We have such forces—or at least we have had—in the United States Marine Corps. Why are we putting the economy squeeze on this unique body of fighting men?

In the 182 years of its existence, the Marine Corps has never failed to respond to emergencies. The Marines have always been ready to fight for this country—and they have fought on almost every continent on earth. In recent months, they have again shown the world what a force in readiness really is: in the simmering Mediterranean, the ubiquitous Marines were on the scene during the Suez crisis; they stood by when little Jordan was threatened by aggression. At the peak of the Soviet threat to the whole Middle East, Marines from Okinawa also moved quietly towards the Red Sea, ready to lend a hand if required. Additional Marine units here in the States were ready to go if needed. In fact, elements of all three division-wing teams are on a 24-hour alert at all times. This is readiness—the kind of readiness the world has learned to expect of the Marines—the kind of readiness the Communists respect—the kind of readiness this country now needs more than ever before.

Much has been said recently about the importance of truly unified commands. It is worth noting that the Marines always fight as part of a unified command—first, as part of that unified Navy-Marine team, the balanced fleet; and second, as part of formally established unified commands in the Atlantic, Pacific, and Mediterranean areas.

Austerity is more than a watchword in the Marine Corps—it is a way of life. The latest available figures show that the average cost per marine is several hundred dollars less than in the next least expensive service. The percentage of officers to total strength is less than any other service, as is the percentage of senior officers and noncommissioned officers. Fewer marines, percentagewise, draw extra pay, such as flight pay, parachute-jump pay, and so forth, than in the other services. Because of this habit of economy, the Marines estimate that to maintain the marginal strength of 200,000 in fiscal year 1959 would cost only $42 million more than the drastic reduction to 175,000. Forty-two million dollars is about what the Secretary of Defense spends per year to run just his own office—which do you think would contribute more to national security, 25,000 marines or 2,500 clerks and administrators?

The statutory requirement for three marine divisions and three marine aircraft wings calls for a corps of 215,000 Marines. Any reduction below that figure reduces the combat potential of those divisions and wings. The Marines say they can accept the risks involved in a decrease to 200,000, but the directed reduction to 175,000 can only be considered seriously disabling. The Commandant of the Marine Corps has testified that such a reduction will place the corps in a very precarious position. It could even bring the corps to the point where its readiness to accomplish its mission is destroyed. This must not be allowed to happen. For a change, we must make the modest expenditure which will maintain the combat effectiveness of the most useful forces the Nation has today—the United States Marine Corps.

I trust that in the consideration of the forthcoming legislation involving the reorganization of the defense structure my distinguished colleagues will make sure with me that the Marine Corps is brought up to and maintained at its full and necessary strength of 215,000 dedicated American servicemen. If necessary, I shall offer an amendment to the bill on the floor of the House to accomplish this purpose and also to provide the appropriate funds therefor.

We will make sure by this new legislation that the Department of Defense understands once and for all the intent of the people and of the Congress, and that they will act accordingly.

FORMER DICTATOR OF VENEZUELA, JIMENEZ

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include a resolution.

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

There was no objection.

Mr. FEIGHAN. Mr. Speaker, the American people were shocked at the shabby treatment accorded Vice President NIXON and Mrs. Nixon during some phases of their recent good-will trip to Latin America. For years we have prided ourselves on maintaining good relations among all the people of the Americas. The Western Hemisphere, at this critical point in history, needs understanding and solidarity more than ever before. The destiny of our Nation and that of all the other nations of the Western Hemisphere has been linked together by a long series of events in the past, many of which characterized the common struggle of the people of the Americas against the encroachments of imperialism, colonialism, despotism, and dictatorship. The association of American States has stood as a symbol for all of the world, expressing a common determination of all the people of the Western Hemisphere to defend the integrity and well-being of the member nations.

Recent events tell us that the long era of harmony and unity which has characterized the relations between the nations of the Western Hemisphere is falling into a state of disrepair. There are undoubtedly a number of basic reasons for this unhappy trend of events. I address myself to only one of those trends about which I have certain and full knowledge. I refer to the presence in the United States of the deposed former dictator of Venezuela who today is vacationing upon the sunny sands of Florida. He has with him an entourage as is the custom of most deposed dictators. Among this entourage is the infamous head of the oppressive police establishment set up by the dictator, Jimenez.

It will be recalled that during the unfortunate incident which attended the visit of the Vice President to Caracas, Venezuela, at a time when a violent attack was made against the very life of the Vice President, the demonstrators carried signs criticizing the United States for allowing the dictator, Jimenez, and his entourage admission into our country. Responsible citizens of Venezuela who are proven friends of the United States have been shocked by our laxity in allowing the deposed dictator who oppressed the people of Venezuela to come into our country where he is now enjoying the liberties and freedoms and physical comforts which he denied to so many loyal and democratic citizens of Venezuela.

Mr. Speaker, I now offer a resolution expressing the sense of the House of Representatives that the deposed former

dictator of Venezuela, Jimenez, be forthwith removed from our country.

My resolution reads as follows:

Whereas the United States has during its entire history served as a safe haven for the oppressed and persecuted people from many lands; and

Whereas all forms of dictatorship and authoritarian types of governments violate the concepts of individual liberty and human freedom which form the bulwark of our American way of life; and

Whereas the Government of the United States has been required to assume a position of leadership in defense of individual liberty and human freedom throughout a world threatened by tyranny, despotism, and the degrading rule of dictatorship; and

Whereas the American people have made great sacrifices in support of the cause of human freedom and are now being called upon to continue this support; and

Whereas proven friends of the United States who are suffering under an enforced Communist dictatorship and those who but recently have cast off the rule of dictatorship, are confused and shocked at the conduct of the Government of the United States with respect to recently deposed dictators as well as ruthless dictators whose regimes violate all the basic tenets of liberty and justice; and

Whereas the admission into the United States of deposed dictators does violence to our most sacred beliefs, shakes the faith others have in us as leaders of the cause of human freedom, and reduces our prestige among the people of the world: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Government should take steps to cause the immediate departure from the United States of the deposed dictator Jimenez and his entire entourage.

FEDERAL CLAIMS AGAINST DEBTORS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on a bill I introduced this morning.

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

There was no objection.

Mr. SPENCE. Mr. Speaker, I am introducing today a bill designed to prevent Federal loans to private persons from jeopardizing the sources of tax revenue of State and local governments, and to provide equitable treatment to creditors of persons indebted to the United States.

The necessity for this legislation has been brought to my attention by a very recent decision in the court of appeals as well as the subject matter of the work of the Banking and Currency Committee for the past 5 weeks. Legislation being considered by the Committee includes bills which would authorize Government agencies to make loans available to municipalities for needed public facilities and to provide equity capital and long-term loans to small business.

The Federal Government in the role of a banker is not new to us, nor undesirable, for Congress has embarked on a policy of permitting Federal agencies to make loans on various types of security for many years. In no area has this policy been more active than in the mortgage market. Some Federal agencies engage directly in the field of lending. Other agencies, such as the Federal Housing Administration, acquire property rights in the exercise of their governmental functions.

Mr. Speaker, it seems to me that when the United States steps down from its place of sovereignty to enter the domain of business, it should not expect to carry with it its constitutional immunity against taxation and its statutory priority of claims. To illustrate I would like to cite two cases which I believe dramatically describe the problem.

In *United States* v. *Emory* (314 U. S. 423), decided in 1941 and still the prevailing law, the Supreme Court held that in an equity receivership proceeding in a State court, a claim of the United States arising under the National Housing Act is entitled, under the Revised Statutes, section 3466—United States Code, title 31, section 191—to priority over claims for wages.

The provisions of section 3466 have been in force since 1797, without significant modifications—First United States Statutes at Large, page 515. The section provides for a first priority in the United States in all cases, first, in which a debtor, not having sufficient property to pay all his debts, makes a voluntary assignment thereof; or, second, in which the estate and effects of an absconding, concealed, or absent debtor are attached by process of law; or third, in which an act of bankruptcy is committed.

The Emory case involved a claim for wages by workmen from an insolvent corporation. The circuit court of Phelps County, Mo., acting upon a petition filed by Emory, found the corporation insolvent and appointed a receiver who took possession of the corporate assets. Twelve individuals filed wage claims against the assets available for distribution. The United States, on behalf of the Federal Housing Administration, also filed a claim for an amount due on a note which was far in excess of the total amount available for distribution. The note, executed by the corporation to a St. Louis bank, was endorsed and delivered to the FHA under the terms of a contract of insurance and guaranty provided for in title I of the National Housing Act modernization credit plan—when the corporation defaulted. Although the wage claimants asserted priority under Missouri statutes, the United States successfully asserted priority under section 3466 of the Revised Statutes of the United States.

Is this a desired condition? I do not believe it is. I agree with the dissenting opinion of Justice Reed when he wrote that:

> The intrusion of a novel priority * * *, into the intricate credit system of the Nation at a time of strain, would be a drag on recovery, rather than a stimulus. Suppliers of goods or services in all fields of credit activity would be moved to constrict their advances to a borrower known to have created a secret but valid lien upon his assets superior to all general creditors.

Mr. Speaker, are we going to permit the continuation of this unfair position of the Federal Government when it enters into the normal field of business and commerce, thus jeopardizing the rights of employees, materialmen, and others? Should a note, which in the hands of a bank was in a deferred position to the preferred claims of others, take on a preferred position simply by its being transferred to a Federal agency? Admittedly the majority of the Court said that it should, but at the same time the Court recognized the inequity of the situaion and suggested that any contention to the contrary should be "addressed to Congress and not to this Court." I am today taking advantage of the Court's suggestion and do bring this matter to the attention of the Congress.

I believe State law should determine the priority of all creditors, including the Federal Government in situations like this. Can it be said that our working people and others are in a better position to suffer these losses than is the Federal Government? Labor, materialmen, and other creditors have a right to rely on their own State laws regarding their claims for work done or material supplied to a debtor. They could not be expected to know that this 160-year-old statute permits the Federal Government to override their own bona fide rights. Unfortunately that is what happens and that is why I wish to amend this statute.

Permit me to discuss another aspect of this problem as it relates to the United States claim for priority of payment of a Federal lien, other than a tax lien, over a municipality's subsequent tax lien. A recent case, *The United States* v. *Ringwood Iron Mines, Inc., and the Borough of Ringwood, N. J.* (151 F. Supp. 421, decided May 8, 1957, and 251 Fed. 2d 145, affirmed January 20, 1958).

This case involved a conveyance of certain mining properties sold by the General Services Administration to the Ringwood Iron Mines, Inc. A relatively nominal sum was paid in cash for the property, the balance of the purchase price was a promissory note for $1.4 million collaterally secured by a purchase money mortgage on the subject premises with the General Services Administration as mortgagee. The mortgage was duly recorded. The operation of the mines by the private owner was not too successful and as a result liabilities were incurred which included taxes to the borough. Because of the failure of the corporation to pay real-estate taxes the property was sold at a tax sale to the borough by the local taxing authority. Subsequently the mortgagee—General Services Administration—foreclosed with both the corporation and the borough being named defendants. Shortly after judgment of foreclosure was entered, the property was sold to the General Services Administration. Because of a stipulation joined in by the borough and the United States, which was included in the judgment of foreclosure, the court had to determine whether the tax claims of the borough were cut off by the foreclosure sale.

The court found that section 3466 of the Revised Statutes of the United States was not applicable since the debtor was never found insolvent by it. Nevertheless the court reluctantly held for the United States on the grounds that the

Federal law "does not grant permission to the States to interfere with a lien of the Federal Government by subsequent exercise of their taxing powers." The court in speaking about the activities of the Federal Government in the mortgage market stated:

> I am unable to see how such transactions differ from those between private parties. The explanation of sovereignty appears too unsatisfactory when we see the United States step down from that place of sovereignty to enter the domain of business and commerce.

However, the court found that, in the absence of contrary directions in Federal statutes, a lien in favor of the United States takes precedence over a later lien for municipal taxes.

Again, Mr. Speaker, is this fair to a municipality which provides all of the essential public services which enhances the value of property within its jurisdiction? Why should the Federal Government in the position of a mortgagee of property in private hands have any greater rights and preferences than does a private individual in the position of a mortgagee?

I plan to have the House Banking and Currency Committee consider the bill which I am introducing, and I will recommend that it be included in legislation which will be reported from the committee in the near future. I wish to make it quite clear that I am proposing, under the provisions of my bill, that whenever the United States holds an interest in or a lien upon any property, as security for the payment of a debt owed to it, such interest shall be subordinate to all preferred claims provided by local law in the same manner as local law would apply to a private individual in a similar position.

My bill, however, specifically excludes Federal taxes from the application of its provision. Accordingly, the Federal Government's priority in tax claims would not be disturbed. In this area, quite obviously, very different policy considerations are applicable. It is quite clear that section 3466 of the Revised Statutes plainly states that "debts due the United States shall be first satisfied." However, in other than pure revenue activities of the Federal Government, I do not see either the need or the justification of applying the section. Nor do I see any justification for permitting Federal agencies engaged in business and commerce to claim various immunities that pertain solely to the sovereign operations of the United States. I hope that the House will be favorably disposed to my bill when it is brought before it in the near future.

FARM PRICES AND THE COST OF LIVING

Mr. MARSHALL. 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 Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, once again it is necessary to set the record straight on farm prices and the cost of living. With a new barrage of propaganda in recent months, there appears to be an intensified campaign in the slick news magazines to convince consumers that farmers are benefiting from the record high cost of living. I have risen repeatedly to counter these charges with the plain facts of farm economics.

The latest tactics of the divide-and-conquer boys who peddle their political propaganda under the guise of news indicate a new switch in the party line. Now we are being told that agriculture is proving to be a source of strength and a stabilizing force on the economy in a period of recession. Even the Secretary of Agriculture is being quoted in support of this double think theory.

This is happening at a time when many family budgets are being pinched and food prices are still edging up, despite the fact that the farmer is getting less of the food dollar than he ever did.

It is misrepresenting the position of agriculture to suggest that the increase in farm prices from 82 to 87 percent of parity has suddenly put farmers back on their feet financially. It gives housewives the impression that the farmer is responsible for higher food bills. It suggests that the farmer is profiting from a bad economic situation.

The figures of the Department of Agriculture show that this is not the case at all. They show that while farm prices went down, farm costs have stayed up. Costs are now at a record high.

The Department's price experts have assembled some interesting material on how much it takes to run a farm these days. Here are some of the facts about costs:

In the last 10 years farm costs have gone up about 25 percent. When the cost of things that originate on the farm are excluded—such as feed, livestock, and seed—the increase has been 43 percent.

Production has gone up, too. But in spite of all the increase in efficiency on farms, costs per unit of output are 14 percent higher now than they were 10 years ago. Farmers are producing more but the unit cost is greater.

One of the reasons is that agriculture has become a bigger and bigger customer of industry. Farmers have become more dependent upon industry for the materials used in production.

On 21 of the 29 types of farms studied by USDA economists, more than two-thirds of the cash expenditures last year were for goods and services produced off the farm. This was true of only 16 out of the 29 types of farms as recently as 1955.

Net incomes on the 29 types of farms studied by the Department are relatively small. Only 10 out of the 29 had net incomes of $6,000 or more last year.

Wisconsin dairy farms had net incomes of about $3,400 to $3,800. A southeastern Minnesota dairy-hog farm had a net of $4,029 last year. The net of spring wheat farms on the plains to the west of my district ranged from $3,800 to slightly more than $5,000.

The average salary of workers in the Office of the Secretary of Agriculture last year was $6,392. This exceeded the net income of 21 out of the 29 types of farms studied by the Department.

A report in Minnesota Farm Business Notes, a publication of the University of Minnesota, shows that as net farm income has gone down, farm debt has gone up. As a result, the net income earned for each $100 of debt on Minnesota farms last year dropped to $64. In 1951, the net income per $100 of debt was $145—more than double that of last year.

The cost of farmland has increased rapidly in recent years. The present value of farmland is now about nine times the annual net farm income.

As a return on the market value of farmland, the net income of agriculture amounted to only 3 percent last year. This was the lowest rate of return since 1934. The purchasing power of an acre of land has increased since 1940, but the gain has been only half that shown for a representative group of common stocks.

It would take nearly 13 years for the gross return from an acre of Iowa corn land to pay for itself at its current value. This is the largest number of years needed since the depression of the early thirties that it takes for an acre of Iowa corn land to pay for itself.

All of these are facts supplied by the Department of Agriculture. They are available to anyone and they are known by the Secretary of Agriculture.

There may be temporary political advantage in turning housewives against farmers by talking about higher farm prices without regard to the whole truth. I think, however, Mr. Speaker, that it would be better if the slick weeklies would stop trying to outslicker their readers and would devote some time to telling the true facts. This would be a service that would benefit the longtime interests of all of our citizens.

PROHIBIT PAYMENT OF SUBSIDIES TO DOMESTIC TRUNK AIRLINES

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

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

There was no objection.

Mr. MACK of Illinois. Mr. Speaker, today the gentleman from California [Mr. Moss] and I have introduced into the House a bill which would prohibit the payment of subsidy to domestic trunk airlines.

Stated in its simplest terms, the sole purpose of this bill is to amend the Civil Aeronautics Act to bring it up to date with the jet age of air transportation, and to fulfill the intent of the Congress of 20 years ago which created the act and, by so doing, fostered a civil air transport system which has been one of the wonders of the 20th century.

The Civil Aeronautics Act of 1938 provides a classic example of our Government in following a wise, intelligent course in fostering air transportation in the United States. Under its provisions approximately $200 million has been expended by the Federal Government between 1938 and 1958 in subsidies designed

to develop the finest air transport system in the world.

The bill which we have introduced today would complete the intent of the Congress whose wise decisions have done so much to develop United States air transportation. The policy laid down in 1938 was designed to aid the domestic trunk airlines to obtain a firm start, and to continue to help them until their position was substantially achieved.

That has been done. Most of the domestic trunklines have not received subsidy in the last 6 years. The managements of these carriers are—and should be—proud of this fact. With their own initiative and with the wise provisions of the United States Government they have accomplished what the act of 1938 envisioned.

The legislation of 1938 was enacted by far-sighted men with the best interests of civil aviation and the Nation at heart.

However, the original act contained no provision for a cutoff date which would eliminate Federal subsidies to our air carriers. It was the intent of the Congress at that time to assist the airlines to get off to a firm substantial start, but it was not the intent of Congress that the taxpayers of the United States serve as a continuous financial crutch to the airlines.

The serious need for legislation to establish such a cutoff is exemplified by recent actions before the Civil Aeronautics Board. Although this is 1958—20 years after passage of the original act—several air carriers are applying for Federal subsidies. And this, mind you, not for the purpose of improving the commerce of the United States, but solely for the purpose of staying alive with the assistance of the United States taxpayer. My reading of the record in no wise indicates that such was the purpose of the framers of the original Civil Aeronautics Act.

The legislation which has been introduced today carefully protects and fosters the intent in the original 1938 act. By revising the need section of the present act this legislation would accomplish the following necessary and progressive results:

First. Elimination of the availability of subsidy to trunkline air carriers will eliminate an unnecessary burden of taxation on the general public. Very few other regulated industries are eligible for such direct subsidies as the present law permits the airlines to seek.

Second. Regulation of the domestic airlines and future awards of new routes in the domestic trunkline field would have to be based on much more careful analysis of public need and economic factors affecting present air carriers. It would have the further effect of reducing regional pressures and clamors for services which could not be justified either by public need or sound economics.

Third. It would prevent the public from paying for subsidized competition. The "desire" of an airline to introduce its services on a route where three or four airlines are engaged in intense competition would be considerably cooled by the knowledge it could not fall back on the subsidy crutch in the event of failure.

This legislation does not affect two classes of air carriers. These are the United States international air carriers and the local service air carriers. In the case of the former, where they operate transoceanic routes which may be characterized as "national interest" routes necessary to the carrying out of peaceful United States policy, these carriers continue to be eligible for such subsidies as the Government may deem necessary.

In the case of the local service air carriers whose activities are so essential to many small cities and towns the subsidy program will be continued.

It is inconceivable to me that legislation of the type proposed here will be opposed by the domestic trunk airlines. Most of them have not received subsidy for the last 6 years. Their managements wish to operate them on a good business basis. Given sound, sensible regulatory policies they can accomplish that. These airlines realize that a time must come when subsidy should no longer be available to them. If availability of subsidy continues some of them will continue to seek it, as witness a recent request by one domestic trunkline to the CAB—since withdrawn—for a subsidy of almost $20 million. Mind you, the total subsidy paid to all airlines in fiscal 1939 was only $12,300,000. For the fiscal years 1939 through 1957 approximately $188 million has been made available to these domestic trunklines in the form of subsidy. It is my contention that these figures prove that Congress and the taxpayer have done their part in carrying out the intent of the 1938 Civil Aeronautics Act. The domestic trunklines are now established as transportation businesses as the Congress intended. This is clearly an appropriate time to amend the 1938 Civil Aeronautics Act to eliminate the availability of subsidy to this group of air carriers. They do not need it; it should not be available to them.

MUTUAL SECURITY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point and to include extraneous matter.

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

There was no objection.

Mr. DINGELL. Mr. Speaker, last Wednesday, during debate on the mutual-security bill in the Committee of the Whole, I introduced an amendment which would have permitted the use of counterpart funds to establish a commerce of ideas—a kind of research pipeline—between the United States and the world at large.

As you know, this country now has a large and growing surplus of credits in foreign currencies, accumulated from a variety of sources. It is no secret that we have found it difficult to spend these credits constructively without damaging the economies of the nations in which the credits exist.

My proposal would have diverted a fraction of these credits to the most constructive purpose I can imagine. It would have cost our allies nothing, and it would have cost us little more. Yet it would have opened to American scientists and American scholars the bulging intellectual and cultural warehouses of Europe and Asia.

Mr. Speaker, before I took the floor on Wednesday to propose my amendment, I had discussed it in detail with the Department of State and the Library of Congress. In both places I received a warm reception. Mr. Mumford, the Librarian of Congress, believes this plan has enormous possibilities. Under unanimous consent, I introduce his letter of support at this point in the RECORD:

THE LIBRARIAN OF CONGRESS,
Washington, D. C., May 9, 1958.

DEAR MR. DINGELL: Thank you for asking me to comment on H. R. 11906, a bill to amend the Agricultulture Trade Development and Assistance Act to permit use of counterpart funds derived from sale of surplus agricultural commodities abroad for acquiring significant foreign scholarly works.

I should like to state generally that the objectives of the bill are very commendable, and if it is passed essentially as it stands, it should produce inestimable benefits for the Library of Congress and other research institutions of the country. These benefits could include not only the cost of works acquired but a substantial part of cataloging costs. In almost every large library the resources are inadequate to cope with the prompt cataloging of the influx of publications and valuable material may be inaccessible when it is urgently needed. Cataloging done abroad on counterpart funds would be of great assistance to libraries and, indirectly, to scholarship.

We believe the bill might be improved in one or two respects, and I am pleased to offer these suggestions for your consideration. There may be some question as to whether financing covers the complete cost of acquisition. From time to time, the Library of Congress must send representatives abroad to coordinate exchange arrangements which foreign governments and learned institutions—of which it maintains some 16,000—as well as to discuss purchase arrangements with some of its 220 foreign dealers. At present, the expense of these trips is a charge upon funds provided for purchase of library materials. It would be highly desirable if these and similar costs of acquisition could be covered by counterpart funds. This might be achieved by inserting the expense of services and materials in after "financing" in line 8, page 1, or simply by explaining the intent of "financing" in the report on the bill.

Although certain details of the proposed program cannot be foreseen at this time, it is quite possible that it would be desirable to print or otherwise reproduce abroad certain catalogs, catalog cards, abstracts, etc., and it is considered desirable that the bill also be amended to permit such action.

As you indicate, it would be desirable to have an agency or institution administer certain features of the proposed legislation including the establishment of the machinery to acquire works in foreign countries; to index, abstract, catalog, and translate materials to the extent desired; and to designate research centers which are to be the recipients of materials. You inquire if the Library of Congress might be an appropriate instrumentality for such administration and if there is any precedent for such action by the Library. My answer to both questions is in the affirmative. I have

already referred to the Library's extensive foreign acquisitions program which exceeds that of any other library. Library of Congress cataloging and classification systems serve as a model for many libraries, and our printed catalog cards are widely used, with approximately 29 million cards sold each year to over 9,000 subscribers, including libraries in this country and abroad. The Library's bibliographies and printed catalogs are widely distributed and used abroad as well as in this country.

In the past we have served as the center for a number of cooperative acquisition programs: in 1943–44 as the coordinator of a publications procurement program in cooperation with the Department of State which obtained foreign publications for various Federal agencies and their libraries; in 1945–48 as the center of a Cooperative Acquisitions Project (involving also a cooperative cataloging program) which gathered—through a Library of Congress Mission in Europe—sorted, recorded, and distributed to more than one hundred libraries an estimated 2 million European publications not commercially available during the war years; in 1946–48, as the distributor of nearly 5 million surplus books from the Army and Navy to educational and training institutions for the use of veterans pursuing courses of instruction under the GI Bill of Rights; in 1950–56 in distributing to 30 research libraries over 40,000 Russian duplicates acquired by the Library of Congress; in 1949 as the center for sorting some 365,000 pieces from Japan via the Foreign Documents Branch of the Central Inteligence Agency of which some 33,000 were distributed to other libraries in a cooperative project.

Since World War II, the Library has administered several large-scale projects on funds transferred from the Department of Defense ($3,218,863 in fiscal 1957) to provide analytical, abstracting, and bibliographic services on scientific and technical material, including report literature, as well as other materials in the Library that need to be intensively utilized in undertakings important to the security of the United States and the free world. This and other matters bearing at least indirectly upon the objectives of H. R. 11906 are covered more fully in the attached statement "The Library of Congress as the National Library of Science."

By reason of its experience in cooperative undertakings, and its extensive network of foreign acquisitions the Library would appear to be a natural center for administering the kind of program you envision. Furthermore, I attach so much importance to your proposed program that I would be willing to have the Library of Congress designated as the administering agency. If this suggestion is accepted, you may want to consider authorizing the Library to carry out this task in consultation with such associations and learned societies as it may deem appropriate.

Sincerely yours,

L. QUINCY MUMFORD,
Librarian of Congress.

The Department of State, while indicating reservations about certain technical aspects of my amendment, also declared its enthusisam for the policy and the principle involved.

As you recall, the gentleman from Pennsylvania, Dr. MORGAN, as Acting Chairman of the Committee on Foreign Affairs, announced that the Committee had examined my amendment and was prepared to accept it as part of their bill.

It was at this point, Mr. Speaker, that a point of order was raised against my amendment and sustained by the Chairman of the Committee of the Whole.

A second and similar amendment was likewise invalidated.

Accordingly, the membership of this House has so far had no chance to consider my proposal on its merits.

However, a bill embodying the identical principle is now pending before the House Agriculture Committee. It is H. R. 11906, an amendment to Public Law 480, the Agricultural Trade Development and Assistance Act of 1954. And I am today introducing another bill, this one changing certain features of the original in line with suggestions by the Department of State.

Briefly, my proposal is this: that the Librarian of Congress be placed in charge of a program to survey books, journals and other materials produced abroad to see if they are worth anything to American scientists and scholars. Such materials as do prove worthwhile would then be put into a form that would allow their use in this country and they would be deposited at American libraries and American research centers for the benefit of American scientists, scholars and students.

Mr. Speaker, I am sure there is no need to demonstrate the potential worth of this program. During the last 6 months we have heard again and again about the need for communication between American and foreign scientists. We have heard, too, that American education is long on method, weak on content. We have learned, to our sorrow, that we Americans understand too little of the world beyond our borders.

I do not pretend that this program of mine will immediately restore American prestige to its accustomed high. Nor do I pretend that it will magically convert us into the allwise.

There are, however, a number of things it could do about lifting the level of our understanding, about bringing us hard facts and new theories that might otherwise evade us or take a long time to reach us.

Various American scholars who have heard of this plan have written me their enthusiastic endorsement, and I ask unanimous consent to introduce at this point some of the letters I have received. I am certain you will recognize instantly the names of many of these scholars. They are the leading experts in their fields.

UNIVERSITY OF MICHIGAN,
DEPARTMENT OF NEAR EASTERN STUDIES,
Ann Arbor, Mich., May 12, 1958.

Hon. JOHN D. DINGELL,
House of Representatives,
Washington, D. C.

MY DEAR MR. DINGELL: In the most emphatic terms at my command, I respectfully urge immediate action on and the passage of H. R. 11906, which would permit counterpart funds, obtained from the sale of agricultural surplus commodities abroad (Public Law 480), to be used in part for the purchase, translation, cataloging, etc., of significant books of foreign scholars in the sciences and the humanities.

Every academic program in the United States dealing with a foreign area, and every instructor in either a small or a large institution teaching subjects about foreign areas, must have—for both himself and his students—scholarly works produced in those areas. For example, the Near Eastern Program at the University of Michigan desperately needs to expand its library holdings by acquiring significant works in Arabic, Persian, Turkish, and Hebrew.

Lamentably, no institution of learning, large or small, has either the funds, the ability, or—because it is so far removed from the foreign area of its concern—the opportunity to make the requisite purchases. The proposal contained in H. R. 11906 has, therefore, the greatest possible merit.

Permit me to observe that this act, whereby the Library of Congress would serve as the center for the purchases made from part of the counterpart funds, would vastly improve the facilities for instruction in almost every small college and institution of learning in this country, as well as the large universities where—as at the University of Michigan, there are one or more area programs (those at this institution are devoted to the Near East, the Far East, and Russia). For there are today, even in such small colleges as Antioch (Ohio), Earlham (Ind.), and Albion (Mich.), hundreds of historians, or political scientists, or specialists in other disciplines, teaching the future leaders of America in such subjects as "The International Relations of India and its Neighbors", or "The Art of the Moslem World", or "The Cultures of Indonesia", or Arabic, or Hindi, or Japanese. Both these scholars and their thousands of students must have the books and other cultural items of these areas if they are to become acquainted with the peoples, cultures, letters, and sciences of these foreign areas.

Permit me also to observe that we in such area programs as the Program in Near Eastern Studies at the University of Michigan (see the accompanying brochure) will be delighted to cooperate as consultants, without fee, with the Library of Congress on such a worthwhile and needed undertaking. Indeed, I would be happy if this suggestion, that the Library of Congress be requested to make such consultation, were written into the bill.

In brief, I feel sincerely that the proposal contained in H. R. 11906 will vastly benefit the present and future citizens of these United States, will improve cultural relations all over the world, and hence will contribute to the well-being and the peace of mankind.

Respectfully yours,

GEORGE G. CAMERON,
Chairman.

UNIVERSITY OF MICHIGAN,
DEPARTMENT OF ENGLISH
LANGUAGE AND LITERATURE,
Ann Arbor, May 12, 1958.

The Honorable JOHN D. DINGELL,
House of Reprsentatives,
Washington, D. C.

DEAR MR. DINGELL: I was glad to learn that your amendment, H. R. 11906, to the agriculture surplus disposal program, provides a means for the use of counterpart funds for the purchase, translation, and cataloging of significant scholarly works in both the sciences and the humanities, to be administered through the Library of Congress.

There is no question that American scholarship in all fields of academic endeavor has gained immensely through the Fulbright program, which also makes use of counterpart funds. It is evident, however, that only a small proportion of our scholars, both present and potential, can hope to take advantage of this program. The next best thing is to make as much scholarly and cultural material available to those who, for the present, must remain at home. Exchanges of material as well as personnel are calculated to serve the same end, namely to help overcome the insularity of American academic life and to bring the intellectual achievements of other parts of the world to bear more directly upon ours.

I view the purchase and translation of cultural and scholarly materials of particularly great importance at a time when we must expand to the utmost our facilities for

higher education. New colleges are springing up all over the country; old ones are expanding. Scores, indeed hundreds of these are without adequate library facilities, especially with respect to the acquisition of foreign materials. Building up a library in these areas is difficult in the face of limited funds and facilities. Your proposed amendment will make the task much easier.

Moreover, the present needs of our country demand constant and renewed emphasis upon the study of foreign languages and foreign cultures. This is unquestionably best accomplished through language and area programs. I note particularly that H. R. 11906 is designed to improve the library facilities of colleges and universities specializing in area studies. This seems to me to be precisely where the emphasis is needed.

Sincerely yours,

ALBERT H. MACKWARDT,
Professor of English; Vice President, Linguistic Society of America.

SYRACUSE UNIVERSITY,
Syracuse, N. Y., May 13, 1958.

The Honorable JOHN D. DINGELL,
New House Office Building
Washington, D. C

DEAR MR. DINGELL: A brief but extremely significant bill, H. R. 11906 (85th Cong., 2d sess.) calling for an amendment to the Agricultural Trade Development and Assistance Act has been referred to the Committee on Agriculture.

It provides for the use of counterpart funds derived from the sale of surplus agricultural commodities abroad for acquiring significant foreign scholarly works.

It seems to me to be a highly advantageous bill assuring a return for our commodities of an invaluable asset quite likely otherwise to remain unobtainable. The scholarly wisdom of the ages is an exportable commodity from abroad which cannot help but strengthen America. It is at an expense of funds which will most likely be written off as unrecoverable if not used in some such way as H. R. 11906 provides.

I would appreciate having your interest in this.

Cordially yours,

WILLIAM P. TOLLEY.

AMERICAN ORIENTAL SOCIETY,
New Haven, Conn., May 12, 1958.

The Honorable JOHN D. DINGELL,
House of Representatives,
Washington, D. C.

DEAR SIR: Thank you for your letter of May 6, 1958 regarding your proposed amendment, H. R. 11906, on the subject of the agricultural surplus disposal program. In expressing my approval of the purposes of your amendment, I wish to state that I speak strictly on my own behalf and not as the voice of the American Oriental Society of which I happen to be secretary. My organization is a purely scholarly organization which does not undertake on principle to influence legislation.

I believe that the amendment you propose would be of great benefit to libraries of American institutions both in the sciences and the humanities. I am convinced that there are many such institutions where personnel is available and anxious to carry on research. The desire, however, is often discouraged because of the lack of library facilities and this in turn is due to the lack of funds with which to purchase materials necessary for such research. In my own rather limited field in humanistic studies I am fortunate enough to be associated with a library which has adequate materials. As administrator of a small section of this library I frequently have requests from scholars in other institutions to borrow some rare publication on interlibrary loan. Such requests sometimes must be rejected because the materials desired are in active use in our own library. A program such as you propose would help alleviate this situation.

I feel sure that most other members of my organization would feel individually just as I do on this subject, and I have no doubt that people involved in research in all aspects of humanistic studies as well as the physical sciences would be very much pleased to have such a program put into effect.

In recent years the United States has taken a position of political leadership among the nations of the world. In a somewhat lesser degree it is slowly becoming a cultural and educational leader. Our position of leadership in the world cannot be expected to be maintained unless the political and economic aspects of it are balanced by leadership in the cultural realm. This means that more and more young Americans must devote themselves to research in the sciences and the humanities. Research cannot be carried on without proper materials. Therefore, your proposal to make such materials more accessible is of great significance to the national welfare.

Yours sincerely,

FERRIS J. STEPHENS.

PRINCETON UNIVERSITY,
DEPARTMENT OF ORIENTAL STUDIES,
Princeton, N. J., May 8, 1958.

The Honorable JOHN D. DINGELL,
House of Representatives,
Washington, D. C.

DEAR MR. DINGELL: I hasten to reply to your letter of May 6 and to extend my congratulations to you for the introduction of H. R. 11906 as an amendment to Public Law 480, since I so heartily approve of the intent.

I would like to put myself on record in the strongest terms in support of this amendment for I believe that it could do a great deal toward filling a gap in American education in the discharging of our responsibility to our youth and citizenry in regard to an adequate knowledge of peoples in Asia and Africa.

It is difficult to secure sufficient funds, not to mention the means, to be able to bring to the United States the materials needed for research in Asian and African studies, but beyond that, the prospect of having many of these works—translated or abstracted—is a boon which would excite any scholar in this field.

This strong endorsement and support comes from me first, as an interested citizen; second, as a scholar, interested in the area; third, as the director of the pioneer area student program in Near Eastern studies in higher education in the United States; and fourth, as Chairman of the Near East Committee of the Social Science Research Council.

In this last named capacity I have been working for a year and a half or more to create a system for the identification and acquisition of bibliographical materials from countries in the Middle East and determine the most expeditious way in which these services can be centralized in the United States for the use of citizens, scholars and institutions interested in the area. Were the amendment H. R. 11906 the law now, I am sure that this would be a major and important step toward the realization of the goal toward which we as a Committee have been working.

As a matter of fact tomorrow, May 9, this Committee meets in New York for consideration of a final report on this whole subject. I shall make it a part of the agenda to acquaint the members of the Committee with this pending legislation, and will see to it that each of them writes you on the subject. It may be possible, if it conforms to the policy of the Social Science Research Council, to send you an endorsement in the name of the Committee as a whole. This is the one national Committee in higher education at the moment charged responsibility with the task of developing Near Eastern studies throughout the country.

Sincerely yours,

T. CUYLER YOUNG, *Chairman.*

SYRACUSE UNIVERSITY,
DEPARTMENT OF ENGLISH,
Syracuse, N. Y., May 9, 1958.

The Honorable JOHN DINGELL,
New House Office Building,
Washington, D. C.

SIR: May I express my hearty approval of the bill which you are sponsoring, H. R. 11906 "To amend the Agricultural Trade Development and Assistance Act to permit use of counterpart funds derived from sale of surplus agricultural commodities abroad for acquiring significant foreign scholarly works." It seems to me very well designed to further the important objectives of increasing American knowledge of foreign countries and of manifesting to these countries our desire to know more about their cultures and ways of life.

Yours sincerely,

SANFORD B. MEECH,
Chairman.

THE UNIVERSITY OF BUFFALO,
Buffalo, N. Y., May 5, 1958.

The Honorable JOHN DINGELL,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DINGELL: The H. R. 11906 is so eminently sensible, for all agencies and parties concerned, that I am only sorry that it has not been brought forward years ago and in action.

It will certainly help our resources and universities and scholarships and thinking to "grow up" and that without injuring anybody in the growing process.

Best wishes to you and to the success of the bill for the inconvertible foreign currencies.

Sincerely yours,

RICHARD H. HEINDEL,
Vice Chancellor, Professor of History and Government.

SYRACUSE UNIVERSITY
CHAPTER, AMERICAN ASSOCIATION
OF UNIVERSITY PROFESSORS,
May 15, 1958.

The Honorable JOHN D. DINGELL,
House of Representatives Office Building, Washington, D. C.

DEAR REPRESENTATIVE DINGELL: The following resolutions were passed by the Executive Committee of the Syracuse University Chapter of the American Association of University Professors on May 14, 1958:

"*Resolved,* That the Syracuse University Chapter of the American Association of University Professors through its Executive Committee warmly supports the bill called H. R. 11906 (85th Cong., 2d sess.; referred to the House Committee on Agriculture), to amend the Agricultural Trade Development and Assistance Act to permit use of counterpart funds derived from sale of surplus agricultural commodities abroad, for abstracting, translating, and acquiring significant scholarly works. Our university faculties are greatly interested in having such material available in this country; further

"*Resolved,* That copies of this resolution be sent to the sponsor of the bill, Representative JOHN DINGELL, to the chairman of the House Committee on Agriculture, HAROLD D. COOLEY, to Senator IRVING M. IVES, Senator JACOB JAVITS, Representative R. WALTER RIEHLMAN."

Sincerely yours,

FLORENCE R. VANHOESEN,
Secretary.

Mr. Speaker, a somewhat similar plan has been introduced in the other body by Senator HUMPHREY. I hope that it will receive as warm a reception there as I am certain it will be accorded here.

This program should be put into effect as quickly as possible, on as large a scale as possible. The dollar cost will be negligible, the benefit enormous.

Mr. Speaker, if a man kindles his candle from my candle he increases his light without diminishing mine.

We have an opportunity here to construct a pipeline for ideas between the old world and the new—to the benefit of both. I ask your support.

MEMORIAL DAY

Mr. McCORMACK. 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 Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman be kind enough to tell us what the program will be regarding Memorial Day? Will the House adjourn in time for Members to go back to their districts for Memorial Day?

Mr. McCORMACK. It is the intention that there will be no meeting of the House on Memorial Day. The gentlewoman asks about Members being able to get back to their districts on Memorial Day. That is a question that projects us into Thursday of next week, to say the least, and it is a matter for each Member to determine and a matter which the gentleman from Massachusetts is unable to determine at this time. It is the intention, of course, as always to respect the observance of Memorial Day by not being in session. Further than that, I cannot go and the gentlewoman understands that I am unable to make any promise in connection with that at this time.

Mrs. ROGERS of Massachusetts. Many Members have very early Memorial Day services to attend.

Mr. McCORMACK. The gentlewoman from Massachusetts knows that I always try to do everything I can to accommodate the membership and I appreciate the problems that my colleagues have and always try to give them the maximum consideration possible.

Mrs. ROGERS of Massachusetts. Of course, I know that very well without asking the gentleman so far as that is concerned.

Mr. McCORMACK. So far as the legislative program for the future is concerned, we have the statehood bill which is now pending. Then we have the reciprocal trade agreements bill. There is the Defense Department appropriation bill and the Army reorganization bill which has been reported out of the committee. There is the outer space bill which has been reported out of committee. At this time of the year, the situation becomes rather difficult and there is not that leeway or flexibility which we might otherwise have. You will only prolong this session of the Congress by delaying final disposition of all these matters that must be considered by the Congress. Of course, I will do the best I can, as I always have. As I said before, the House will not meet on Friday. The gentlewoman from Massachusetts has that information and she is the first one who has received it publicly, but I cannot give any promises about Thursday in view of the very heavy legislative schedule which confronts us.

PUPPIES AND CHILDREN

The SPEAKER pro tempore. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Everyone in the United States is fond of dogs, especially children, little boys, and elderly people. Puppies and children are so often associated together. Recently there appeared in the Boston Herald an article by Rudolph Elie dealing with the subject of puppies and dogs. It is of such universal interest that I ask unanimous consent to extend it as part of my remarks.

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

There was no objection.

(The article referred to follows:)

HARKING BACK WITH RUDOLPH ELIE

SHE'LL GROW UP? SHE BETTER HAD

The puppy is out there now, sprawled flat on the kitchen floor and dreaming perhaps of dog yummies, fresh bones, and the chase. You'd think to look at her that she is some kind of a shaggy angel. But she isn't. She's a terror, a clumsy, reckless, silly, voracious, lovable terror, and the moment of her waking is an event to be dreaded.

She'll want to go out, of course, but once out she will want to come in again. Can't puppies ever be on the right side of a door? Certainly, they say, wait until she grows up.

In or out she'll find a pair of socks to chew, and she may even swallow them and so frighten everyone but herself to death. Yet down they go and, miraculously enough, down they stay. She loves socks best of all, though any item of laundry will do, especially expensive ones, like lace tablecloths. But she'll eat anything: broadloom rugs, rungs of chairs gnawed off with splintering crunches, shoe strings, old baseball gloves, sugar off the table from its presumably safe place in the middle, dirt, mud, roots, garbage (what a delight), everything. But change the regular ingredients of her formal meals, and will she eat that? She will in time, they say.

So we've been told

Will she ever learn to greet people except by climbing over them and pawing their clothes and lapping their cheeks and knocking them off balance and tripping up, all the while wriggling and bounding and knocking over chairs, tables, cigarette trays and everything else? That's what they say.

Will she ever learn to sit when commanded to do so, or to stay or to heel or to come back on the shrill call of her name? Will she ever stop startling old ladies or terrifying little children with the tongue of a rasp-rough file, or to keep from jumping up on strangers? Will she ever learn not to go charging at strange dogs as if they were her sisters and not—as she sometimes finds out—surly and hostile mongrels? So we've been told.

Will she ever stop scratching out monumental holes in the garden, or clawing up the iris bulbs or digging caverns under the steps for people to fall into? Or refrain from wanting to chase cats, or keep out of the way of rakes, hoes, saws, hammers, or any other tools being employed in her vicinity? Or learn not to get into places she can't get out of, or to keep from whimpering like some poor lost soul if she is left behind in the car for 10 minutes? Everybody says she will.

Will she ever sleep where she's supposed to, or keep out from under foot, or be wholly reliable about her duties, or shake out the water in her coat save in everyone's face? Or stop wanting to roll in the most awful smelling things, or stop wanting to sniff at every curb, every post, every bush, every corner, every tree? Give her a little more time, they say.

She's only a puppy

Will she ever stop being an expense for shots, for leashes, for collars, for licenses, for veterinarians, for fancy feeding bowls, for yummies, for sleeping mats on which she won't sleep, for books of instruction, for brushes and insect powders and pills and potions? Sure, she's only a puppy, isn't she.

Will she ever cease being an endless topic of conversation—not to say argument—about the proper way to train her, to feed her, to groom her, and to teach her anything, not to say to determine who is supposed to do what and when in connection with such activities? Of course, what can you expect at her age?

So she's out there now on the kitchen floor, sprawled flat and happy right where everyone will trip over her, and now her eyes are open. She'll be up in a minute and there will be hell to pay. But who cares?

Let her wag her tail and cock her head and melt into a pile of fur on the floor when she's scratched behind the ears, and what's a little confusion among friends? She'll grow up someday. Everyone says so, anyway.

INADEQUATE PROVISIONS OF RECIPROCAL TRADE AGREEMENTS ACT FAIL TO PROTECT MASSACHUSETTS TEXTILE INDUSTRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning I went to the Rules Committee to ask if they would grant an open rule making the Dorn-Simpson bill in order rather than the bill which came out of the Ways and Means Committee extending the Reciprocal Trade Agreements Act.

I have always felt that tariffmaking and the setting of duties, under the Constitution, belonged to the Congress of the United States. I think we have fared very badly in some ways and unfairly under the present system.

I wanted to ask also if a rule were granted for the Ways and Means Committee whether the rule would allow amendments, if not open to general amendment whether provision could be made for an amendment that would substitute the Dorn-Simpson bill, which is a much more equitable bill, in my opinion.

My own district would be irreparably hurt through a continuation of the reciprocal trade agreements program, particularly so far as cotton velveteen imports from Japan are concerned. We thought we had been given some relief from Japanese imports, but they do not stay within their limits.

It is a horrible thing to see people lose their jobs, their bread and butter, and see no future because of foreign competition.

Japan has not lived up to her quota. We hear so much talk about relief to be had under the escape clause, peril point, and so forth, but in my experience things do not work out that way.

THE FORTHCOMING ELECTIONS IN ITALY

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

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

There was no objection.

Mr. LANE. Mr. Speaker, on next Sunday and Monday, the citizens of Italy will go to the polls to choose a national government that will continue Italy's progress under freedom. That election will be bad news for Moscow. It will demonstrate the decline of Communist influence, and it will be an emphatic expression by the Italian people of their faith in democracy.

Italy voted to become a republic in 1946.

After the desolation and suffering of World War II, the native Communists saw an opportunity to exploit this misery, and use it as a springboard to power. The Italian people were not fooled. Centuries of civilization had developed an individuality in the Italians that, in spite of their serious economic position, resisted the false promises of communism. Those who would betray Italy were defeated.

The encouragement that Italians received from the millions of their relatives in the United States and throughout the Free World, played a key role in that contest. In one of the most remarkable letter-writing campaigns in history, Italian-Americans in the United States told their relatives in the old country of the great opportunities for human development that they had found in their adopted land; and of the same opportunities that will be found in Italy under the stimulating climate of a free society.

Again, we are sending a message of hope and confidence to the Italian people, as they prepare to vote on Sunday and Monday in an election that will have far-reaching consequences.

This time, our expression of faith in them is reinforced by their own experience and progress since the last national election.

The genius of the Italian people has asserted itself. Italy is making an impressive comeback. The Communists, who sought to profit from the misery of war, have seen their moment of opportunity vanish.

Italy still has problems, but she is solving them in the democratic way that rejects enslavement by the state for the material progress that devours all personal and human rights.

We are happy to see Italy on the right road.

We are pleased with the improving standard of living in a country to which we owe so much for her spiritual, cultural, and democratic gifts to humanity.

All Americans, no matter what their racial origin may be, unite in sending greetings to the Italian people on the eve of their national election.

We are convinced that they will ballot the Communists into a decisive defeat from which they will never recover.

WHAT ABOUT EXTENDING UNEMPLOYMENT INSURANCE BENEFITS FOR THE RAILROADER?

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

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

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, on May 1 the House of Representatives passed H. R. 12065, authorizing temporary unemployment benefits for individuals who exhaust their benefit right under existing State unemployment compensation laws.

The request for the extension of unemployment compensation benefits in President Eisenhower's message to Congress on March 25 not only included unemployed persons in covered employment under the State unemployment compensation system, but also the unemployed railroader covered by the Railroad Unemployment Insurance Act. Thus, the bill the House passed on May 1 and sent to the Senate did not include unemployed railroaders.

Mr. Speaker, railroad employment in the United States as of February 15 of this year dropped to 861,928, the lowest in 70 years. This was a loss of 125,197 jobs as compared with February of 1957. Since last February the number of unemployed in the railroad industry has constantly been increasing as jobs are being abolished because of depressed conditions.

As of May 1, 1958, according to the Railroad Retirement Board which administers the Railroad Unemployment Insurance Act, there were in excess of 143,000 unemployed railroaders drawing unemployment benefits. Already, nearly 40,000 of this number have exhausted their eligibility for benefits. By July 1 another 55,000 will suffer the same fate. As each month goes by additional thousands will lose their right to unemployment insurance benefits.

Mr. Speaker, in my Congressional District in Pennsylvania we have nearly 15,000 unemployed and over half of them are unemployed railroaders. The majority of them live in Altoona and vicinity and the remainder in the DuBois-Clearfield-Osceola Mills area.

In this central Pennsylvania area over a thousand of these unemployed railroaders have already exhausted their unemployment benefits, and the number will increase monthly. The situation has been serious for several months, and it becomes more acute as the days go by.

It is common knowledge that the average weekly benefit an unemployed railroader receives is $40. When you consider that he has not had steady employment for years because of frequent furloughs, his economic plight becomes plainly evident. When he loses his unemployment insurance benefits, he is without any income from any source.

Mr. Speaker, recently when in my Congressional District I talked to many unemployed railroaders whose unemployment insurance benefits had terminated. In each instance, they had families, their homes were partially paid for, their savings were exhausted, and monthly bills for the necessities of life had to be paid. In short, these men are truly desperate as they reveal their pathetic circumstances.

The only recourse these unemployed railroaders have, unless railroad unemployment insurance benefits are extended, is to apply for State public assistance. To be eligible for such benefits it is required that they convert to cash all assets, such as insurance policies or savings bonds, and in addition give to the State of Pennsylvania a lien on their partially paid for homes.

Mr. Speaker, conscious of the sad plight of unemployed railroaders in my Congressional District, as early as March 11, I introduced H. R. 11338 designed to extend railroad unemployment insurance benefits from the present 26-week period to 39 weeks, or a total of 13 weeks. This bill was introduced several weeks in advance of President Eisenhower's message to Congress requesting extension of State unemployment compensation benefits and railroad unemployment insurance benefits. My bill, H. R. 11338, was referred to the House Committee on Interstate and Foreign Commerce, together with other bills on the subject, where no action has been taken or scheduled at this time.

Mr. Speaker, this Congress cannot in good conscience dare to discriminate against unemployed railroaders. We have taken care of their neighbors in other industries covered by the State unemployment compensation laws, and in simple justice to unemployed railroaders it is imperative that they receive equal treatment by extending railroad unemployment insurance benefits without further delay.

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

Mr. VAN ZANDT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I have a recollection that the representatives of the railroad employees did not want to be included in the bill that was reported out of the Committee on Ways and Means. I have not heard from them, and I would welcome their views as to what they have in mind. Usually they contact me, because the relationship between the representatives of the employees and myself throughout the years has been very friendly. I felt it a little strange that I had not heard from them, but my distinct recollection is that they did not want to be included in the bill reported out of the Committee on Ways and Means. Now, if they are interested in some other avenue, I would welcome hearing from them.

Mr. VAN ZANDT. What the gentleman from Massachusetts has said is true about the bill which already passed the

House and is now pending in the Senate. They did not want to be identified with that bill because it covered another phase of employment in the United States. However, since then representatives of railway labor unions in my home town of Altoona, Pa., have been in Washington and contacted me and asked me to insist on Congressional action on the bill that I introduced last March.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ALLEN of California (at the request of Mr. MARTIN), for May 22, 1958, on account of official business.

To Mrs. GRANAHAN (at the request of Mr. GREEN of Pennsylvania), on account of illness.

To Mr. HASKELL (at the request of Mr. MARTIN), for 2 days, May 22–23, on account of illness.

To Mr. DOYLE, until June 5, 1958, on account of official business in California.

To Mr. JUDD (at the request of Mr. MARTIN), for 6 days, May 23 through May 30, on account of official business as Congressional Delegate to World Health Assembly in Minnesota.

To Mr. SAUND (at the request of Mr. MCCORMACK), for today, the balance of the week and until June 4, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MAY, for 20 minutes, on Tuesday, May 27.

Mr. SHEEHAN, for 30 minutes, on Tuesday, May 27.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ADDONIZIO (at the request of Mr. MCCORMACK).

Mr. CELLER.

Mr. FEIGHAN in two instances and include extraneous matter.

Mrs. KEE.

Mr. FOGARTY in five instances and include extraneous material.

Mr. MAY and include extraneous matter.

Mr. FINO.

Mr. CEDERBERG and to include an editorial.

Mr. KEATING in two instances, in each to include related matter.

Mr. LIPSCOMB and to include related matter.

Mr. PATTERSON (at the request of Mr. DIXON) in two instances and to include extraneous matter.

Mr. RABAUT and to include extraneous matter.

Mr. ZABLOCKI.

Mr. ADDONIZIO (at the request of Mr. MCCORMACK) to extend his remarks in the body of the RECORD.

Mr. CRAMER.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 143. An act for the relief of Giuseppe Fricano, Maria Scelba Fricano, Stefano Fricano, and Vincenzo (Jimmy) Fricano; to the Committee on the Judiciary.

S. 445. An act for the relief of Maria Sabatino; to the Committee on the Judiciary.

S. 459. An act for the relief of Francisco Salinas (also known as Daniel Castro Quilantan); to the Committee on the Judiciary.

S. 683. An act for the relief of Chiu-Sang Wu and his wife, Catherine Naoko Mitsuda Wu; to the Committee on the Judiciary.

S. 1191. An act to authorize the Secretary of the Interior to exchange lands at Olympic National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1234. An act for the relief of Benjamin Barron-Wragon; to the Committee on the Judiciary.

S. 1542. An act for the relief of Lori Biagi; to the Committee on the Judiciary.

S. 1593. An act for the relief of Elisabeth Lesch and her minor children, Gonda, Norbert, and Bobby; to the Committee on the Judiciary.

S. 1939. An act to amend the Federal Seed Act of August 9, 1939 (53 Stat. 1275), as amended; to the Committee on Agriculture.

S. 1963. An act to amend section 35 of title 18 of the United States Code so as to increase the punishment for knowingly giving false information concerning destruction of aircraft and motor vehicles; to the Committee on the Judiciary.

S. 2215. An act to authorize the Secretary of the Interior to construct, operate and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

S. 2511. An act for the relief of Maria Garcia Aliaga; to the Committee on the Judiciary.

S. 2816. An act for the relief of Concepcion Ramiro (Romelio) Gamboa; to the Committee on the Judiciary.

S. 2944. An act for the relief of Yoshiko Matsuhara and her minor child, Kerry; to the Committee on the Judiciary.

S. 2965. An act for the relief of Taeko Takamura Elliott; to the Committee on the Judiciary.

S. 2982. An act for the relief of Kalliope Giamnias; to the Committee on the Judiciary.

S. 3055. An act for the relief of Ronald H. Denison; to the Committee on the Judiciary.

S. 3060. An act for the relief of Romulo A. Manriquez; to the Committee on the Judiciary.

S. 3076. An act to amend section 12 of the act of May 29, 1884, relating to research on foot-and-mouth disease and other animal diseases; to the Committee on Agriculture.

S. 3080. An act for the relief of Kimiko Araki; to the Committee on the Judiciary.

S. 3129. An act for the relief of Nativadade Agrela Dos Santos; to the Committee on the Judiciary.

S. 3136. An act for the relief of Fouad (Fred) Kassis; to the Committee on the Judiciary.

S. 3159. An act for the relief of Cresencio Urbano Guerrero; to the Committee on the Judiciary.

S. 3172. An act for the relief of Ryfka Bergmann; to the Committee on the Judiciary.

S. 3173. An act for the relief of Prisco Di Flumeri; to the Committee on the Judiciary.

S. 3175. An act for the relief of Giuseppina Fazio; to the Committee on the Judiciary.

S. 3176. An act for the relief of Teofilo M. Palaganas; to the Committee on the Judiciary.

S. 3205. An act for the relief of Paul S. Watanabe; to the Committee on the Judiciary.

S. 3269. An act for the relief of Mildred (Milka Krivec) Chester; to the Committee on the Judiciary.

S. 3271. An act for the relief of Souhail Wadi Massad; to the Committee on the Judiciary.

S. 3272. An act for the relief of Janez (Garantini) Bradek and Franciska (Garantini) Bradek; to the Committee on the Judiciary.

S. 3307. An act to reinstate certain terminated oil and gas leases; to the Committee on Interior in Insular Affairs.

S. 3358. An act for the relief of John Demetriou Asteron; to the Committee on the Judiciary.

S. 3364. An act for the relief of Antonios Thomas; to the Committee on the Judiciary.

S. 3478. An act to insure the maintenance of an adequate supply of anti-hog-cholera serum and hog-cholera virus; to the Committee on Agriculture.

S. 3861. An act to provide for the control of noxious plants on land under the control or jurisdiction of the Federal Government; to the Committee on Agriculture.

S. Con. Res. 52. Concurrent resolution extending greetings to the citizens of Nevada concerning the celebration of the centennial of the discovery of silver in the United States; to the Committee on the Judiciary.

S. Con. Res. 87. Concurrent resolution to print additional copies of the hearings entitled "Civil Rights—1957," for the use of the Committee on the Judiciary; to the Committee on House Administration.

ENROLLED BILLS AND A JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1342. An act for the relief of Mrs. Helen Harvey;

H. R. 1466. An act for the relief of Dr. Thomas B. Meade;

H. R. 2763. An act for the relief of Hong-to Dew;

H. R. 4215. An act amending sections 22 and 24 of the Organic Act of Guam;

H. R. 4445. An act for the relief of the estate of Mr. Shirley B. Stebbins;

H. R. 5836. An act to establish a postal policy, to adjust postal rates, to adjust the compensation of postal employees, and for other purposes;

H. R. 6176. An act for the relief of Fouad George Baroody;

H. R. 6528. An act for the relief of Mrs. Lyman C. Murphey;

H. R. 6731. An act for the relief of Harry Slatkin;

H. R. 6765. An act to provide for reports on the acreage planted to cotton, to repeal the prohibition against cotton acreage reports based on farmers' planting intentions, and for other purposes;

H. R. 7203. An act for the relief of Dwight J. Brohard;

H. R. 7645. An act to provide for the release of restrictions and reservations contained in instrument conveying certain land by the United States to the State of Wisconsin;

H. R. 8039. An act for the relief of Edward L. Munroe;

H. R. 8071. An act to authorize the Secretary of the Army to convey an easement over certain property of the United States located

in Princess Anne County, Va., known as the Fort Story Military Reservation, to the Norfolk Southern Railway Co. in exchange for other lands and easements of said company;

H. R. 8433. An act for the relief of Capt. Laurence D. Talbot (retired);

H. R. 8448. An act for the relief of Willie C. Williams;

H. R. 9012. An act for the relief of Alexander Grossman;

H. R. 9109. An act for the relief of John A. Tierney;

H. R. 9362. An act to provide for the conveyance of certain real property of the United States to Post 924, Veterans of Foreign Wars of the United States;

H. R. 9395. An act for the relief of Cornelia V. Lane;

H. R. 9490. An act for the relief of Sidney A. Coven;

H. R. 9514. An act for the relief of Valleydale Packers, Inc.;

H. R. 9738. An act to authorize the Secretary of the Navy to convey to the city of Macon, Ga., a parcel of land in the said city of Macon containing five and thirty-nine one-hundredths acres, more or less;

H. R. 9775. An act for the relief of William J. McGarry;

H. R. 9991. An act for the relief of Felix Garcia;

H. R. 9992. An act for the relief of James R. Martin and others; and

H. J. Res. 586. Joint resolution to authorize the designation of the week beginning on October 13, 1958, as National Olympic Week.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Friday, May 23, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1947. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1959, involving an increase of $1,698,100, of which $431,600 is to be paid from Federal funds and $1,266,500 from District funds, for the District of Columbia (H. Doc. No. 387); to the Committee on Appropriations and ordered to be printed.

1948. A letter from the Assistant Secretary of Agriculture, transmitting a report for the month of April relating to the cooperative program of the United States with Mexico for the control and the eradication of foot-and-mouth disease, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

1949. A letter from the Acting Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to amend title 10, United States Code, with respect to certain medals"; to the Committee on Armed Services.

1950. A letter from the Comptroller General of the United States, transmitting a report on the examination of the assistance program for Vietnam for the fiscal years 1955 through 1957, as administered by the International Cooperation Administration under the mutual-security program; to the Committee on Government Operations.

1951. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the case of Kuo Cheng Wu and his wife, Edith Huang Wu, pursuant to section 13 (c) of the act of September 11, 1957; to the Committee on the Judiciary.

1952. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to stabilize production of copper, lead, zinc, acid-grade fluorspar, and tungsten from domestic mines by providing for stabilization payments to producers of ores or concentrates of these commodities"; to the Committee on Interior and Insular Affairs.

1953. A letter from the Secretary of the Interior, transmitting a report by the Department of the Interior on its findings and conclusions based upon an examination of the competitive status of the domestic yellowfin, skipjack, and bigeye tuna fishery, pursuant to section 9 (b) of the Fish and Wildlife Act of 1956; to the Committee on Merchant Marine and Fisheries.

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. MADDEN: Committee on Rules. House Resolution 573. Resolution for consideration of the conference report on the bill H. R. 5836, to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes; without amendment (Rept. No. 1762). Ordered to be printed.

Mr. DAWSON of Illinois: Committee on Government Operations. S. 2224. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property; with amendment (Rept. No. 1763). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 11133. A bill to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the continental United States and Alaska, and for other purposes; without amendment (Rept. No. 1764). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 12541. A bill to promote the national defense by providing for reorganization of the Department of Defense, and for other purposes; without amendment (Rept. No. 1765). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS of Arkansas: Committee on Foreign Affairs. Report of the Special Study Mission to Canada. (Rept. No. 1766.) Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 614. Joint resolution to amend section 217 of the National Housing Act; without amendment (Rept. No. 1767). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILLIAMS of Mississippi:

H. R. 12628. A bill to amend title VI of the Public Health Service Act to extend for an additional 3-year period the Hospital Survey and Construction Act; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H. R. 12629. A bill to amend title IV of the Mutual Security Act of 1954 to provide for certain overseas programs relating to scientific and other significant works; to the Committee on Foreign Affairs.

By Mr. ELLIOTT:

H. R. 12630. A bill to strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs, and for other purposes; to the Committee on Education and Labor.

By Mrs. KEE:

H. R. 12631. A bill to amend section 772 of title 10, United States Code, to provide that the Secretary of the military department concerned shall furnish appropriate uniforms (including insignia) to holders of the Medal of Honor; to the Committee on Armed Services.

By Mr. KILGORE:

H. R. 12632. A bill authorizing Gus A Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.; to the Committee on Foreign Affairs.

By Mr. MACK of Illinois:

H. R. 12633. A bill to amend section 406 (b) of the Civil Aeronautics Act of 1938, so as to eliminate authority for the payment of subsidies for domestic trunk air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. MAY:

H. R. 12634. A bill declaring October 12 to be a legal holiday; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 12635. A bill to amend section 406 (b) of the Civil Aeronautics Act of 1938, so as to eliminate authority for the payment of subsidies for domestic trunk air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. MOULDER:

H. R. 12636. A bill to amend the Veterans' Benefits Act of 1957 to provide a conclusive presumption of service-connection in the case of the death of certain World War I veterans; to the Committee on Veterans' Affairs.

By Mr. O'HARA of Illinois:

H. R. 12637. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. PROUTY:

H. R. 12638. A bill to amend the Internal Revenue Code of 1954 to assist small business by providing a limited deduction for additional investment in depreciable property or inventory; to the Committee on Ways and Means.

By Mr. SPENCE:

H. R. 12639. A bill to amend the Small Business Act of 1953 to provide equitable treatment of creditors of persons indebted to the United States, to prevent Federal loans to private persons from jeopardizing the tax revenues of State and local governments, and for other purposes; to the Committee on Banking and Currency.

By Mr. BARRETT:

H. R. 12640. A bill to authorize the Secretary of the Army to convey to the city of Philadelphia, Pa., certain piers and other facilities of the United States located in such city; to the Committee on Armed Services.

By Mr. HARRISON of Virginia:

H. R. 12641. A bill to amend the Tariff Act of 1930 to clarify the definition of "rayon or other synthetic textile"; to the Committee on Ways and Means.

By Mr. HALE:

H. R. 12642. A bill to clarify section 106 (f) of the Housing Act of 1949 with respect to the making of relocation payments for displacements caused by programs of voluntary repair and rehabilitation in connection

with urban renewal projects; to the Committee on Banking and Currency.

By Mr. McMILLAN:

H. R. 12643. A bill to amend the act entitled "An act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as 'The Municipal Court for the District of Columbia', to create 'The Municipal Court of Appeals for the District of Columbia', and for other purposes", approved April 1, 1942, as amended; to the Committee on the District of Columbia.

By Mr. MAILLIARD:

H. R. 12644. A bill to amend title V of the Merchant Marine Act, 1936, to provide an additional defense allowance to aid in the construction of superliner passenger vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. SANTANGELO:

H. R. 12645. A bill to amend the United States Housing Act of 1937 to provide that all the income of any minor member of a family shall be excluded in determining the eligibility of such family for admittance to and continued occupancy of low-rent housing; to the Committee on Banking and Currency.

By Mr. SCOTT of Pennsylvania:

H. R. 12646. A bill to authorize the Secretary of the Army to convey to the city of Philadelphia, Pa., certain piers and other facilities of the United States located in such city; to the Committee on Armed Services.

By Mr. UTT:

H. R. 12647. A bill for the relief of the county of Orange, Calif.; to the Committee on Public Works.

By Mr. WOLVERTON:

H. R. 12648. A bill to provide for the construction of a new Veterans' Administration hospital in southern New Jersey; to the Committee on Veterans' Affairs.

By Mr. BURNS of Hawaii:

H. R. 12649. A bill to amend the Hawaiian Organic Act, and to approve amendments of the Hawaiian land laws in regard to sales, leasing, and exchange of public lands; to the Committee on Interior and Insular Affairs.

By Mr. GUBSER:

H. R. 12650. 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. GUBSER (by request):

H. R. 12651. A bill to amend title V of the Veterans' Benefits Act of 1957 to provide for the furnishing of clothing and other wearing apparel to veterans to replace clothing and other wearing apparel damaged as a result of falls due to service-connected disability; to the Committee on Veterans' Affairs.

By Mr. REUSS:

H. R. 12652. A bill to amend the Civil Service Retirement Act to authorize the disclosure of certain retirement information; to the Committee on Post Office and Civil Service.

By Mr. McCORMACK:

H. Con. Res. 332. Concurrent resolution relative to the establishment of plans for the peaceful exploration of outer space; to the Committee on Foreign Affairs.

By Mr. BROOKS of Louisiana:

H. Con. Res. 333. Concurrent resolution to express the sense of the Congress with respect to the size of the Army National Guard; to the Committee on Armed Services.

By Mr. FULTON:

H. Con. Res. 334. Concurrent resolution relative to the establishment of plans for the peaceful exploration of outer space; to the Committee on Foreign Affairs.

By Mr. FEIGHAN:

H. Res. 574. Resolution that it is the sense of the House of Representatives that the Government should take steps to cause the immediate departure from the United States of the deposed dictator Jimenez and his entire entourage; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly entitled, "Resolution memorializing the President of the United States, the Secretary of the Navy, and Congress with respect to the proposed layoff of civilian employees from the United States Naval Air Station at Quonset Point, R. I. and the United States Naval Underwater Ordnance Station at Newport, R. I."; 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. ASPINALL:

H. R. 12653. A bill for the relief of Chiyoko Yoshimoto; to the Committee on the Judiciary.

By Mr. AYRES:

H. R. 12654. A bill for the relief of Antonia Fanelli; to the Committee on the Judiciary.

By Mr. BOGGS:

H. R. 12655. A bill for the relief of S. Jackson & Son, Inc.; to the Committee on the Judiciary.

By Mr. BOW:

H. R. 12656. A bill for the relief of Alma Kreislers; to the Committee on the Judiciary.

By Mr. BROWN of Missouri:

H. R. 12657. A bill for the relief of Harry E. Brockman; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 12658. A bill for the relief of Richard Leong (also known as Leong Kwon Jow); to the Committee on the Judiciary.

By Mr. EDMONDSON:

H. R. 12659. A bill for the relief of Mrs. Mathilde Ringol; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 12660. A bill for the relief of Mary Elizabeth Tighe Crespo; to the Committee on the Judiciary.

By Mr. MADDEN:

H. R. 12661. A bill for the relief of Abdel Hafiz Husein Farraj; 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:

637. By Mr. BUSH: Petition of Valley Economic Development Association, Sayre, Pa., urging the legislative bodies to consider prompt and favorable action to eliminate such regulations as have endangered the very existence of our great transportation system, and urging the establishment of regulations that will permit the railroads to operate on a fair competitive basis without delay; to the Committee on Interstate and Foreign Commerce.

638. By Mr. REUSS: Petition of the Milwaukee Mailers Union No. 23 to the Congress protesting activities contrary to the provisions of the Labor-Management Act of 1947 carried on by the administration of the act. In addition, the petition protests "the unwarranted persecutions of the International Typographical Union by the National Labor Relations Board"; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

Appropriate Uniforms for Medal of Honor Winners

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1958

Mrs. KEE. Mr. Speaker, it is my privilege to introduce in the House of Representatives today a bill to amend section 772 of title 10, United States Code, to provide that the Government furnish to Congressional Medal of Honor winners appropriate uniforms, including insignia.

I am advised, Mr. Speaker, that these Medal of Honor winners are asked at least 6 to 8 times a year to participate in civic events, such as Armed Forces Day, Memorial Day, Veterans Day, Medal of Honor conventions, conventions of various organizations, dedications, and other commendable affairs.

Most of these men have been out of the service for years and they do not have uniforms suitable for these occasions. It is highly appropriate, Mr. Speaker, that these men of valor, who have earned the highest recognition within the gift of a grateful Nation, be outfitted with the necessary uniforms to wear at the many public functions which they are expected to attend.

This would be done by authorizing the Secretary of the service involved to furnish, upon request and not more often than once every 5 years, an appropriate uniform, including insignia, without charge.

Approximately 340 men upon whom the Nation's highest military honor was bestowed are still living. They are, Mr. Speaker, symbols of the highest traditions of bravery and devotion of the armed services. This is not, I emphasize, a matter of money. Rather, it is a matter of acknowledging our eternal debt to these brave men.

After all, Mr. Speaker, when the holder of a Congressional Medal of Honor is asked to appear at some public meeting, he alone is not being honored. Rather, all of the armed services and the men and women who comprise them are being honored.

It is fitting that the Congress, in whose name the honor was bestowed, see that these men have suitable uniforms for these public functions.

Therefore, Mr. Speaker, it is my hope that the Congress will approve this proposed legislation before adjournment this summer.

Fortieth Anniversary Commemoration of the National Independence of the Great Ukrainian Nation

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. FEIGHAN. Mr. Speaker, under leave previously granted, I insert in the RECORD my address delivered to the Ukrainian National Aid Association, in Cleveland, May 10, 1958, on the occasion of the 40th anniversary of the rebirth of the Ukrainian nation as an independent sovereign state in world affairs:

This year marks the 40th anniversary of the rebirth of the Ukrainian nation as an independent sovereign state in world affairs. 1918 is a memorable year in Ukrainian history. It is a year that marks the break of the Russian stranglehold placed upon the Ukrainian nation through the skillful manipulation of the Treaty of Peryslav. It will be recalled that in 1654 the Ukrainian nation, then free and independent, was caused to fight a war on two widely separated fronts. In a moment of weakness Hetman Khmelnitsky sought the military assistance of the Princes of Muscovy in his efforts to fight the war on two widely separated fronts. This resulted in the Treaty of Peryslav, a treaty which guaranteed the independence of Ukraine, and also guaranteed the military assistance of the Princes of Muscovy. The Muscovites then, as has been their practice ever since, used this treaty of mutual assistance to destroy the independence of Ukraine and to make of the Ukrainian people a colony of the Russian empire. That is why the period 1917–18 means so much to Ukrainian people the world over. It was a year that marked a complete break of Russian control over Ukraine and the rebirth of the nation which had refused to give up its rich culture, religion, tradition, language, folklore, and aspirations.

This 40th anniversary of the national independence of Ukraine also marks the 40th anniversary of the breakup of the Russian czarist empire. With the rebirth of Ukraine as an independent state, came the long awaited independence of Estonia, Latvia, Lithuania, Byelorussia, Poland, Georgia, Armenia, Azerbaijan, Turkestan, Idel-Ural, and Cossackia. This period also witnessed the fall of the Austro-Hungarian and Ottoman empires and the rebirth of many other long subjugated nations. I have often referred to this period as the high point of American prestige in world affairs, because so many of the newly independent nations framed their constitutions after the pattern and in the spirit of the founding documents of our own Nation.

But another force entered the world arena in the historic period 1917–18. I refer to the despotic theory of communism. It is significant to note that communism first took root in Petrograd and then in Moscow, the two principal cities of the Russian nation. There the theory of communism, whose banner was carried by the Russian Bolsheviks, first took hold and planted its roots. Meeting with little organized resistance on the part of the Russian autocrats who incidentally were more concerned with preserving their empire than defeating the Bolsheviks, communism very quickly took over all the affairs of the Russian nation including large segments of the Russian Imperial Army. Once the Communists took control of the Russian nation they then launched campaigns on a diplomatic, military, and subversive character to destroy the national independence of Ukraine and all the other non-Russian nations which had established their national independence on the ruins of the Russian czarist empire. It is a sad fact of history that the Western Powers failed to seize this opportunity to destroy communism in its first bud when they did not support the rightful claims of the non-Russian nations to national independence. But history also tells us that the Ukrainian nation, while lacking support from the free nations of the West, fought tenaciously for 3 inspiring years. While the Russian Communists finally succeeded by force in placing an alien government in control of the affairs of Ukraine, it has never been able to break the glorious spirit or the desire of the Ukrainian people for full national independence and freedom. With the outbreak of World War II the Western World was at first amazed by the uncontested advance of the German Weirmacht to the gates of Moscow and Stalingrad. The lack of resistance in Ukraine and Byelorussia was not understood in the West until after the war was over, the dust of battle had settled, and thinking men made careful examination into the facts of the German offensive on the eastern front. It is now a well-established fact, supported by voluminous documentation in the hands of the nations of the Free World, that the Ukrainian people, along with the Byelorussian people, were led to believe the Nazis would liberate them from the tyranny of the Russian Communists, and that after the war they would resume their state of national independence. It was a hard blow to the cause of Ukrainian national independence that the Nazis were no better than their Russian occupiers, and that the struggle for national independence would receive little succor to their efforts in World War II.

Despite the irony of events which have taken place upon Ukrainian soil during the past 40 years, the national spirit of the Ukrainian people burns brighter today than ever before in their entire history. There is no force on earth capable of stopping the Ukrainian nation from acquiring the position among the nations of the world as an independent sovereign state.

Events of the present show heartening signs that the decay of despotism which characterized the old czarist empire is fermenting within the present-day Russian Communist empire. From one end of this vastly extended empire to the other, the non-Russian people are on the move; they are alert to the rapidly moving events in world affairs; they are pushing forward with greater power, stronger purpose, and more dedication than characterized the period 1917–18. So powerful is this political force of the non-Russian nations that the present leaders of the Kremlin are now striving to maneuver the leaders of the Western World into a summit conference which has but one single and overriding objective for them. The Russian imperialists seek another summit conference to wring from the Western leaders the recognition of a status quo. By this maneuver the Russians seek to gain time, a breathing spell in which they can devote their entire efforts to combating the rising tide of nationalism within their empire. The Russian imperialists know far better than we that unless the Western Powers grant them this breathing spell, they will be overrun and destroyed by the desire of the many captive nations, of which Ukraine is an outstanding leader, to be free and independent of alien control. There are signs that the Western leaders are beginning to understand the magnitude of events which are taking place behind the Russian imposed Iron Curtain. It is incumbent upon those of us who know the reality and the meaning of these events to the future of freemen, to push forward with a vigorous and positive program calculated to support the national aspirations of Ukraine and all the other enslaved nations.

Just as surely as day follows night, Ukraine and the other non-Russian nations of the present-day Russian empire will emerge from their present status as subjugated colonies to that of full unequivocal national independence. This is the hope and the belief I leave with you as I join this 40th anniversary commemoration of the national independence of the great Ukrainian nation.

The Future of the Nation's Nursing Homes

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks I include the following speech which I delivered at the American Nursing Home Association Convention in Atlantic City, N. J., on October 9, 1957:

SPEECH OF HON. JOHN E. FOGARTY, MEMBER OF CONGRESS FROM THE SECOND DISTRICT OF RHODE ISLAND, AT THE AMERICAN NURSING HOME ASSOCIATION CONVENTION, ATLANTIC CITY, N. J., OCTOBER 9, 1957

It is a pleasure for me to participate in this meeting. I appreciate the opportunity of meeting with you as a group and of becoming acquainted with many of you personally. For I believe that you are performing a service that is vital to the health and well-being of millions of Americans.

In the field of health, I am, of course, a layman. My years in the Congress of the United States, however, have increased my awareness of progress and problems in health. As a member and in recent years as chairman of the House of Representatives Subcommittee on Appropriations which considers health and related matters, I have had many opportunities to become acquainted with health needs in the United States today.

I have also been watching the rapid growth of such organizations as yours—organizations dedicated to finding solutions to our pressing health problems.

A few years ago the American Nursing Home Association had only a handful of members, and only a few States were represented. Now you have thousands of members representing practically every State in the Nation. You have been drawn together by the need for high standards of care, by the benefits of mutual cooperation and interchange of knowledge, and by your earnest desire to brighten the later years of the millions who seek your services.

The work you are doing is of the utmost importance. As one of the senior medical officers of the Public Health Service has said: "Nursing homes are a greatly needed part of our current cultural pattern. The nursing home in which skilled nursing care is provided and where the patient is under

a physician's direction is rapidly becoming a part of the constellation of medical care facilities. It is not a substitute for a hospital. It is not a substitute for the private home. It is, in fact, an entity in the medical care field for those now frequently found occupying beds in our hospitals who could be adequately cared for in facilities designed to meet their specific needs more realistically and less expensively."

Nursing homes of this kind are an invaluable addition to our total health resources in this country. They help to relieve the shortage of beds in general hospitals. For many people, they represent new hope, new opportunity to live in decent surroundings. In our complex society, we cannot do without this type of facility. And that is why it is your job, as well as ours, to see that these facilities have the highest possible standards of care and operation.

I believe you well know the needs and the factors which have given rise to them. The control of infection, higher standards of living, better medical and hospital care are all contributing to greater longevity and to the higher proportion of older people in our population.

With a population that now exceeds 170 million people, chronic illness and the problems of aging are of tremendous national significance. The age group 65 and over represents something over 10 percent of the population but accounts for about 40 percent of the chronically ill in this country. These older citizens occupy 22 percent of the long-term hospital beds and require between 80 and 90 percent of the nursing home beds and supplies.

These are not merely statistics, but millions of people—many of them suffering, bedridden, and in need of care. I know you will agree that this represents an enormous responsibility, and one in which we all share.

The 25,000 nursing homes in this country have become increasingly important resources upon which the community must depend for the care of the chronically ill and the disabled aged. The fact that over 90 percent of these homes are privately owned indicates the nature of the responsibility that you shoulder as operators and directors. Studies made by the Public Health Service have revealed that 71 percent of the 450,000 beds in nursing homes are in privately owned homes, whereas only 15 percent are in publicly owned facilities.

The progress you have made in less than a decade of existence as an organized association is a tribute to your initiative and your dedication to the public good. It is a demonstration of the kind of voluntary action that has served to make our country great. Cooperation among private, voluntary, professional, and governmental agencies, and the public in general, has enabled us to meet our health and welfare problems in a manner that is perhaps not duplicated anywhere in the world.

What kind of patients do you serve in nursing homes? The Public Health Service study tells us that the average age of patients in nursing homes is 80. Less than half of these patients can walk unaided. More than half have periods in which they are disoriented. Two thirds have some type of circulatory disorder.

These facts clearly indicate the need for close medical supervision and skilled nursing care.

On the other hand, most nursing homes are small, and are limited in capacity and resources. For the country as a whole, they have an average capacity of 18 beds. The size of these institutions obviously limits the amount of medical and nursing services that can be provided. It would be unrealistic to expect every private nursing home to provide all the medical supervision, and nursing and restorative services that are usually available in general hospitals and large institutions.

The point to remember, I think, is that no one expects all these services to be given in every nursing home—provided they can be made available in some other practical way. There was a time when it seemed enough for a nursing home or a rehabilitation center to operate as a separate entity, without relation to any other health or medical service in the community, but now we know we can no longer afford this separation of functions. The ultimate test of any institution providing medical or related care today is that it makes available to a patient all of the services and comforts which he may need, oftentimes including some which the institution does not offer within its own four walls. This calls for very close coordination and good working relationships with other public and private community health facilities.

I understand that the average monthly charge for nursing home care in this country is about $150. In the Public Health Service study, it was learned that the average cost of nursing home care ranged from $90 to $200 per month.

It was found that approximately 50 percent of the patients in nursing homes are cared for through public funds and public assistance payments that ranged from $55 to $155 per month. It is obvious, therefore, that privately owned nursing homes have to keep their rates low. As a consequence they are seriously handicapped, in many instances, in the amount of medical and nursing service they can provide.

This is a serious problem, and I am happy to see that your association has invited to this convention some of the experts in the field of medicine and public health and welfare to discuss it with you. As a group, you need help in discharging your important responsibility. But the community also needs your help in providing the services and facilities within reach of most of the families.

There are avenues of approach to this problem that can be mutually beneficial to the nursing home operators, the chronically ill and disabled aged, and to the community in general. On financing, for example, welfare departments can help by recognizing the need for increasing the amount of welfare payments for those who are cared for at community expense.

Close working relationships with State and local welfare departments can, I am sure, accomplish a great deal in adjusting the cost of the services you provide to public assistance recipients. Through conventions such as this one, your association can help focus public attention on the problems of nursing home operators and directors and in so doing, develop support for meeting these problems.

I know that all of you are aware of the assistance you can obtain from the Small Business Administration and the Federal Housing Administration, and of the new amendments to the Hill-Burton legislation enacted by the Congress in 1954. The Congress is aware that these approaches do not solve the whole problem and is exploring for new, practical ways to aid privately operated nursing homes.

There is a vital need for private and public agencies to work together in the common task of improving the care for older people and the chronically ill. A great step forward would be the extension of health insurance plans to include nursing home fees, and broader coverage of heart, blood vessel, cancer, paralysis, and other ailments common to the elderly.

Individual institutions have a direct interest in the activities of other community agencies. For example, the policies and money paid by welfare agencies, as I indicated earlier, have a profound effect upon the care provided the indigent aged in institutions. Your association can play—and is playing—a vital role in elevating standards of efficiency and service in nursing homes, and in gaining public recognition for their contributions.

What we are all too likely to hear about, unfortunately, are the instances of inferior services and poor management. A newspaper headline shrieking about infirm and bedfast older people trapped in a disastrous nursing home fire. A magazine feature on crowded and dirty conditions in some nursing homes. An editorial on the expensive rates and hopelessly long waiting lists in some homes. These are the things that capture public attention, that create public impressions.

Your work, patient and painstaking, seldom makes the newspapers. It is nonetheless courageous and pioneering, although largely unsung. For you are creating, out of your own mind and spirit and determination, the kind of conditions that are fashioning for the nursing home an indispensable place in the constellation of national health resources.

I can assure you that you do not stand alone in this great task. I believe you will find many helpful allies in your States and Communities. The kind of leadership demonstrated here and the concerted support of all your affiliated State associations inspire this cooperation in all aspects of your work.

For example, I feel certain that State and local medical societies will, upon invitation, provide guidelines in the development and operation of medical care and rehabilitation programs for nursing home patients. Voluntary health and welfare agencies are also sources of valuable assistance.

State and local health departments are especially valuable resources that you can count upon for considerable help. On the staff of these agencies are people skilled in such fields as medical care, nursing administration, nutrition, social casework, records maintenance, health education, sanitation, safety, and engineering. Most State health departments have programs in chronic disease control and health of the aging that are closely related to your work.

I understand, for example, that many State health departments offer training for nursing home personnel, in patient care and education, and in nutrition. Some health departments provide professional consultation on all aspects of nursing home maintenance and operation. By working with your health department, you can help in the development of nursing home standards that are satisfactory to the operators and patients of nursing homes alike. Since the health departments in 43 States are responsible for setting standards for nursing home operation, the desirability of continuing cooperation with these agencies is obvious.

It seems to me that our nursing homes are going through the same process of maturing experienced by our hospitals. Not so many years ago, people still considered a hospital as a place to go to die. Today, our hospitals are becoming centers of preventive as well as curative medicine. They are becoming centers of life, not death.

In a very real sense, this is the future of the Nation's nursing homes, too. We know today that it is no longer necessary for older people to spend their later years merely vegetating. We know that modern medical care makes it possible for many who might otherwise be bedridden to be up and about most of the time.

Therefore, I believe, earnestly, that we can look forward to the day when a nursing home—like a hospital—will no longer be considered a place to go to die, but a haven of comfort and companionship which will add abundantly to the quality of living. The work of your association is hastening the dawn of this new day. I believe you can make no more worthwhile contributions to our national health and progress.

President Carlos P. Garcia's State Visit

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. ZABLOCKI. Mr. Speaker, the President of the Philippines, the Honorable Carlos P. Garcia, is soon to embark upon a visit to the United States where he will be greeted by our President and engage in discussions with our Secretary of State and others of our distinguished representatives. President Garcia's administration is friendly to the United States.

Earlier this year, the Congress has been requested by the President to continue the mutual security program and to provide assistance to meet certain needs of newly independent and economically impaired countries of the world. In his state of the Union message delivered at the opening of the present session of Congress, the President pointed out that if we are to reap the multiple benefits of other countries becoming strong bulwarks against Communist encroachment, of reaching a point where mutually profitable trade can expand between them and us, and of entering a state of mutual understanding and confidence, our economic aid efforts should be made more effective.

The House concurred in that view by overwhelmingly approving the mutual security authorization bill of 1958 a few days ago.

High on the list of countries needing and deserving our aid and cooperation is our proven friend and ally, the Republic of the Philippines.

The economic plight of the Philippines has been and continues to be an obstacle in the path of the growth of this relatively new nation, which came into being in a time of trouble and has struggled to progress in the face of it ever since. The country's international payments position continues to weaken, and dollar reserves have declined until they are at a dangerous figure. There has also been a fall in export earnings and a disproportionately high level of imports. Recently, a shortage of rice, keeping pressure on retail prices, has caused added suffering to the little man.

The Government of the Republic of the Philippines has apparently tried to impose controls wherever necessary, and has been endeavoring to effect drastic economies in current operations. In no particular, however, does it appear that strongly entrenched democratic ideals have been sacrificed. Further, the Government of the Republic of the Philippines, under President Carlos P. Garcia and Vice President Diosdado Macapagal, continues the policy of close cooperation and friendship with the United States.

The particular forms in which our economic assistance to the Philippines should be cast must necessarily be left to experts. As suggested in the state of the Union message, there will probably be a greater use of repayable loans. Industrial and agricultural assistance must be vitalized and expanded. I recall in connection with one of the Philippines' principal pay crops, sugar, President Eisenhower said, when he approved the extension of the Sugar Act in 1956:

> It was not considered feasible to recommend an increase in the Philippine quota at this time. I believe, therefore, that when new amendments are being prepared at the conclusion of the present act, consideration should be given to allowing the Philippines to share in increased consumption.

Since the days of the war, when Filipinos fought at our side, and the dark days thereafter in their struggle against Communist aggression, the halls of Congress have rung with praises of the Philippines and pledges of unending friendship and cooperation. I hope our memories will never grow dim, or our footsteps lag, in the performance of our promises.

Mr. Speaker, the Republic of the Philippines may take heart from these remarks of one who will never fail to give full recognition to its distinguished place in our history.

The Italian Elections

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. FINO. Mr. Speaker, on May 25 Italians will hold a national parliamentary election—the first such election since 1953—to determine the composition of the whole Parliament which in turn determines the possibilities of forming an effective government for the next 5 years. This is the third time since the proclamation of the Republic that the whole Parliament will be renewed.

Past legislative periods have shown the difficulty of establishing a firm coalition of democratic parties in the relatively narrow margin between the two extremist groups to the right and the left.

The democratic parties can point with pride to the record of their rule during the last 10 years. Italy as a whole has achieved more substantial progress than in any other decade in its history. National income has almost doubled and one can see the emergence of a modern and progressive Italy in both the cities and in the countryside.

The continued existence of serious problems at home and abroad has not been blithely ignored; it has been faced realistically and solutions are approached in a mood of gradual but solid action. Meanwhile the Communists today, as in the past, are fighting a hard campaign in their efforts to take votes away from the democratic parties in order to destroy their working coalition.

A democratic coalition is the only effective bulwark against the continued Communist threat in Italy. Such a coalition alone can come up with a realistic and democratic solution of the country's pressing problems. The coalition policy is aimed at safeguarding and developing the social and economic gains of the past 10 years. Italy has benefited by this middle-of-the-road program of gradual progress. For revolutionary and extremist forces to gain control of the government at this time would result in a tragic end to this progress, as well as destruction of Italy's democratic system.

As we observe this election in Italy, we strongly urge her people to recognize and appreciate the importance of their vote in determining the future of their country. The democratic pro-Western policy has been a successful one for Italy in her foreign relations, as a member of NATO. It is our belief that her people, realizing the value of such alinements with peace-loving nations, will renew their vote of confidence in the leadership that has guided her in this direction. May 25 will then stand out as a warning to Communists that Italy has once again chosen the enlightened, progressive, democratic road toward future peace and prosperity.

Maritime Day

EXTENSION OF REMARKS
OF
HON. FREDERICK G. PAYNE
OF MAINE
IN THE SENATE OF THE UNITED STATES
Thursday, May 22, 1958

Mr. PAYNE. Mr. President, I ask unanimous consent that a statement I have prepared regarding Maritime Day be printed in the RECORD.

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

In recognition of the fundamental importance and great services of our merchant marine the Nation is today observing national Maritime Day. This observance has become an annual occasion to commemorate the sailing of the steamship *Savannah*, the first transoceanic steam vessel, 139 years ago. Since that momentous occasion the American merchant marine has become one of the most modern and efficient in the world.

The history and development of the merchant marine is closely entwined with the history and development of the Nation. Our merchant fleet has always been one of the mainstays of our economy in fulfilling the great need of moving goods and people to and from the United States. In time of war the merchant marine has been our fourth arm of defense and has maintained the supply lines around the world which made possible the operations of our military forces. In short, the record is very clear: The United States must maintain a strong and effective merchant marine in order to continue strong in both world commercial and military affairs.

Maritime Day 1958 is a particularly significant observance. Not only does it focus attention on the great contributions and maritime traditions of the past in which my own State of Maine has played a prominent role, but also it marks the opening of a new era in marine commerce. On this day the keel of the nuclear ship *Savannah*, the first nuclear-powered merchant ship, is being laid.

Despite the rapid advances in man's ability to move through space, it is very clear that for a long time to come the bulk of man's goods will continue to move between nations by ships. The American merchant marine is to be praised for its forward-looking, constructive leadership, and its complete readiness to move into the atomic age at sea.

The Progress of the Italian Republic

EXTENSION OF REMARKS
OF
HON. HUGH J. ADDONIZIO
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. ADDONIZIO. Mr. Speaker, on May 25, more than 30 million Italians will cast ballots for the election of members of the house and senate. Once again, as in every election since the establishment of the Italian Republic, the basic issue will be the struggle of democracy against communism.

Ever since the Communists were ousted from the Cabinet in 1947, the democratic parties have had a working coalition in Italy. It has been through the democratic process that the Italian Republic has risen from the misery and humiliation of defeat to a respected member of the world community of nations.

Since the birth of the Italian Republic, the American people have been vitally concerned with its welfare. One of the objectives of our postwar foreign policy has been to strengthen the Free World against the spread of communism. Italy was a strategic area in this aim. The rebuilding of this economically shattered country was a task of highest priority, for a weak Italy would be a breeding ground for communism. We sent aid to bolster her sagging economy. Although we did provide assistance, chief credit for her recovery, however, goes to the determination and toil of the Italian people.

This recovery was no small task. The war had disrupted Italian economy; 4 million homes were destroyed; inflation was rampant and unemployment figures were high. Although the situation seemed hopeless, the Italian people with resolve and energy, slowly made their infant Republic economically and politically secure.

This progress made by the Italians since the war has been truly remarkable. The standard of living has risen considerably for all classes of people. Industrial production has doubled. Agricultural development is up over 20 percent and savings have increased over 70 percent. The economy has flourished in all fields with American aid as a support. This progress was shown in recent statistics issued by the Organization of European Economic Cooperation—OEEC—which included Italy among the countries that have made the greatest progress since World War II.

This economic progress was accomplished in the face of constant Communist resistance. The Italian Communist Party, through a series of strikes and violence, attempted to halt economic recovery and to destroy confidence in the new democratic government that had been established. Fortunately, these tactics were in vain and the forces of democracy held the line against communism. The majority of the Italian people worked diligently to put Italy back on her feet.

Communism, however, is still a threat. But the Italian Government is ever vigilant and has adopted steps to restrict its activities. These measures included: Strengthening the Italian police so they can deal effectively with challenges of the Communist Party; screening personnel holding positions of responsibility in the government; and decreasing the hold that Communist-dominated unions have over organized labor. These policies are indicative of the desire of most of the Italians to support a democratic form of government.

Although occupied by these problems of economic and political stability, the government has not hesitated to pass legislation to strengthen its defense position. When Italy became a member of NATO, additional military responsibility fell upon Italian shoulders. Massive domestic problems imposed limitations on her capacity to build the necessary defense establishment. Consequently, the United States, through the mutual defense assistance program, granted aid to Italy to enable her to meet her NATO commitments and to rebuild her military strength. As a result the reorganized Italian armed forces have become an efficient, well-trained, and effective part of the defense structure of the North Atlantic community.

As the Italian people go to the polls, the Italian economy is stable, communism has been held in check and Italy is an important member of the Western Alliance. All this has been accomplished through the democratic process. Most of the Italian people will be aware of this as they cast their ballots. I am confident that the election returns will show that the Italians will continue to support the form of government that has made the Italian Republic stable and strong.

Extension of the Civil Rights Commission

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. KEATING. Mr. Speaker, I have today introduced a bill to extend the life of the Civil Rights Commission until June 1, 1960. This measure is designed to give the Commission a full 2 years in which to operate, as intended by Congress.

Under terms of the Civil Rights Act of 1957, the Commission is to submit its report by September 7, 1959. The Commissioners were confirmed by the other body on March 4, and Staff Director Tiffany was confirmed by the other body on May 14 of this year.

The original intent of Congress, in passing the civil rights bill, was to give the Civil Rights Commission 2 years to carry out its work. That intent is implicit in the language of the measure.

However, only about 15 months remain for the Commission to operate with a full membership and a staff director. It would be inimical to the spirit of the legislation to force them to try to fulfill their mission with inadequate time. To reinstate the Commission to its full powers, I am introducing this bill to extend the life of the Commission until June 1, 1960—roughly 2 years from the date it will be fully organized for work.

The Civil Rights Commission represents a golden opportunity for promoting greater understanding and cooperation among the races. Its factfinding work can do much to unearth abuses of civil rights. Its powers to recommend corrective legislation and other moves can do much to prevent future occurrences of such discrimination in all fields.

Extension of the Civil Rights Commission's life span will enable it to do its job adequately and well.

Smokescreen Resolutions by Governors' Conference Fail To Fool the American People

EXTENSION OF REMARKS
OF
HON. WILLIAM C. CRAMER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. CRAMER. Mr. Speaker, on Monday of this week, as is evidenced by the CONGRESSIONAL RECORD, page 9026, under title Battle To End Federal Paternalism a Challenge to the States as Well as the Federal Government, I tried to point out the responsibility of the governors of this Nation to give leadership to the President's proposal to assist the States in regaining some of their lost authority. This would include return of some taxing powers. The recommendations of the Joint Federal-State Action Committee which had been previously reported favorably by 10 of the governors who served on that committee along with 7 administration representatives should be adopted.

For all practical purposes, the faint-hearted effort to comply with this challenge by adoption of the report in principle, with many reservations, and the simultaneous call for further action by the Federal Government in fields of public works and other programs apparently gave stronger support by the governors for continued Federal intervention and usurpation of State responsibilities than support for stronger States rights. In my opinion, the governors thus showed that they are out of tune with the true beliefs and convictions of the people of this country.

For example, a resolution offered by Governor Abraham Ribicoff, of Connecticut, called on Congressional leaders to get together and draw up a program

covering such areas as unemployment insurance benefits, tax policies, and public works—and accused the administration of government by stalemate in dealing with the so-called recession.

A majority of the governors jumped on the bandwagon in an effort to throw up a smokescreen to cover their own inaction in many instances in their own States and to place the blame on Washington. A program asking for unlimited Federal spending plus tax cutting—under the apparent assumption that deficit Federal spending is perfectly all right. Apparently they believe that the only solution is to spend our way out of the economic situation, and that there is no responsibility resting on the States themselves in finding solutions to our problems. I can imagine the hue and cry that those same governors would raise if a similar program were proposed in their respective States.

In any event, the debate on and preceding the resolution clearly shows a desire to abdicate all responsibility to Washington from the States on this problem. The apparent political purpose being to becloud their own inaction with this smokescreen resolution, and demonstrating an amazing lack of knowledge of what is going on in Washington, what steps have been taken already; how programs presently authorized and in existence can be utilized and how we may properly combat the problems.

For instance, Governor Ribicoff suggested that Democrats and Republicans sit down and work out a program in the fields of tax cuts, public works, and unemployment compensation. Apparently he is unaware that the two parties have been in constant touch with the White House and have held numerous conferences on these very problems. He has not heard that the parties have a gentleman's agreement as to when action should be taken on tax cuts depending on further economic developments. He does not understand as do the parties understand each other fully on unemployment compensation and that the President has voiced his approval of the bill that has already passed the House but is awaiting Senate action (of course under the control of the same party to which the Governor belongs). Nor does he recognize that in public works, Congress has already accelerated, to the tune of $1.5 billion, the highway construction program; has stepped up authorizations for other programs; is giving favorable consideration, after Presidential recommendation, to $125 million more in public works projects for fiscal 1959—and as for the much maligned Public Works Omnibus bill, the President has recommended that Congress enact a sound bill consistent with his veto message—and that the Bureau of the Budget and Congressional leaders are in conference on working out differences of opinion.

The heckling of the politically ambitious governors, including Ribicoff, Meyner, Williams, and Harriman, just to mention a few, calling for further Federal action, completely failed to give any credit whatsoever to the administration—or Congress for that matter—for taking numerous steps to meet the problem. To refresh their all-too-short memories, I include a list of the steps taken under the leadership of President Eisenhower in this matter—and I will challenge any of the governors who gave such carping criticism of the President—to match this record of constructive and effective action and recommendations. The list, not inclusive of every action taken of course, follows:

ADMINISTRATIVE ACTIONS

1. Defense contracts accelerated to $13.4 billion in first half of 1958 as against $7.9 billion in last half of 1957. Calendar year totals: 1958—$23.6 billion; 1957—$17.8 billion.

2. Spending increased in Federal highway programs by $800 million over last fiscal year and plans call for additional increase of $300 million in fiscal 1959.

3. Acceleration of authorized civil works by $200 million in current fiscal year.

4. Federal Reserve discount rate reduced from 3½ to 3 percent on November 14.

5. Reserve requirement of Federal Reserve banks reduced one-half of 1 percent on February 20, thereby freeing additional $3 billion for lending.

6. Release of $107 million for additional purchase of military Capehart housing loans by Federal National Mortgage Association.

7. Additional $50 million in capital grant funds for urban renewal projects issued.

8. FNMA received additional $20 million for purchase of FHA insured loans for cooperative housing.

9. FHA-insured mortgage downpayments reduced.

10. Release of additional $200 million for use in FNMA's special assistance mortgage buying program.

11. About 60 Federal buildings programed for lease-purchase construction, requiring $105 million financing. If ordered by Congress for financing by direct appropriations $177 million would be appropriated.

12. Federal Reserve discount rate cut from 3 to 2¾ percent on January 21.

13. Rule requiring cash payment of FHA closing costs eliminated, in effect a further reduction of downpayment requirement.

14. More funds attracted to VA-insured mortgages by permitting increase in maximum yields allowed on VA loans traded in secondary markets.

15. Defense Department directed to funnel contracts to distressed labor areas and to small business generally. In February, $102 million in Federal contracts set aside for small business, twice the amount in February 1957.

16. Federal Home Loan Bank Board arranged longer term financing with Home Loan Banks.

17. Army schedules award of 100 million in motor vehicle contracts in areas hit by automobile unemployment.

18. Speed-up ordered in $1 billion worth of urban renewal loans and grants handled by Housing and Home Finance Agency.

19. Federal Reserve discount rate dropped from 2¾ to 2¼ percent on March 6.

20. Acceleration ordered in placement of $740 million in Rural Electrification Administration loans for electric facilities and telephones.

21. Federal Reserve again reduces reserve requirement by one-half of 1 percent on March 18, freeing another $3 billion for lending.

22. President orders speedup in $300 million in HHFA loans for college housing.

23. Urban renewal program speeded to 100 new projects in fiscal 1958 and 120 additional in fiscal 1959, compared to 56 started in fiscal 1957.

24. Military departments accelerate construction programed before June 30 to total of more than $2 billion and expect to arrange financing for $500 million in Capehart housing loans. All Federal agencies directed to plan immediately for as many fiscal 1958 supply and equipment orders as possible.

25. Interior Department steps up general construction program by $25 million.

26. Acceleration ordered on $140 million in HHFA public housing loans.

27. General Services Administration given extra $8 million for general repair and improvement work.

28. REA given additional $12.5 million for loans.

29. Speedup ordered on $75 million in HHFA loans for public facilities.

LEGISLATIVE RECOMMENDATIONS

30. Permit Federal Government to assist States in 50 percent extension of unemployment benefits.

31. General supplemental appropriations of $1.2 billion, mostly for defense, requested.

32. Congress asked to authorize $2 billion, 3-year program of postoffice modernization and construction.

33. Area assistance program recommended for Federal aid to sections of the country experiencing persistent unemployment.

34. Additional $200 million requested for accelerated urban-renewal program in year beginning July 1.

35. Army engineers' fiscal 1959 budget for civil works boosted by $125 million.

36. Congress asked to remove limit on life of Small Business Administration.

37. A $2 billion increase in lending authority of Export-Import Bank requested. Bank to finance $625 million in shipments abroad in first half of 1958, with larger program due in last half of this year.

38. Congress requested to authorize $840 million speedup in general Government purchasing by June.

39. Congress asked to suspend expenditure limitations in Highway Act, so that additional $2.2 billion can be allocated for highway aid in calendar years 1958–61.

40. Reclamation Bureau's 1959 budget increased by $46 million to maintain faster construction pace.

41. Congress asked to increase size of FHA loan insurance and to increase FHA total loan authorization by $3 billion per year for next 5 fiscal years.

42. Tax relief for small business proposed.

43. Acceleration of VA home-loan program proposed through elimination of interest-rate limitation.

44. Congress asked for additional $15 million for Agriculture Department watershed program in fiscal 1959.

45. Supplemental appropriation of $46 million for Federal hospital aid proposed.

46. Congress asked for $2 million supplemental appropriation for FHA to use in speeding processing of loan applications.

47. District of Columbia authorized to propose $100 million public-works program, to be financed with Treasury borrowings.

48. Elimination asked of interest-rate limitation on FHA-insured loans for rental projects, cooperative housing and Capehart military housing.

49. Interior Department budget amended to permit early start on small reclamation projects.

50. Additional lending authority proposed for Small Business Administration.

As to the demand for further public works programs, I point out, as I did before in the CONGRESSIONAL RECORD—but apparently to little avail—that many of the States have not used even 50 percent of the money made available under the regular—let alone the accelerated—National Highway Act. I enclose the latest report on State road construction, dated April 30, 1958, in substantiation of this statement.

TABLE 1—STATUS OF THE PROGRAM

Table 1 shows the status of the Federal-aid program for the Interstate System on the date indicated, and includes all actions taken since passage of the Federal-Aid Highway Act of 1956 on June 29, 1956. It should be understood that data in this table represent the program status at a point of time. Progress of work from month to month results in moves across the table: For example, a project that had been advertised for bids during the month will now be in the construction contracts columns but at the end of last month it was in the programed only columns.

An explanation of the table column heads follows:

Unprogramed balance: Federal-aid highway funds authorized by the Congress are apportioned among the States according to formulas prescribed by law. Each State's share now available but not yet committed to projects in any way is shown as unprogramed balance.

Programed only: Funds committed for specific projects in a program which defines the location, general nature, and estimated cost of each project.

Preliminary engineering and right-of-way authorized (July 1, 1956, to date): Funds previously programed and now committed for use or already spent for preliminary engineering (surveys, plans, etc.) and/or acquisition of right-of-way, needed for construction projects.

Construction contracts authorized (July 1, 1956, to date): Funds previously programed and now committed for construction work; includes contracts advertised but not yet awarded, contracts awarded but not yet underway, contracts underway, and contracts completed.

Total programed: The total of all commitments, including all columns to the left in the table except unprogramed balance.

THE NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

TABLE 1.—*Status of the program as of Apr. 30, 1958*

[Thousands of dollars]

State	Unprogramed balance [1]	Programed only			Authorized July 1, 1956, to date					Total programed		
					Preliminary engineering and right-of-way		Construction contracts					
		Total cost	Federal funds	Miles	Total cost	Federal funds	Total cost	Federal funds	Miles	Total cost	Federal funds	Miles
Alabama	$24,081	$46,782	$41,548	116.7	$19,016	$17,104	$20,474	$18,427	87.1	$86,272	$77,079	203.8
Arizona	10,016	19,307	18,089	91.3	10,573	9,973	19,898	18,598	123.1	49,778	46,660	214.4
Arkansas	6,470	33,335	29,999	47.3	24,226	21,169	19,956	16,841	46.2	77,517	68,009	93.5
California	24,669	4,391	3,992	5.1	351,172	94,785	173,642	157,490	163.6	529,205	256,267	168.7
Colorado	25,238	6,445	5,885	28.4	10,640	9,644	32,583	28,458	143.6	49,668	43,987	172.0
Connecticut	21,796	1,837	1,654	1.0	9,137	8,213	22,329	18,380	15.5	33,303	28,247	16.5
Delaware	22,121	6,939	6,245	1.2	5,145	3,453	1,110	999	1.0	13,194	10,697	2.2
Florida	7,177	38,900	35,010	29.5	23,630	21,220	25,765	22,081	21.4	88,295	78,311	50.9
Georgia	6,961	66,638	58,924	84.2	37,888	33,863	23,246	19,454	51.4	127,772	112,241	135.6
Idaho	27,310	11,933	11,014	48.6	4,720	4,344	11,482	9,672	34.9	28,135	25,030	83.5
Illinois	21,246	42,815	38,088	44.9	65,134	58,253	135,912	113,469	62.2	243,861	209,810	107.1
Indiana	48,255	45,686	40,298	61.1	25,583	22,132	15,628	13,450	18.4	86,897	75,880	79.5
Iowa	31,071	27,792	24,754	58.0	13,115	11,353	46,123	39,144	186.7	87,030	75,251	244.7
Kansas	25,480	18,170	16,353	75.3	17,959	16,096	34,105	30,695	146.4	70,234	63,144	221.7
Kentucky	37,683	26,015	23,413	33.9	33,372	28,149	6,635	5,971	14.8	66,022	57,533	48.7
Louisiana	14,010	23,868	21,481	30.1	23,828	20,912	30,593	26,757	25.5	78,289	69,150	55.6
Maine	16,667	8,401	7,320	7.9	4,424	3,964	15,174	12,974	12.8	27,999	24,258	20.7
Maryland	5,278	5,581	4,286	2.2	14,791	12,859	41,691	37,463	32.3	62,063	54,608	34.5
Massachusetts	21,504	32,088	28,796	6.5	20,357	18,142	43,455	38,104	17.4	95,900	85,042	23.9
Michigan	20,442	59,434	53,490	75.3	43,502	38,814	74,615	65,086	86.7	177,551	157,390	162.0
Minnesota	45,346	8,504	7,764	12.0	47,069	41,744	21,458	18,370	40.5	77,031	67,878	52.5
Mississippi	7,707	30,168	27,016	86.8	11,370	9,222	40,880	36,098	110.2	82,418	72,336	197.0
Missouri	23,003	15,003	13,552	5.4	43,523	36,218	66,241	59,690	88.7	124,767	109,460	94.1
Montana	52,901	3,007	2,667	12.6	14,881	13,430	6,912	6,224	59.8	24,800	22,321	72.4
Nebraska	49,276	3,101	2,876	2.3	20,203	18,023	6,846	5,184	11.2	30,150	26,083	13.5
Nevada	25,697	5,700	5,415	13.9	15,292	14,470	7,918	7,404	20.4	28,910	27,289	34.3
New Hampshire	17,355	250	225	----------	3,669	3,153	14,563	11,950	18.8	18,482	15,328	18.8
New Jersey	56,999	2,106	1,896	----------	29,145	24,044	34,864	30,934	20.0	66,115	56,874	20.0
New Mexico	4,428	8,405	7,781	15.9	8,161	7,556	42,917	39,853	153.1	59,483	55,190	201.0
New York	68,578	27,725	24,952	22.7	94,015	82,875	220,013	174,080	74.2	341,753	281,907	96.9
North Carolina	38,698	41,003	36,846	146.9	15,322	13,388	46,883	40,304	284.1	103,208	90,538	431.0
North Dakota	17,353	14,315	12,773	83.5	5,793	5,128	23,786	21,561	142.2	43,894	39,462	225.7
Ohio	8,628	1,741	1,567	----------	61,409	55,155	167,593	146,657	144.5	230,743	203,379	144.5
Oklahoma	6,371	39,404	35,344	117.3	12,529	11,254	44,049	37,892	158.0	95,982	84,490	275.3
Oregon	22,990	2,310	2,118	6.0	9,088	8,356	35,717	32,713	154.7	47,115	43,187	160.7
Pennsylvania	71,124	49,177	44,030	35.3	41,514	37,306	136,313	117,939	116.3	227,004	199,275	151.6
Rhode Island	6,374	286	257	----------	8,302	7,299	18,868	16,981	17.8	27,456	24,537	17.8
South Carolina	14,515	30,152	27,160	61.2	6,333	5,533	25,248	21,618	117.9	61,733	54,311	179.1
South Dakota	3,983	41,739	38,056	82.9	4,850	4,422	14,804	12,561	48.9	61,393	55,039	131.8
Tennessee	16,889	47,301	42,571	36.9	40,854	33,479	20,872	18,450	33.0	109,027	94,500	69.9
Texas	36,935	93,685	84,316	179.7	25,041	22,534	155,802	139,007	486.7	274,528	245,857	666.4
Utah	6,230	23,713	22,508	53.2	11,996	11,383	7,982	7,542	20.5	43,691	41,433	73.7
Vermont	2,515	19,550	17,595	10.3	9,025	7,859	6,351	4,827	7.8	34,926	30,281	18.1
Virginia	8,424	41,648	37,464	31.9	26,988	23,904	36,812	32,300	52.0	105,448	93,668	83.9
Washington	19,719	11,609	10,595	17.4	21,948	19,901	35,550	31,218	122.4	69,107	61,714	139.8
West Virginia	28,131	30,245	26,470	34.1	9,142	7,236	170	153	[2]	39,557	33,859	34.1
Wisconsin	66,754	14,463	11,411	24.6	22,749	19,732	23,411	20,044	72.4	60,623	51,187	97.0
Wyoming	7,253	12,589	11,715	39.3	4,305	3,979	31,086	28,590	126.9	47,980	44,284	166.2
District of Columbia	4,049	13,015	11,765	1.2	9,675	8,604	9,203	8,264	.5	31,893	28,633	1.7
Total	1,155,700	1,158,271	1,039,344	1,981.8	1,392,403	1,011,629	2,097,528	1,821,921	4,026.5	4,648,202	3,872,894	6,008.3

[1] Includes additional funds authorized by Federal-Aid Highway Act of 1958, for fiscal year 1959, apportioned Apr. 16, 1958.

[2] Less than 0.05 of a mile.

Source: U. S. Department of Commerce, Bureau of Public Roads.

This clearly indicates the lack of real antirecession leadership on the part of the governors themselves. They absolutely refuse to fully use an existing program provided by the Federal Government—while asking for new programs.

As a matter of fact, it is amazing that some of the governors do not even seem to be fully familiar with the programs offered by the National Highway Act. This was evidenced by the Governor from Connecticut when he appeared before our Public Works Committee during hearings on the Bush-May-Buckley proposals for reimbursement of toll facilities and other roads built to Federal standards. He gave as his reason for not getting the National Highway program fully underway in Connecticut that the State had trouble matching the 90 percent Federal money. This was apparently in complete ignorance of section 6 in the program which definitely provides funds to the States for the purpose of assistance in matching funds. Further, according to Assistant Secretary Rothschild of the Department of Commerce, no State requesting such aid has ever been turned down. It certainly would appear the good people of Connecticut were denied full benefits of the program already in existance. The State administration, most apparently failed to acquaint itself with available Federal authority. Now the titular head of that government is now trying to place the blame for the lag of that program in his State on the Federal Government. This is a pure attempt to further condemn the Republican administration for inaction in combating the so-called recession. I doubt if the American people will

be fooled by such smokescreen tactics by the sponsor of the resolution at the governors' conference nor will they be hoodwinked by its adoption. Thus, those who have the primary responsibility of administering this program on the State level, who are now pleading for huge new Federal public-works programs, are themselves not spending the money available today on the largest of all Federal public-works programs, the highway program, even after some 23 months in which to get the program off the ground and fully underway to immediately serve to check any recession.

I call special attention to some of the States whose governors are most critical of Federal inaction. These facts prove beyond a doubt even greater State inaction, and in considering some of them it is noted for instance:

Connecticut has only $26.5 million of interstate funds under contract of $50.043 million available.

New Jersey has only $54.9 million of Interstate funds under contract of $83.939 million available.

New York has only $174.088 million of interstate funds under contract of $257 million available.

Michigan has only $103.8 million of interstate funds under contract of $177 million available.

Florida has only $43.2 million of Interstate funds under contract of $85 million available.

A Congressman Views Dental Health

EXTENSION OF REMARKS
OF

HON. JOHN E. FOGARTY

OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1958

Mr. FOGARTY. Mr. Speaker, under leave to extend by remarks I include a speech which I delivered at the American Dental Association Convention, Miami Beach, Fla., on November 6, 1957.

The address follows:

A CONGRESSMAN VIEWS DENTAL HEALTH

(Speech of Hon. JOHN E. FOGARTY, Member of Congress, from the Second District of Rhode Island, at American Dental Association convention, Miami Beach, Fla., November 6, 1957)

There may be something in the title given to my remarks today that suggests there is something special in the way a Congressman sees your field. If this is so, I hasten to disclaim it.

I look at dental health from three points of view. First, as a husband and father, I know your field from personal experience. Second, as a Member of Congress, I can perhaps represent with a fair degree of accuracy the attitudes toward dental health of those 450,000 Rhode Islanders who are my constituents. Third, as chairman of the committee of Congress which bears primary responsibility for the health appropriations of the Federal Government, I have gained some insight into both the past accomplishments and the future problems of your profession.

It may have been this combination of perspectives which caused you to honor me with an invitation to speak here, before the assembled delegates to this 98th annual meeting of the American Dental Association.

Annual meetings serve a number of very important purposes. They are a time for comradeship and relaxation, a time for interchange of knowledge, a time for solidifying professional and organizational relationships, a time for rededication by the individual to the goals and principles of the group. And they are times for looking ahead—for definition of tomorrow's problems, and for consideration of how they can best be met.

I would not presume to discuss or even to state what these problems may be. You can do that better than I, whether you practice dentistry, or teach, or conduct research, or engage in dental public health programs. But I do have some thoughts to share with you—some questions, some observations, reflecting, to get back to my theme, how this Congressman views dental health.

The first thought that occurs to me as I consider dental health is the progress that has been made toward the concept of man as a single biological entity and not merely a conglomerate mass of parts. Associated with this has been progress toward a concept of the interdependence of all science that seeks to protect man in the increasingly complex environment which he has created. This unity, strangely enough, becomes more apparent even as the range of the problems and the number of approaches to their selection increases. Thus we see around us today a proliferation of specialties and subspecialties, of disciplines and subdisciplines. We see categorical programs, both public and private, and subcategories within each major group. And yet, with all this, as man's knowledge grows, the artificial boundaries tend to disappear.

In this spectrum of specialties and disciplines and categories making up the health professions, I have observed in recent years that those who together constitute the dental profession have been accorded ever-increasing stature. I am sure that this association has been in no small measure responsible for this fact, since it has dedicated its efforts to the improvement of dental services to the people, and since it is from the people and their views of the profession that stature is derived.

I need not remind you that no such victories are permanent. In the final analysis, it is demonstrated competence and thoughtful leadership and quality service which govern the image that a profession creates. If you find your image to be to your satisfaction today, it means that you must try all the harder to redefine your goals and plan their achievement in the years ahead.

It seems to me, too, that the American Dental Association—which I know represents the bulk of the dental profession—has a particular responsibility to the public as a whole. The dental field is commonly perceived as a categorical area, very much like heart disease or cancer or mental illness. Most of the disease categories are represented nationally by voluntary health agencies, which—among other functions—assist the professions in achieving public understanding and support for appropriate activities. In your field, the American Dental Association is both the professional group and the voluntary agency. I know the association recognizes this responsibility, but I urge you to give it special emphasis.

Do people, for example, really know the nature, the extent, and the importance of dental illness? Do they know the steps you have taken, and the greater steps that need to be taken, to increase the number and quality and distribution of those trained individuals who can help them have better dental health? Do they understand what dental illness is, apart from tooth decay? Have they been given every opportunity to be informed concerning the scientific evidence in support of fluoridation of public water supplies, the topical use of sodium fluoride, and other measures for the prevention of tooth decay?

Questions such as these suggest the rapidity with which dental practice has changed. It was not so many years ago that one had to be fatalistic about tooth decay and other types of dental diseases, because that was about all he could be. There was nothing that could be done to prevent, and little that could be done to ameliorate, the diseases of the teeth and their supporting structures. In recent years, as advances in dental science have been applied in dental and public health practice, we know there is much that can be done. But remnants of the fatalistic view remain. And it needs to be combated—not for the sake of your professions, but more for the sake of the people who, if they understand, will find ways to support both your professions and your practices in order to achieve better total health for themselves and the members of their families.

I would like to speak for a moment concerning the relations of your association to your Government. This is a matter of deep interest and concern to me. Elements of that relationship have been revealed to me with increasing frequency as—each year for the last 15 years—I have considered the Public Health Service's dental programs in terms of their appropriation needs.

I have found that there has developed in the dental field during this period of time a pattern of cooperation which assures rapid progress toward objectives which the Public Health Service and the American Dental Association share. In all of its basic activities, the Service seeks to supplement and to complement and not to dictate or duplicate. How well it achieves this goal is measured in the degree to which it receives your support.

One program of the Public Health Service is concerned with developing methods for relieving personnel shortages in the dental field and extending services to patients. These studies include the educational resources for dentisty and dental hygiene, techniques for determining the efficiency of specific dental operations, and devices for better recording of dental services and needs. A typical study under this program had special interest to me, as I am sure it had for you. In Woonsocket, R. I., over 5,000 children were studied during a 7-year period to see how the problems of accumulated and maintenance dental care—were met in a specific segment of the population. The study provided evidence that dentists can be utilized more effectively if there are 3 dental assistants available to support every 2 dentists. It also showed that regular dental care, including application of topical fluorides, reduces the amount of tooth decay dramatically.

There is an increasing interest in the growth of a new approach to financing dental care. Both the American Dental Association and the Public Health Service have been studying the development of prepaid dental care plans. The attention of the dental profession has been focused on the Washington State Dental Association and its development of a statewide service corporation for the provision of dental care under third party payment methods. Plans of this type are an important trend in dental economics and another mechanism for getting more care to more people.

A second major Public Health Service program is responsible for the development and widespread application of sound, practical measures to prevent or control dental diseases. It provides consultation to the States and conducts special field studies in such areas as water fluoridation and dental care of the chronically ill. In this connection, I may say with some pride that 77 percent of the people of Rhode Island are provided with fluoridated water. I understand that this is nearly twice the national average,

which clearly indicates that much more needs to be done in promoting the application of this important preventive procedure.

The third of the Public Health Service's programs in your field is that of the National Institute of Dental Research, which—as you know—conducts basic and clinical investigations in its laboratories at Bethesda, Md. Since 1950 it has also supported dental research in dental schools and other non-Federal institutions by research grants and more recently fellowships of various kinds. There have been several interesting and I think significant developments in this program which I wish to touch on briefly.

Two years ago, the Institute proposed as a matter of top priority to help the dental schools continue to strengthen their research activities. The Congress concurred, and in the last 2 years funds available for dental research grants have more than tripled. As of June 30, 1957, approximately 275 projects were supported in the amount of $2,700,000.

In this connection, I need not remind you that basic research in the field of dentistry can make a contribution to knowledge in other fields. Yet I feel that this is not so well known as it should be, either generally or in other biological research areas. Your association can undoubtedly find ways to make this fact better known and, perhaps as a first step, to further an exchange of information between your profession and others in the health and medical fields.

Last year, the Institute presented before my Congressional committee the urgent need for training more individuals for academic teaching and research careers as related to the various fields of dental science. As a result, a new program of training grants and awards was established, and in its first year 14 dental schools started research training programs with 57 trainees involved at a total expenditure of $500,000. This is an encouraging start, but much more remains to be done if the acute manpower needs in this field are to be met.

Dental schools have shared, too, in the assistance available from a new program last year derived from the Health Research Facilities Act. Under this program, 7 grants in the amount of $921,000 were made to dental schools to aid in the construction of research facilities; in addition, a few grants have been approved for combined medical and dental research facilities. This $90 million, 3-year program is limited to research construction. In the last session of Congress I introduced a broader bill under which $300 million would be available over a 5-year period, for either teaching or research construction; of this $40 million would be earmarked for dental schools. I believe legislation of this kind is badly needed, and I intend to pursue this bill vigorously when Congress reconvenes.

The association has long been aware, and has helped Congress be aware of the National Institute of Dental Research's acute shortage of research space in Bethesda. We hope this can be relieved by a new dental research building there. The Congress has appropriated money for the plans for this structure, and I understand these plans are now well advanced. I hope we will be able to find the necessary funds to start the building construction.

I said earlier that an annual meeting is a time to look ahead. This quick summary of the Government's dental programs leads me back to a few general questions which I should like to phrase for you and leave with you as my contributions to the looking-ahead process.

First, what measures can be devised to increase the number of dental graduates, increase the number of dental schools, and increase the ratio of dentists to population?

Second, what can be done to achieve more equitable geographic distribution of dentists throughout the United States?

Third, can you, by education and by selective recruitment, continue to improve the caliber of applicants for admission to dental schools?

Fourth, is there anything that can be done to improve the strength of your relationships—with each other, with other professions, and with the public as a whole?

Fifth, are we doing all we can to strengthen and expand research in your field, especially in environments where such research would be linked with other research in the biological sciences?

Sixth, are there any broad public health or preventive measures which warrant further support than they are now receiving?

I conclude my remarks with these six thoughts. May I say again how happy I am to be here? Opportunities such as this are very helpful to me in the performance of my duties in Washington. I will be glad to discuss the subject on which my remarks today have been focused—either now or in informal gathering during the few hours I am able to remain here before I must return north again.

I wish you a very pleasant and an extremely profitable meeting.

First New York Corp., the First National City Bank of New York, and International Banking Corp.

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1958

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony given by me before the Board of the Federal Reserve System, Wednesday, May 21, 1958, in the matter of the applications of First New York Corp., the First National City Bank of New York, and International Banking Corp. for prior approval of action to become bank holding companies under section 3 of the Bank Holding Company Act of 1956:

I. INTRODUCTION

This is the first proceeding before the Federal Reserve Board under section 3 of the Bank Holding Company Act of 1956.[1] Thus, the decision rendered in this case will have the greatest significance in future interpretation and administration of this vital, new legislation. Equally important, the plan presented to the Board is one which could have the most far-reaching consequences on the future banking structure not only of New York State but of the entire Nation.

What is involved here is an application under section 3 of the Bank Holding Company Act, seeking, in essence, Federal Reserve Board approval for the First New York Corp. (a corporation organized under the laws of Delaware), to become a bank holding company which would acquire 100 percent stock control of (1) the First National City Bank of New York, (2) its trust affiliate, the City Bank Farmers Trust Co., a New York State charted bank owned by the same shareholders, and (3) the County Trust Company of White Plains, N. Y., also a State bank. The proposal, in addition, contemplates the chartering of three new national banks into which would be consolidated the First National City Bank, the City Bank Farmers Trust, and the County Trust Co. It may be noted that the proposed bank holding company would be the largest in the country with deposits about two and half times more than those held by the next largest holding group.

Basic purpose of the plan, it is clear, is to circumvent New York State statutory limitations preventing banks in New York City from establishing branches outside the boundaries of the city.[2] These limitations, which are applicable to national banks under the Banking Acts of 1927 and 1933,[3] were designed to safeguard against banking monopoly in the State by protecting independent banks in areas beyond New York City from encroachment by the giant banking institutions in that city. Here, through the simple expedient of forming a holding company, the same management which is restricted in its operation under a bank charter, seeks to acquire a unit bank, operate it in the same manner a branch would be operated, and flout the expressed will of the legislative body of New York State regarding the establishment of branches. Indeed, the applicants themselves admit that circumvention of statutory district lines is the underlying reason for the proposal. In their application they state that "the boundaries of New York City have come to represent an increasingly arbitrary and unnatural division of a trade area, and a correspondingly arbitrary and unnatural limitation upon the extension of service of New York banks."[4]

To forestall the threat to the State banking structure implied in this plan, the New York Legislature adopted, on January 29, 1957, legislation effective until May 1, 1957, to prohibit any holding company from acquiring any bank located outside of the district prescribed for branch banks. On April 22, 1957 the effective date of this legislation was extended to May 1, 1958; on April 16, 1958, the State ban on holding company expansion beyond branch district lines was extended to May 1, 1959. In these circumstances, as I shall discuss later in my statement, New York State law precludes the transaction and makes the present proceeding moot at least until May 1, 1959.

I turn at this point to consideration of the nature of the banking institutions involved in the present proceeding.

The First National City Bank of New York is the second largest commercial bank in New York City and State and the third largest in the Nation. Created in March 1955, as a result of a merger of the National City Bank and the First National Bank of New York which was approved by the Comptroller of the Currency, the First National City bank and its affiliate, City Bank Farmers Trust Co., have aggregate assets of approximately $7.1 billion which comprise about 19.5 percent of the total commercial banking assets in the city.[5] In comparison, Chase-Manhattan Bank, the largest bank in New York City from the standpoint of assets, has about 21.2 percent of total assets of all commercial banks in the city. Next in size to First National City Bank are the Manufacturers Trust Co. and the Guaranty Trust Co., with each having assets of about 9 percent of total commercial banking assets in New York. In contrast, 44 of New York City's 60 banks have in the aggregate 10 percent of the total commercial banking assets of New York City. In brief, total assets of the First National City Bank are twice as

[1] Public Law 511 (84th Cong., 2d sess.).

[2] Sec. 105, New York Banking Law.

[3] 12 U. S. C. sec. 36.

[4] See Application First New York Corporation before Federal Reserve Board (November 5, 1956), Exhibit D, p. 4.

[5] First National City Bank operates 75 domestic branch offices in New York City and 70 foreign branches located in 24 foreign countries.

large as 44 banks in New York City and exceed the combined assets of the third and fourth ranking banks in the city.[6]

The County Trust Co. of White Plains, N. Y., the other major bank involved in the application, is by far the largest bank in Westchester County, having total assets of approximately $378 million which comprise 48 percent of all banking assets in Westchester County. Its nearest competitor, by way of comparison, has assets approximating $140 million which represent 18.1 percent of the commercial bank assets of Westchester County. Beyond that it may be noted that the County Trust Co. has 39 branch offices, or about 47 percent of all commercial bank offices in Westchester County.

II. REPORTS AND RECOMMENDED DECISIONS OF THE HEARING EXAMINER

It is clear, of course, that the Board, in accordance with applicable Supreme Court precedents, should give great weight to the reports and recommended decisions of the hearing examiner assigned to this case. But even apart from that, the examiner's decisions in this matter were so carefully and objectively prepared as to be entitled to the most careful consideration.

The examiner on October 3, 1957, after exhaustive and painstaking consideration of all the legal issues presented, concluded that New York State law, for the period of its duration, effectively prevent approval of the proposed transaction. To quote from his decision (p. 13):

"In my judgment conformity to the intent of Congress, orderly administration of the legislation, and achievement of the statutory objectives, requires a plural rather than a singular construction of section 7, that is, one preserving State power within State jurisdiction to prohibit or contain bank holding companies composed of National as well as those composed of State banks.

"It is my further opinion that the New York statute, article III–B, is an exercise of State jurisdiction authorized by the Federal law, and that for the period of its duration it effectively prevents the effectuation of the program approval of which is sought herein. In addition, I have also concluded that the proposed consolidation of County Trust Co. with County Trust National Bank would be in contravention of New York law, and therefore not permissible under the Federal consolidation statutes, 12 United States Code 34a. For these reasons I believe that the applications may not presently be granted.

"Those conclusions being dispositive of the case, I do not find it necessary to consider, and do not pass upon other issues, such as whether the proposed program as a whole would be in the public interest."

For reasons which I will discuss in a few moments, I think that the examiner is clearly right and that the existence of the New York State statute is dispositive of the issues in this case.

Nevertheless, on December 10, 1957, the Board remanded the matter to the hearing examiner to obtain his views and recommendations with respect to the merits of the subject application. On February 20, 1958, the examiner, in another cogent and careful decision, concluded as follows (p. 27):

"The program, by combining the dominant banking system in Westchester County with one of the largest banking systems in the Nation, establishes in Westchester County a financial organization of such relative size as perhaps to give it decisive advantage over competitors; may result in an undue concentration of banking assets and control; may induce unnecessary dislocation in the existing banking structure of the county—and thus unsound banking; may unduly and substantially lessen competition between city and county banks; and may result in undue reduction of the number of independent banks in the county with consequent reduction in the number of competing banking organizations.

"In addition, in the existing circumstances, approval may tend to prejudice State regulation unduly and to impair legislative policies governing State banks.

"On balance, the prospective and possible benefits of the program do not outweigh its prospective and possible disadvantages. It is concluded that the program is not required for the needs and welfare of the community and area, and further, that the effect of the proposed acquisition may be to expand the size or extent of the holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking. Under these circumstances the applicants have not sustained the burden of establishing that the public interest will be furthered by granting approval of the applications."

Again, and for reasons I will set forth, I think the examiner's findings in respect of the merits of the proposed transaction are clearly correct.

III. NEW YORK STATE LAW BARS APPROVAL OF THE TRANSACTION

I turn to the impact of New York State law upon the transaction for which approval here is sought. The major question in this respect is whether the Bank Holding Company Act has preempted the field or whether there is an area for permissible State action. Without stopping to discuss in detail the examiner's conclusions on this point, I submit that the provisions of the Bank Holding Company Act, coupled with its legislative history, make it crystal clear that there has been reserved to the States wide latitude to adopt appropriate bank-holding legislation. Thus, section 7 specifies that "the enactment by the Congress of the Bank Holding Company Act of 1956 shall not be construed as preventing any State from exercising such powers and jurisdiction which it now has or may hereafter have with respect to banks, bank holding companies, and subsidiaries thereof."

The legislative history illuminates the meaning and intent of this section. For example, the report of the Senate Banking and Currency Committee makes this comment:

"Another provision of this bill expressly preserves to the States a right to be more restrictive regarding the formation or operation of bank holding companies within their respective borders than the Federal authorities can be or are under this bill. Under such a grant of authority, each State may, within the limits of its proper jurisdictional authority, be more severe on bank holding companies as a class than (1) this bill empowers the Federal authorities to be, or (2) such Federal authorities actually are in their administration of the provisions of this bill. In the opinion of the committee this provision adequately safeguards States rights as to bank holding companies."[7]

Beyond that, Senator ROBERTSON, sponsor of the legislation in the Senate and chairman of the Banking and Currency Subcommittee which considered the measure, pointed out in Senate debate that "each State may * * * enact legislation to regulate bank holding companies."[8] As an example of the type of legislation States were empowered to enact Senator ROBERTSON inserted in the CONGRESSIONAL RECORD the text of a bank holding bill recently passed by the Georgia Legislature,[9] preventing any bank holding company incorporated under State law or doing business in the State from acquiring 15 percent or more of the voting stock of each of two or more banks. Illinois, it may be added, has enacted similar legislation.[10]

In this setting, it is evident that the New York State legislation prohibiting a bank holding company from acquiring any bank located across the district prescribed for branch banks is a valid and appropriate exercise of State power and entirely consistent with the letter and intendment of the Bank Holding Company Act. The conclusion is therefore inescapable that the Board must give full faith and effect to the State enactment and deny approval to the pending application on the basis that it is barred by State law.

IV. STATUTES INVOLVED IN SUBSTANTIVE PHASE OF THIS PROCEEDING

These considerations apart, what of the merits of the pending application? First let me direct attention to the several statutory provisions directly involved. Section 3 (c) of the Bank Holding Company Act specifies:

"In determining whether or not to approve any acquisition or merger or consolidation under this section, the Board shall take into consideration the following factors: (1) The financial history and condition of the company or companies and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of such acquisition or merger or consolidation would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking."

Explaining the purpose of this provision, the Senate report on the bank holding bill pointed out that:

"It is upon the basis of these factors that the Federal Reserve Board is to measure whether each application should be granted or denied in the public interest. It will be noted that these factors extend beyond the nature of those primary in importance to bank supervisory authorities in the exercise of their supervisory powers. In most instances, safety of the depositor's funds and adequate banking service to the public in the area where the bank operates are uppermost in the consideration of such bank supervisory authorities. The factors required to be taken into consideration by the Federal Reserve Board under this bill also require contemplation of the prevention of undue concentration of control in the banking field to the detriment of public interest and the encouragement of competition in banking. It is the lack of any effective requirement of this nature in present Federal laws which has led your committee to the conviction that legislation such as that contained in this bill is needed. Under its provisions, the expansion of bank holding companies in the banking field would

[6] See Statement, Superintendent of Banks of State of New York, pt. III, hearings, House Antitrust Subcommittee on Current Antitrust Problems, (84th Cong., 1st sess.) pp. 1993–96.

[7] S. Rept. No. 1095 (84th Cong., 1st sess.), p. 11. See also Senate hearings, p. 48; House hearings, p. 98.

[8] CONGRESSIONAL RECORD, Apr. 23, 1956, p. 6043.

[9] Ibid.

[10] Mississippi outlaws bank holding companies while Vermont bars any corporation whose primary business is the holding of stock in other corporations. Wisconsin law provides that any corporation controlling a majority of stock in a State bank is to be deemed engaged in the business of banking and subject to supervision of the State Banking Department.

not be prohibited, but would be regulated in the public interest." [11]

Equally important to the present proceeding is section 11 of the Bank Holding Company Act which provides that:

"Nothing herein contained shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any prohibited antitrust or monopolistic act, action, or conduct."

So that there can be no doubt about the meaning of this section, I quote again from the Senate report:

"This bill provides that none of its provisions are to be construed as approving any act, action or conduct in violation of existing law. It also provides that nothing in the bill shall constitute a defense to any action, suit, or proceeding pending or later instituted on account of any prohibited antitrust or monopolistic act, action, or conduct. In the opinion of your committee, approvals granted and action permitted under the provisions of this bill are not to supersede the provisions of other Federal laws, particularly those designed to control monopoly or break up trusts. For example, the Clayton Act has been judicially determined to apply to banks. Under the provisions of this bill, any action taken by the Federal Reserve Board in accordance with its terms is not to interfere in any manner with the performance by the Board of such functions as may be assigned to it under the Clayton Act." [12]

Against this background, it is clear that the Celler-Kefauver amendment to section 7 of the Clayton Act adopted in 1950, is fully applicable to the present transaction. That amendment provides in part as follows:

"No corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock of other share capital and no corporation subject to the jurisdiction of the Federal Trade Commission shall acquire the whole or part of the assets of another corporation engaged also in commerce, where in any line of commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly." [13]

Jurisdiction to enforce new section 7 insofar as it applies to banks, banking associations and trust companies, is vested concurrently in the Federal Reserve Board [14] and in the Attorney General.[15]

Thus, a major issue is whether or not the effect of the First National City Bank plan may be substantially to lessen competition or to create a monopoly in any section of the country, within the meaning of the Celler-Kefauver amendment. Making this clear, Mr. C. Canby Balderston, vice chairman of the Board wrote me on January 18, 1957, in part as follows:

"Section 11 of the Bank Holding Company Act of 1956 provides that nothing therein shall be interpreted as approving any action which may be in violation of existing law, nor is anything herein to constitute a defense to any action or proceeding on account of any prohibited antitrust action or conduct. Also, as you indicate, under the Celler-Kefauver amendment to section 7 of the Clayton Act the test is whether the effect of the acquisition may be substantially to lessen competition or to tend to create a monopoly in any section of the country.

"Section 3 (c) of the Bank Holding Company Act requires the Board, in passing upon each application by a bank holding company for approval of its acquisition of bank stock, to consider certain specific factors, including whether or not the effect of the proposed acquisition would be to expand the size or extent of the holding company system beyond limits consistent with the public interest and the preservation of competition in the field of banking. The concept involved in this factor is a broad one, and in the Board's opinion adequate consideration of the facts in this regard necessarily involves consideration of the standards mentioned in section 7 of the Clayton Act—that is, whether in any line of commerce in any section of the country the effect of such acquisition might be substantially to lessen competition or to tend to create a monopoly.

"In the circumstances, it has not been considered necessary to refer specifically in the order for hearing to the standards of the Clayton Act or to give specific instructions to the hearing examiner on the subject. You may be assured that the Board in its consideration of this matter will take into account all pertinent factors, including whether the proposed transactions might involve a violation of section 7 of the Clayton Act or other statutes."

V. THE CONGRESSIONAL INTENT UNDERLYING THE CELLER-KEFAUVER AMENDMENT TO SECTION 7

In light of these considerations, full understanding of the purpose of the Celler-Kefauver amendment is essential for proper disposition of the pending application. Basically, this act strengthened provisions of existing antitrust legislation in order to limit future increases in the level of economic concentration resulting from corporate mergers and acquisitions. For one thing, the coverage of old section 7 was extended to cover nonbank corporation mergers accomplished by asset as well as stock acquisitions. Bank mergers accomplished by asset acquisitions remained unaffected by this new legislation. That, however, has no relevance to this proceeding, since the proposal before the Board involves a bank merger accomplished by a stock acquisition—a transaction fully covered by the Celler-Kefauver amendment.[16]

Beyond that, the Celler-Kefauver amendment established a new standard of illegality. It eliminated the old section 7 test which required that the effect of an acquisition may be to substantially lessen competition between the acquiring and acquired corporation in any section or community. In lieu of the effect on competition between the acquiring and acquired firms, the amendment adopted a less restrictive test which predicated illegality on whether the effect of the acquisition "may be substantially to lessen competition * * * in any section of the country". One reason for the change was to make it clear that mergers which enabled small competitors to compete more effectively with giant corporations were in the public interest.[17] This change was not, however, intended to legalize mergers between competitors which were illegal under old section 7.

A second and equally important reason for the change was to enlarge the coverage of section 7 "to make it clear that the bill applies to all types of mergers and acquisitions, vertical and conglomerate as well as horizontal, which have the specified effects of substantially lessening competition * * * or tending to create a monopoly." [18]

The House report added that:

"Acquisitions of stock or assets have a cumulative effect, and control of the market sufficient to constitute a violation of the Sherman Act may be achieved not in a single acquisition but as the result of a series of acquisitions.

"The bill is intended to permit intervention in such a cumulative process when the effect of an acquisition may be a significant reduction in the vigor of competition, even though this effect may not be so far reaching as to amount to a combination in restraint of trade, create a monopoly, or constitute an attempt to monopolize. Such an effect may arise in various ways, such as elimination in whole or in material part of the competitive activity of an enterprise which has been a substantial factor in competition, increase in the relative size of the enterprise making the acquisition to such a point that its advantage over its competitors threatens to be decisive, undue reduction in the number of competing enterprises, or establishment of relationships between buyers and sellers which deprive their rivals of a fair opportunity to compete. * * * It would be unnecessary for the Government to speculate as to what is in the back of the minds of those who promote a merger; or to prove that the acquiring firm had engaged in actions which are considered to be unethical or predatory; or to show that as a result of a merger the acquiring firm had already obtained such a degree of control that it possessed the power to destroy or exclude competitors or fix prices.

"The test of substantial lessening of competition or tending to create a monopoly is not intended to be applicable only where the specified effect may appear on a nationwide

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[11] S. Rept. No. 1095 (84th Cong., 1st sess.), p. 10.

[12] Id., p. 19.

[13] 15 U. S. C. sec. 18. Sec. 7, as amended, exempts mergers approved by a number of Federal regulatory agencies such as the Civil Aeronautics Board, the Federal Communications Commission, etc. However, it does not exempt mergers, such as the one proposed here, approved by the Federal Reserve Board. Hence, from a technical standpoint Board approval would not insulate from antitrust prosecution an acquisition under the Bank Holding Company Act.

[14] 15 U. S. C. sec. 21.

[15] 15 U. S. C. sec. 25.

[16] There is no question that present sec. 7 covers a holding company's acquisition of stock in another corporation. Indeed, the primary reason for originally enacting sec. 7 was to deal with such transactions. This is demonstrated by the following language of a House Committee on the Judiciary Report, dated May 6, 1914, which recommended passage of the Clayton Act (H. Rept. No. 627, 63d Cong., 2d sess.):

"Sec. 8 (now sec. 7 of the Clayton Act) deals with what is commonly known as the holding company, which is a common favorite method of promoting monopoly. Holding company is a term generally understood to mean a company that holds the stock of other companies. It has usually issued its own shares in exchange for these stocks and is a means of holding under one control the competing companies whose stocks are thus acquired. As thus defined a holding company is an abomination, and in our judgment is a mere incorporated form for the old fashioned trust.

[17] H. Rept. No. 1191 (81st Cong., 1st sess.), pp. 6–8.

[18] Id., p. 8. In view of this new test of illegality, no longer apposite is *Transamerica* v. *Board of Governors of Federal Reserve Board* (206 F. (2d) 163 (CA 3, 1953)); certiorari denied (346 U. S. 901 (1953)). In that case Transamerica had acquired control of 48 banks with 645 offices in 5 Western States. The Board found—and its finding was not challenged in the court—that the area of competition was largely the local community. The Board made no effort to prove the existence of competition between any of the acquired banks in any local community, and, in fact, rejected evidence on that issue. Furthermore, of the 48 acquired banks, 38 were located in communities where there were no other acquired banks. The court held that since there was no competition between acquiring and acquired corporations to begin with, the Board's finding of a sec. 7 violation must be rejected.

or industry-wide scale. The purpose of the bill is to protect competition in each line of commerce in each section of the country." [19]

The Senate report commented that:

"The type of problem to which this bill is addressed was described by the Federal Trade Commission in these words:

" 'Under the Sherman Act, an acquisition is unlawful if it creates a monopoly or constitutes an attempt to monopolize. Imminent monopoly may appear when one large concern acquires another, but it is unlikely to be perceived in a small acquisition by a large enterprise. As a large concern grows through a series of such small acquisitions, its accretions of power are individually so minute as to make it difficult to use the Sherman Act test against them * * *.

" 'Where several large enterprises are extending their power by successive small acquisitions, the cumulative effect of their purchases may be to convert an industry from one of intense competition among many enterprises to one in which three or four large concerns produce the entire supply. This latter pattern (which economists call oligopoly) is likely to be characterized by avoidance of price competition and by respect on the part of each concern for the vested interest of its rival * * *. (The Merger Movement, A Summary Report, pp. 6–7.)' " [20]

The legislative intent is also clear that the prohibitions of new section 7 are intended to be far more stringent than those of the Sherman Act; that it is enough to show that the future competitive effect may be adverse even though the actual anticompetitive results cannot be demonstrated. Indeed, section 7 of the Clayton Act was originally adopted to supplement the Sherman Act's prohibitions against mergers and to ban those where the effect may be to substantially lessen competition. Section 7's test of illegality, therefore, was based upon probable future anticompetitive consequences unlike the Sherman Act which requires proof that injury to competition has already resulted. Thus mergers were proscribed under section 7 that were well beyond the reach of the Sherman Act.

However, section 7 soon became a dead letter so far as preventing mergers was concerned due primarily to the fact that the courts held that the Sherman Act's rule of reason (requiring extensive inquiry into economic factors to show actual effects) was applicable.[21] This obliterated for all practical purposes the distinction between section 7 and the Sherman Act and thwarted the Congressional intent that monopolistic tendencies resulting from corporate mergers were to be nipped in the bud.

In this setting, a major purpose of the Celler-Kefauver Act, as the Senate Report pointed out, was "to make it clear that the (act) is not intended to revert to the Sherman Act test" but "to cope with monopolistic tendencies in their incipiency and well before they have attained such effects as would justify a Sherman Act proceeding * * *. (The) various additions and deletions—some strengthening and other weakening the bill—are not conflicting in purpose or effect. They merely are different steps toward the same objective, namely, that of framing a bill which, though dropping portions of the so-called Clayton Act test that have no economic significance, reaches far beyond the Sherman Act. * * * The concept of reasonable probability * * * is a necessary element in any statute which seeks to arrest restraints of trade in their incipiency and before they develop into full-fledged restraints violative of the Sherman Act. A requirement of certainty and actuality of injury to competition is incompatible with any effort to supplement the Sherman Act by reaching incipient restraints." [22]

VI. THE PROPOSED TRANSACTION IS CONTRARY TO THE CELLER-KEFAUVER ACT. IT IS ALSO CONTRARY TO PROVISIONS OF THE BANK HOLDING COMPANY ACT BARRING BOARD APPROVAL WHERE THE EFFECT WOULD BE TO EXPAND THE SIZE AND EXTENT OF THE BANK HOLDING COMPANY SYSTEM INVOLVED BEYOND LIMITS CONSISTENT WITH ADEQUATE AND SOUND BANKING, THE PUBLIC INTEREST, AND THE PRESERVATION OF COMPETITION IN THE FIELD OF BANKING

a. Competitive effects on Westchester County

On the basis of the record and the findings of the Examiner, reasonable probability exists of an increase in the combination's market power in Westchester County to such a point that, in the words of the House Judiciary Committee Report, "Its advantage over its competitors threatens to be decisive."

Relevant in this connection is concentration of commercial bank assets in Westchester County as demonstrated by the following table:

Concentration of commercial bank assets, Westchester County, June 30, 1956

[Dollars in millions]

	Total assets	Percent of total
County Trust Co	$355	48.0
National Bank of Westchester	138	18.6
2 largest banks	493	66.6
First National Bank of Yonkers	56	7.6
3 largest banks	549	74.2
First Westchester National Bank	45	6.1
4 largest banks	594	80.3
8 remaining banks	146	19.7
Total, all banks	740	100.0

The degree of banking concentration in Westchester County is such, with County Trust Co. controlling about one-half of all banking resources, and with the National Bank of Westchester as much as two-thirds, that there is considerable doubt as to whether smaller competing banks in the county will have long-range opportunity to do business profitably, whether they will have unfettered opportunity for growth and expansion, whether new banks will be able to enter into business without undue handicap, and whether new capital will find such new banks an attractive investment.

The short of the matter is that present concentration in Westchester County is serious enough; to combine the resources of the dominant banking institution in Westchester County with the gigantic resources of the First National City Bank of New York may well compound that situation to an enormous extent. If smaller banks in Westchester now labor under a competitive disadvantage with the County Trust Co., that disadvantage would pale into insignificance by adoption of the pending proposal. It now takes considerable courage for small-business men to pool their resources and charter a new commercial bank in Westchester County. The obstacles to new charters, now especially serious because of concentration of banking assets, could well become infinitely greater once County Trust Co. had behind it the weight of the First National City Bank resources. Integration such as proposed, that "links together competitive areas with others in which competition is already seriously defective, accomplishes by financial consolidation something very much like what is accomplished by the tie in prohibited by section 3 of the Clayton Act; it permits the use of market power in one area to create competitive advantages unrelated to efficiency in others." [23]

It follows that the acquisition would introduce in Westchester County an institution of such power that the banking community would be transformed into one overwhelmingly dominated by a single company, with a reasonable probability of price leadership and a general absence of price rivalry. Smaller banks in Westchester County could not be expected to be unaware of the financial power with which they would be confronted by virtue of this consolidation. In these circumstances, their means of competition would be hardly comparable to those available to the First National City-County Trust combination. To suppose that entry by First National City Bank in Westchester County might have no adverse competitive effect on the other 11 banks in that area is like supposing that chickens can dance with an elephant and come out unharmed.

Moreover, the inference can be drawn that the pattern of acquisition behavior that has characterized the operation of the County Trust Co. and the First National City Bank in the past would continue in the future, so that ultimately much, if not all, remaining effective competition in Westchester County would be destroyed via the same route. This is in accordance with the principle that probable future effects of a consolidation cannot be looked upon in isolation, but only in the framework of the merger history of the various parties to the transaction.

As far as the First National City Bank is concerned, it has taken an active part in a recent series of large mergers that reduced the number of more sizable banks in New York City—those with assets of about $500 million—from 16 to 12. By its merger with the First National Bank, the National City Bank increased its assets by $713 milion, or over 12 percent.

The following tables show the result of those mergers on banking concentration:

Concentration ratios, New York City, five largest banks, October 1954 and September 1956

Before the recent wave of mergers initiated with the Chemical Corn merger of October 15, 1954, concentration ratios in New York City for the five largest banks stood as follows:

[Dollars in billions]

Institution	Resources	Percent of total
National City	$5.43	16.5
Chase	5.36	16.3
Total		32.8
Guaranty Trust	3.10	9.4
Manufacturers Trust	2.96	9.0
Bankers Trust	2.16	6.5
Top 5	19.01	57.7
New York City total	32.95	

[19] Id., p. 8.

[20] S. Rept. No. 1775, 81st Cong., 2d sess., p. 5.

[21] See *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 291 (1930)); *United States* v. *Republic Steel Corp.* (11 F. Supp. 177 (N. D. Ohio, 1935)). Old sec. 7 made illegal stock acquisitions where the effect may be to substantially lessen competition between "the corporation whose stock is * * * acquired and the corporation making the acquisition." A literal reading of this provision could prohibit virtually all stock acquistions of competing concerns even those which had but minimal economic significance. In all probability the courts reverted to the Sherman Act test of looking at actual and immediate effects so as to avoid the literal sweep of this provision.

[22] Id., pp. 4–6.

[23] Joel B. Dirlam and Alfred E. Kahn, Fair Competition: The Law and Economics of Antitrust Policy, Cornell University Press, 1954, p. 1943.

In September 1956 the ratios stood as follows:

[Dollars in billions]

Institution	Resources	Percent of total
Chase	$7.24	22.0
First National City	6.35	19.0
Total		41.0
Manufacturers Trust	$3.0	8.9
Chemical Corn	2.9	8.7
Guaranty Trust	2.77	8.3
Top 5	22.26	66.9
New York City total	33.42	

The County Trust Co. of White Plains completed 13 mergers in the postwar period. In fact, its activity rose to such a pitch that during 1955 its acquisitions numbered seven institutions. When it attempted to cross the Hudson, however, to acquire the Ramapo Trust Co. of Spring Valley, the superintendent of banks vetoed this merger. A primary purpose was to keep the merger ambitions of County Trust from spreading into Rockland County.

The following tables show the merger history of First National City Bank and County Trust Co.:

Merger history, First National City

[Dollars in millions]

Name of institution	Year absorbed	Resources
International Banking Corp	1915	$41
National City Co. (City Company of New York)	1916	
Commercial Exchange National Bank, New York	1921	11
Second National Bank, New York	1921	30
Peoples Trust Co., Brooklyn	1926	76
Farmers Loan & Trust Co., New York	1929	205
Long Island National Bank, Long Island City	1931	4
Bank of America N. A	1931	500
First National Bank, New York	1955	713
Total		1,580

Sources: Rand McNally; Polk's Bankers Encyclopedia; Moody's Bank and Finance Manual.

Merger history, County Trust

[Dollars in millions]

Name of institution	Year absorbed	Resources
First National Bank, White Plains	1920	2
Caleb Heathcote Trust Co., Scarsdale	1936	4
Hartsdale National Bank	1940	3
Mount Pleasant Bank & Trust Co	1940	3
First National Bank, Hastings-on-Hudson	1941	3
First National Bank, Pleasantville	1943	2
Ossining Trust Co	1946	4
Fleetwood Bank of Mount Vernon	1946	11
Washington Irving Trust Co., Portchester	1947	29
Citizens Bank of White Plains	1950	18
First National Bank, Croton-on-Hudson	1952	3
Mount Vernon Trust Co	1955	24
Northern Westchester Bank, Katonah	1955	5
First National Bank, Ardsley	1955	3
Central National Bank Yonkers	1955	30
Dobbs Ferry Bank	1955	4
Peekskill National Bank & Trust Co	1955	7
Irvington National Bank & Trust Co	1955	4
First National Bank of Elmsford	1955	4
Total		163

Sources: Rand McNally; Polk's Bankers Encyclopedia; Moody's Bank and Finance Manual.

In the context of the merger history of these two institutions, the present holding company plan appears as but another step toward larger size, greater dominance in the market area, and a possibly destructive dominance in Westchester County. Thus, there is presented the very type of situation to which the Celler-Kefauver bill was addressed. As the Senate report on that bill stated:

"Imminent monopoly may appear when one large concern acquires another, but it is unlikely to be perceived in a small acquisition by a large enterprise. As a large concern grows through a series of such small acquisitions, its accretions of power are individually so minute as to make it difficult to use the Sherman Act test against them * * *.

"Where several large enterprises are extending their power by successive small acquisitions, the cumulative effect of their purchases may be to convert an industry from one of intense competition among many enterprises to one in which three or four large concerns produce the entire supply. This latter pattern (which economists call oligopoly) is likely to be characterized by avoidance of price competition and by respect on the part of each concern for the vested interest of its rival." [24]

Senator ROBERTSON, cosponsor of the bank-holding bill, was aware of the danger to competition from a transaction such as this. Presenting the bill on the Senate floor, he stated:

"Recently there has been much discussion, in and out of Congress, of bank mergers. I believe there is substantially greater danger of abuse through the bank holding company device than through the process of bank mergers. Imagine what a New York City bank with deposits of $7 billion could do in the way of competition with other banks if it also controlled a vast industrial empire worth $1 billion, and had unlimited ability to establish banks throughout New York State and in any other State.

"It is inconceivable to me that any Member of this distinguished body would say that the time has not come to put a curb on such possible expansion. The pending bill not only would divorce the bank holding companies from their industrial empires, but also would put any future expansion under the control of the Federal Reserve Board, which would have the advice and assistance of the Comptroller of the Currency and State bank regulation agencies—the agencies which are charged with responsibility for maintaining the strength and the integrity of our monetary system." [25]

Similarly Governor Robertson, member of the Federal Reserve Board in a speech on October 22 of last year to the Independent Bankers Association, pointed to the problem at issue in the following terms:

"We are required to pass upon applications by holding companies for permission to acquire additional bank stocks. In doing so, we must be guided by certain standards which Congress has prescribed in the law itself. These standards relate to financial conditions; future prospects; character of management; needs of the community; and restriction of holding company growth within limits consistent with sound banking, the public interest, and the preservation of competition. These are not rule-of-thumb standards. In applying them, the Board must carefully consider all the circumstances of each case that comes before it, weighing one factor against another; and—needless to say—no factor will always weigh the same and no two cases will ever be exactly alike.

"Whether you fully appreciate it or not, there are some differences between a great metropolitan area—for example, New York City—and my home town, Broken Bow, Nebr. One can imagine a multi-million-dollar holding company acquiring a bank in New York City without unduly upsetting competition there. But if such a corporation acquired one of the three small banks in Broken Bow, the other two might fear that their life expectancy had been shortened. Even a Solomon might have to ponder a while in applying the statute in such different situations."

Apart from this, there is a further dimension—a possible chain reaction. The success of the applicant in establishing this holding company would not only spur it to further efforts elsewhere in the State of New York. It is common knowledge that other large city banks, such as Chase Manhattan, Bankers Trust, Chemical Corn, and Manufacturers would have to establish similar bank holding companies to keep abreast. Once First National City had gained approval, it would be useless, and in fact inequitable, to disapprove the rest. These considerations make it plain that this one decision involves not one but four or five bank holding companies.[26]

It is certain, however, that there are not enough of these regional branch banks to go around or satisfy every city bank. The expectation would be for a general scramble to buy up the independent banks in Rockland, Westchester, Nassau, and Suffolk Counties. In the end, local competition in these areas would be trampled and replaced by the Big Five of New York City. As far as the sizable commuter traffic between New York City and the suburbs is concerned, competition between the suburban banks and the city banks at the retail and small-business level would be annihilated, as will be pointed out below.

b. Competitive effects on metropolitan New York City

Among the most important competitive forces in banking in metropolitan New York, particularly to people in the suburban areas, are the sizable regional branch banks that have sprung up in the rapidly growing counties surrounding the five boroughs. These suburban institutions have actually grown in three ways: through the influx of population, through new branches, and through mergers with existing smaller banks. Some of these banks, in fact, have acquired control of so large a portion of the banking resources of their counties as almost to raise questions of undue concentration. An important mitigating fact, however, is that commuter traffic, the automobile, and banking by mail bring these institutions into close competition with the banks in New York City. To an important degree, residents of the suburbs have a free choice as borrowers or depositors between their local institutions and city banks.

For example, First National City controls approximately one-third of both the number and dollar amounts of thrift deposits of commercial banks in New York City. The County Trust's 120,000 thrift accounts constitute roughly one-fifth of the 600,000 such accounts now at First National City. Moreover, the number of individuals with demand accounts at County Trust is approximately 119,000. Further, the number of persons with direct consumer loans is above 15,000.

Most of these individuals will be directly affected by the acquisition of County Trust by the First National City Bank. Most of them (or a member of their family) undoubtedly commute to the city. Thus, they have a choice as to where they may deposit their savings, where they may place their funds for use in regular or special checking accounts, and where they may obtain loans for personal needs. This acquisition would eliminate for these many thousands of individuals a substantial portion of their freedom of choice as to whether they prefer to

[24] Supra, p. 17.

[25] CONGRESSIONAL RECORD, vol. 102, pt. 5, p. 6755.

[26] Note that in recent years mergers in New York City showed the chain effect. In one 6-month period, the five largest banks raised their share from 58 percent to 67 percent of New York City's total.

bank near their homes or near their place of work.

As the examiner pointed out in his February 20, 1958, recommended decision (pp. 24–25):

"Execution of the program will also tend to eliminate competition between Westchester County banks and city banks. About 6 percent of the fiduciary accounts—in dollars a substantial figure—of Farmers originates in Westchester County. That competition may be expected to be eliminated by the proposed program, as well as potential competition which County Trust could be expected to provide by continued improvement of its trust services. The reduction of competition would, however, be greater than that. As of July 1956 more than half as many employed Westchester residents were employed outside the county, mainly in New York City, as were employed within the county. At the same time at least 10 percent of the locally employed persons were nonresidents of the county.

"It is thus seen that a majority of the county labor force possibly has regular access to banking facilities both in New York City and in Westchester County. To such persons, as well as to large-scale industrial and business establishments, the two areas offer alternative sources of banking service. Under such circumstances the banking systems of the two communities are in competition. The applicants estimate that the percentage of FNCB domestic depositors originating in Westchester is less than 1 percent; the deposits of County Trust originating in New York City less than 3 percent. One percent of FNCB's domestic deposits would be over $20 million; more than 5 percent of County Trust's total deposits. Three percent of County Trust's deposits would be approximately $10 million. These are in substantial amounts. Statistics in evidence indicating greater percentage of overlap in an FNCH branch nearest Westchester appear too fragmentary to be meaningful.

"Since a substantial number of persons employed in Westchester County have access to either the city or the county banks, and thus have a choice between them, I am of the opinion that there is effective competition between the city and county banks for the business of such individuals. The entry of First New York Corp. into Westchester County will tend to eliminate the choice which such persons now have, or may in the future have, between the banking services of FNCB and Farmers on the one hand, and the services of County Trust Co. on the other. In addition, the program will probably eliminate FNCH as an actual or potential correspondent for any of the other Westchester banks. These deprivations of choice result in a substantial lessening of competition, and in some respects a reduction in available banking service."

In connection with this facet of the problem, the ratios advanced by First National City are highly misleading. For example, exhibit F, page 5, cites that the "percentage of domestic business * * * originating in Westchester, based on amount of deposits * * *, is estimated to be less than 1 percent." Similarly it is stated, on page 7, that "the group to be formed by these proposals will have deposits and resources less than 6 percent larger than those of the First National City Bank of New York."

Apart from other considerations, the difficulty with these ratios lies in the fact that the First National City Bank is both a money-market bank as well as a retail institution. The County Trust Co., by contrast, does mostly a retail business.

To show how preposterous this comparison is, New York City banks could acquire the assets of all commercial banks in upstate New York and increase their size by only 23 percent. An analogy might be an acquisition by the Ford Motor Co., which manufactures charcoal, of various charcoal-producing competitors and justifying the acquisitions by putting into the ratios the entire operations of the Ford empire.

First National City produces no data breaking down their banking activities into wholesale and retail components, and showing the effects on size, concentration, etc., on such a detailed basis. An attempt has been made here to estimate, for example, the direct consumer lending business of First National City. It would appear that this bank's share is almost one-half of the New York City total. In these circumstances, it is clear that the First National City Bank's present dominance in this field cannot, consistent with antitrust principles, safely be increased further through holding company activities.

c. Relationship between population and deposits in New York City

One of the major points made by First National City is that since New York City population increase has been lagging behind the growth of the suburbs, it is necessary for a bank which desires to maintain its growth to go into these suburban areas. In the words of the First New York Corp. application:

"The First National City Bank of New York management also believes that due prudence and proper exercise of its responsibilities to First National City Bank shareholders make it desirable to protect First National City Bank against the consequences of business and population shifts from the city to Westchester County, which may create a relatively rapid growth of banking opportunities in the county, while at the same time limiting the growth potential within the five boroughs." [27]

This argument takes the rather simple view that a close relationship exists between population and bank deposits. In contrast with most communities, the New York City banks are not dependent upon this single factor. Because of their countrywide money market and corporate activities, their correspondent banking and their position in international finance, any such claim is fallacious.

On the contrary, when one takes the long view of the period since 1900, population in New York City has grown from less than 3½ million in 1900 to over 8 million today. Thus, the present population is two and one-third times that at the turn of the century. By contrast, over the same period the deposits of the downtown commercial banks in the city increased from $1.7 billion to $29.4 billion. After adjusting for changes in the price level, their deposits are over five times the level in 1900 as shown in the following table:

Population growth and commercial bank deposits, New York City, 1900–1955

	Population	Index	Total deposits [1]	Index	Total deposits deflated [2]	Index
	Million		*Billion*		*Billion*	
June 30, 1900	3.44	100	$1.64	100	$4.46	100
June 30, 1955	8.05	234	$27.79	1684	$22.93	514

[1] Data for 1900 include all commercial banks in Manhattan. In 1955, only central reserve city member banks (banks with offices below Canal St.).

[2] 1955 figures deflated by implicit price deflator for gross national product; for 1900, the Bureau of Labor Statistics Wholesale Price Index used.

d. Ease of raising capital

One of the points made in the First National City application is that through the holding company device it is easier to raise capital and that County Trust will therefore benefit in this regard. Thus, in the First New York Corp. application (exhibit F, p. 3), the following statement is made:

"The association would likewise facilitate the raising of additional capital for the County Trust Co. to support its present position and future growth. Because of the great expansion in its deposits, its need for additional capital funds has been continuous; they have been provided in part by the sale of subordinated debentures. It is clear that its future capital requirements will be equally great if it is to meet adequately the needs of the communities which it serves. If the proposal is approved, the problem of raising this additional capital would fall upon the holding company which, through the broader market which may be expected for its own stock, would be able to accomplish this task more readily."

However, an examination of the premium existing for County Trust stock indicates that it is actually in an extremely favorable position as regards the raising of additional capital. During 1956, as shown by the table that follows, its market value was about two times its book value per share. By contrast First National City Bank stock was selling at only slightly higher than its book value. Thus the market has already taken into account the future growth and earnings potential of County Trust and this is reflected in the market value of its shares. It can therefore be inferred that County Trust would have no difficulty in raising the capital needed to margin its future deposit growth, and does not need a holding company organization to accomplish this.

Comparative book and market values, First National City Bank and County Trust Co., 1956

	1956
First National City Bank:	
Book value per share	$60.22
Range: Market price per share 60¼ to 73¼.	
County Trust Co.:	
Book value per share	14.18
Range: Market price per share 25¼ to 33½.	

VII. THE APPLICANT FAILS TO MEET ANY OF THE OTHER FACTORS OF SECTION 3 (C) OF THE BANK HOLDING COMPANY ACT

From the background of the act, it is clear that a bank-holding company application, to win approval, has to meet squarely every single test prescribed by section 3 (c). Failing in that, the application must be disapproved.

It must be observed that the Bank Holding Company Act is a restrictive measure, not one designed to place the stamp of approval upon indiscriminate creation of new bank-holding companies. This is demonstrated by the history of the legislation as well as by the provisions of the act itself.

Bank-holding companies first caught the public's attention in the late 1920's when their organizational activity reached a peak. Many such ventures were mainly speculative in nature, with the result that the stock market crash caused much distress. By 1930, the Congress became so concerned over bank-holding companies that it held extensive hearings culminating in specific regulatory provisions in the Banking Act of 1933.[28] Such regulation proved inadequate, however, not only because of loopholes in

[27] Exhibit D, p. 4.

[28] 12 U. S. C. sec. 1 et seq.

the act itself, by which bank-holding companies might evade the reach of the Federal Reserve System, but also because of the failure of the act to deal with one of the principal problems involved—concentration. In a special message to Congress on April 29, 1938, President Roosevelt made these comments:

"It is hardly necessary to point out that the great economic power that might be wielded by a group which may succeed in acquiring domination over banking resources in any considerable area of the country. That power becomes particularly dangerous when it is exercised from a distance, and notably so when effective control is maintained without the responsibilities of complete ownership.

"We have seen the multiplied evils which have arisen from the holding-company system in the case of public utilities, where a small minority ownership has been able to dominate a far-flung system.

"We do not want those evils repeated in the banking field, and we should take steps now to see that they are not.

"It is not a sufficient assurance against the future to say that no great evil has yet resulted from holding company operations in this field. The possibilities of great harm are inherent in the situation.

"I recommend that the Congress enact at this session legislation that will effectively control the operation of bank holding companies." [29]

Bills subsequently introduced in the Congress failed to make headway so that the Board of Governors of the Federal Reserve System felt moved to renew a plea for legislation in its Annual Report for 1943. This report stated in part as follows:

"There is now no effective control over the expansion of bank holding companies either in banking or in any other field in which they may choose to expand. Moreover, the device lends itself readily to the amassing of vast resources obtained largely from the public which can be controlled and used by a few people and which give to them, when they choose to use them, an unfair and overwhelming advantage in acquiring additional properties and in carrying out an unlimited program of expansion. In the exceptional case, these resources have been used to acquire independent banks by measures which leave the local management and minority shareholders little with which to defend themselves except their own strenuous protests. Likewise, these resources have been used to support the market for their own stocks and thus to facilitate the acquisition of independent banks by the exchange of stocks, as well as to create trading profits for favored participants.

"The Board believes, therefore, that it is necessary in the public interest and in keeping with sound banking principles that the activities of bank holding companies be restricted solely to the banking business and that their activities be regulated, as are the activities of the banks themselves.

"Such legislation should be so designed as to prevent any such company from using the corporate device to circumvent and evade sound banking principles, regulatory statutes, and declared legislative policy."

In 1944 the Federal Deposit Insurance Corporation added its voice to the call for legislation. It stated in its annual report for that year:

"The business of lending money is well suited to private initiative and is best performed under competitive conditions. Monopoly in banking is a threat to American traditions, both because it limits the opportunities to engage in the business of banking, and because it provides an opportunity for favoritism in the extension of credit which may foster monopolies in other industries. The growing tendencies toward monopoly in the banking business are serious, and prompt action should be taken to curb them.

"A partial monopoly which develops when one bank obtains a disproportionate percentage of the total banking resources of an area may have a serious effect on the economic life of the district.

"Holding companies not only tend to become monopolistic, but increase the problem of supervision."

In the meantime, and continuing through the early postwar years, the large bank holding companies continued to expand without hindrance. Finally, in 1948, a point was reached when the Federal Reserve Board decided to grasp the initiative under powers conferred by the Clayton Act. Without repeating here the voluminous proceedings against the Transamerica Corp. in any detail, the following section of the Board's brief seems relevant in stating the bank holding company problem in general terms.

"The Clayton Act is a prophylactic statute, designed to arrest monopoly 'in its incipiency and before consummation,' as Congress itself said when it passed the law. Section 7 was specifically aimed at holding companies which buy up the stocks of companies in actual or potential competition and bring those companies under common ownership and control. The holding company which follows this practice was denounced by Congress as 'an abomination.' Here we have a case where just such a situation as Congress specifically visualized has come to pass. Transamerica and its predecessors have for over 40 years been acquiring the stocks of small, medium and large sized commercial banks in an ever expanding area on the west coast. To date, they have acquired almost 700 separate banking offices in five States. As fast as these banks were acquired, they were merged into or became branches of one or another of the rapidly growing branch banks in the controlled group of banks to a point where they now comprise 40 percent of all commercial banking offices in the five-State area, having 39 percent of all commercial bank deposits and 50 percent of all commercial bank loans in those States. Furthermore, the evidence clearly indicates that, unless restrained, Transamerica intends to acquire more banks and thus to increase further its growing monopoly power in that area. The net 'effect' of these acquisitions, we contend, 'may be substantially to lessen competition, or to tend to create a monopoly' of commercial banking offices, deposits and loans in the five-State area, contrary to the provisions of section 7. The nub of our contention springs from the conviction that the only proper legal test for determining the 'effect' of such a continuous series of acquisitions is to consider their cumulative effect upon existing and potential competition in commercial banking in the area." [30]

Perhaps nothing sparked renewed agitation for effective restrictions against bank holding companies more than the Board's inability to stop the acquisitions of the Transamerica Corp., due to the apparent impotence of section 7 of the Clayton Act as interpreted in that case by the Circuit Court of Appeals.[31] Finally, by 1955, the Congress had accumulated sufficient testimony, and Members of both Houses had become sufficiently familiar with the issues to bring bills within sight of enactment. The mainline of argument, familiar from many long-drawn-out proceedings, did not falter from its main objective—greater restriction. Thus Chairman Martin, of the Federal Reserve Board of Governors, testified at hearings before the House Banking and Currency Committee as follows:

"These provisions of existing law regulate the activities of a bank holding company only if it happens to control a member bank and only if it desires to vote the stock of that bank. In effect, therefore, regulation is largely voluntary on the part of the holding company. Even if a voting permit is obtained, the regulation to which a holding company is subject is aimed mostly at protecting the soundness of the member banks in the group.

"These provisions, therefore, do not deal at all with two apparent problems in the banking holding company field. In the first place, there is nothing in present law which restricts the ability of a bank holding company to add to the number of its controlled banks. Consequently, there can well be situations in which a large part of the commercial banking facilities in a large area of the country may be concentrated under the management and control of a single corporation." [32]

When the House Committee on Banking and Currency issued its report to accompany its proposed bill, H. R. 6227, the problem was stated again in this form:

"Evidence developed during the hearings has convinced your committee that bank holding companies are not in accord with the very precepts upon which our banking system rests. The United States, early in its history, it should be recalled, adopted a democratic ideal of banking. Other countries, for the most part, have preferred to rely on a few large banks controlled by a banking elite. There has developed in this country, on the other hand, a conception of the independent unit bank as an institution having its ownership and origin in the local community and deriving its business chiefly from the community's industrial and commercial activities and from the farming population within its vicinity or trade area. Its activities are usually fully integrated with the local economic and social organization. The bank holding company device threatens to destroy this democratic grassroots institution.

"Your committee believes that the destruction of the American unit banking system resulting in the further concentration of credit facilities, would have revolutionary effects upon our free-enterprise system. Ultimately, monopolistic control of credit could entirely remold our fundamental political and social institutions.

"The time for action is now. We dare wait no longer, for already we are rapidly following the example of England whose many banks became the Big Five. She finally passed a law against further concentration. The Bank of England has been nationalized. France has nationalized its few banks. The same will inevitably come to pass here unless we forestall it by legislation.

"There is no question about what the reaction of the American people would be to such a condition. A nation that would not allow a monopoly over tobacco certainly will not condone one over the lifeblood of its economy, money, and credit. Through their Representatives in Congress and the State legislatures they have at various periods erected legal barriers against centralization of credit. Some of these have fallen, some have corroded. It is urgently necessary that we stop the remaining laws from being evaded. H. R. 6227 would do this. Its adoption by the Congress is necessary if we are to preserve our free-enterprise banking

[29] S. Doc. 173 (75th Cong., 3d sess.)

[30] Reply brief of counsel for the Board of Governors, November 9, 1951, in the Transamerica proceedings.

[31] Cited supra note 15, p. 9.

[32] Hearings before House Committee on Banking and Currency on H. R. 2764 to provide for the control and regulation of bank holding companies (84th Cong., 1st sess.), pp. 13–14.

system, the economic counterpart of our political system. Each is essential to the other." [33]

From the foregoing it is abundantly clear that the act is restrictive and that by no means was it intended to provide ambitious bank holding companies a hunting license to wage war on the country's independent unit and regional banks.

In addition to its history, provisions of the Bank Holding Company Act of 1956 make it clear that it would be a perversion of Congressional intent to depict this act as a harmless ordinance designed to legitimatize or even foster and encourage bank holding companies. The following points are significant:

1. Acquisition of bank stock or assets: Specific procedures are set forth whereby the board of governors cannot render a decision without first consulting the appropriate State authority or the Comptroller of the Currency. Specific provisions of the act, previously discussed, establish that the Congress was deeply concerned about the harmful effects of these acquisitions on competition and the public interest.

2. Banning acquisitions across State lines: Acquisition of a bank located in a State other than where the holding company's principal operations are conducted is expressly forbidden, unless specifically authorized by State law.

3. Divestment of nonbanking organizations: The act, recognizing the great potential abuses inherent in combining banking with nonbanking enterprises, requires divestment within a specified time period.

4. Registration of existing holding companies: The act requires registration with the board of governors of all information regarding the financial condition and operations, management and intercompany relationship of all existing bank holding companies and their subsidiaries. This closed a previously existing loophole in the Banking Act of 1933.

5. General powers given to board of governors: The board of governors is empowered to issue any regulations or orders, to require reports under oath and to examine holding companies and their affiliates whenever necessary to accomplish the purposes of the act.

6. Forbidding intercompany borrowing: The act recognizes the possibility of abuses through financial manipulations within the holding company setup. It therefore forbids a subsidiary bank from investing in the securities of the parent company, from making loans collateralled by such securities, or from extending credit to any subsidiary of the holding company.

7. Responsibility of holding company officers: The act specifies that officers, directors, or employees of a holding company are subject to the same severe penalties for falsification of records as would be the personnel of member banks.

Factor 1: The Financial History and Condition of the Banks Concerned

As the applicant amply demonstrates, the financial history and condition of the two banks involved are sound. Apart from the merger histories of these two institutions, which have been previously described, there is little to be added to the facts presented by First National City Bank. Since both institutions are in a strong and profitable condition, the public interest does not require in the least that their proposed alliance through the holding company device be approved.

Factor 2: Prospects of the Two Banks

From all appearances, the prospects of the First National City Bank and County Trust Company of White Plains are excellent. Again, the applicant has shown that its own growth and earnings—as well as those of its proposed subsidiary—are good. Both institutions may be expected to benefit from the continued growth of population and income in New York State, with a resultant gain in the volume of business done by these two banks. The prospects of these institutions, therefore, are bright and offer no ground whatever why this application should be approved.

Factor 3: Character of Management

Both First National City Bank and County Trust Co. are generally considered adequately managed banks, headed by experienced officers and guided by active boards of directors. Indeed, the successful operation of both banks as separate entities raises a question whether the imposition of yet another layer of management might not result in diseconomies, in a blunting of initiative, and in the creation of a superbureaucracy that might stifle the creative talents of top personnel. Indications that undue size produce such effects—as evidenced by time-consuming and inefficient lending procedures—were given to the New York State Legislative Committee to Revise the Banking Law during its hearings.

In sum, not only does present character of management fail to supply grounds why this application should be approved, but a presumption that management might suffer calls for disapproval.

Factor 4: Convenience, Needs and Welfare of the Communities

The convenience, needs and welfare of the communities in the areas in which First National City Bank and County Trust Co. operates appear presently well served by banking institutions, including the applicant and its intended subsidiary. Both these institutions offer a full and apparently adequate range of services to their customers even though their specialties differ. By volume of business, First National City Bank is not so much a retail as far more importantly a wholesale bank which serves the national and international markets. The County Trust Company of White Plains, by contrast, puts its major emphasis on retail banking.

It is recognized that certain services, such as facilities for international transactions, are more available at the First National City Bank than at the County Trust Co. But any such lack cannot be construed to prove an inconvenience to the residents of Westchester under the meaning of this act. There is no reason why such new services could not be added equally well—if a large enough demand existed in Westchester—without the proposed combination.

Second, residents of Westchester are now within easy commuting distance of banks in New York City, including the First National City Bank, apart from the fact that they have access to any of the more specialized services of city banks through the unique correspondent banking system. No compelling reason exists, therefore, why the convenience of residents of the area involved would demand the proposed holding company plan. In the absence of such a positive showing, disapproval would have to follow.

As for arguments in the application purporting to show resultant benefits of the merger, let me make these observations. There is no showing as to how and in what particulars the proposed merger would afford increased facilities to the borrowers and savers of Westchester County.

There is no showing that borrowers were unable to get credit or as being unable to obtain it in whatever amounts needed for growth and development.

There is no showing that business enterprise was being stunted in diversification or growth for lack of adequate banking facilities.

There is no showing that the bank facilities of Westchester County, and specifically of the County Trust Co., have refused or been unable to grow as needed. On the contrary the actual growth is shown to be extraordinarily rapid, fully as rapid as the rate of suburbanization of population and business.

Nor is there a showing as to how the proposed merger would bring about more economic and efficient operation. On the contrary it is stated that "no change in management is contemplated." The application speaks of "continuity of able management" presumably facilitated by access to personnel and training program of the First National City Bank without any evidence that a management survey had been made by the County Trust Co. resulting in a finding that after more than 40 years of rapid growth it was experiencing such additional difficulty in recruiting management personnel as to necessitate recourse to supposedly extra supplies of such talent in the First National City Bank. The application nowhere indicates why and wherein the free enterprise method failed of bidding for personnel from not only the graduates of dozens of banking and business schools but from the ranks of all the managerial personnel in all the banks of the country.

Nor is there any proof given that "because of the great growth in deposits * * * the relationship of its [County Trust Co.] capital funds to its deposits is not so strong as that of the First National Bank." The ratio is different—as one might expect in a rapidly growing bank. But the application itself calls County Trust Co.'s financial condition sound.

In short, one looks in vain for facts to show how the proposed merger will add strength, service, adequacy, diversification or growth to the banking facilities that are forcefully demonstrated to be completely adequate in Westchester County.

On the contrary as the examiner found on February 20, 1958 (pp. 12, 14, 15, and 16):

"Initially, it will be observed that no new bank or banking office will be created by the acquisition, either in New York City or Westchester County.

"The growth and increased industrialization of Westchester County in recent years has brought a need for various specialized services, such as foreign banking and foreign financing, small loans, and residential mortgage and consumer loans. These services are presently available in adequate degree and form. There is no present want or need for further banking services in Westchester County in the sense that such service is unavailable, either directly with a county bank, or through the bank's correspondent relationship with one of the larger New York City banks. In the matter of large loans for industrial enterprises, and perhaps in the field of foreign banking services, referral of some portion of such business to a correspondent bank may at times be necessary either because of loan limits of the county banks, or because of other limitations. Certain other services, now available in varying degrees, could be improved by the adoption of specialized techniques.

"County Trust and the other county banks seem to have kept pace with the essential needs of Westchester. Their growth in the past decade is evidence of responsiveness to and anticipation of community needs. The 1956 annual report of County Trust discloses the establishment of a foreign department in that year, the inauguration of a training school for tellers, and the development or improvement of banking services and administrative programs. Contrary to some suggestion in the record, County Trust offers a complete range of trust services.

"To sum up the considerations bearing upon the fourth statutory factor: It appears that the proposed program may contribute to the convenience of the Westchester com-

[33] H. Rept. No. 609 (84th Cong., 1st sess.), pp. 1–2.

munity and area; but it is not shown by clear evidence to be necessary for the needs and welfare thereof. It will make no contribution to the convenience, needs, and welfare of the New York City community and area. In addition, considerations involved in factor 5 tend to diminish or cancel the weight of the convenience factor in Westchester. As in the case of Northwest Bancorporation: though the proposed acquisition may serve a useful purpose in the county, existing needs are not of a high order of intensity and the convenience and welfare of the community and area are not heavily dependent upon its consummation. Indeed, the needs and welfare of the area may be adversely affected."

Fogarty Reports on Hospital Progress

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1958

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks, I include an address which I made at the annual convention of the American Hospital Association in Atlantic City, N. J., on October 2, 1957.

The address follows:

REMARKS OF HON. JOHN E. FOGARTY, MEMBER OF CONGRESS, FROM THE SECOND DISTRICT OF RHODE ISLAND, AT ANNUAL CONVENTION OF THE AMERICAN HOSPITAL ASSOCIATION IN ATLANTIC CITY, OCTOBER 2, 1957

It seems to me there is a kind of poetic justice in this occasion. For many years I have sat in Congressional hearings and listened to the testimony on health legislation proposed by the American Hospital Association and other groups in the health professions. It was very kind of you to give me the opportunity to have my hearing. I only hope you will benefit at least a fraction as much as I have been benefited by listening to you.

I was very pleased when Dr. Crosby invited me to be with you today, because I have been convinced for a long time that we need more opportunities to talk about the health problems that concern all of us. These problems are as complex as any that face us today—national or international. And the decisions we make in the months ahead may influence generations to come.

There are still a few people in our country who cling to the notion that legislation—especially Federal legislation—is something to fear. They think that as surely as day is followed by night, legislation will be followed by regulation.

I find it a little difficult to understand this attitude because I know—as you do—of some very successful programs carried on in harmonious cooperation by the Federal Government, the States and communities, national organizations, universities, and others. Therefore, I have the fullest confidence that we can—as we have before—work out the means by which the Federal Government can serve the best interests of all the people, without trespassing upon their rights, weakening their initiative or diminishing their authority. Again and again, we have demonstrated that our Government is truly the instrument of the people.

During my 16 years in Congress, as a representative of the people of Rhode Island, health legislation has been one of my major interests. As chairman of the subcommittee in the House of Representatives which considers appropriations for the Department of Health, Education, and Welfare, it has been my honor to give some leadership in providing the Federal support, in maintaining the State and local rights and responsibilities, which our national health programs must have if we are to advance the conquest of disease.

During the years of my membership on this committee, some of the greatest advances in medical history have been made, and I have heard it said that the past decade has seen more medical research and public health progress than any comparable period in all the history of our country.

Last year, the Washington Report on the Medical Sciences, an impartial and nonpartisan publication, commended our legislative endeavors saying that "strong Congressional leadership * * * steered the bills through, shaping and reshaping them to meet practical requirements and seeing to it that ample funds to implement new laws were provided."

It has given me great pride to have a share in this. You may be sure that I shall continue my devotion to further advances in health legislation.

This afternoon, I would like to discuss two basic questions that concern all of us.

First. What kinds of health services will be required of our hospitals in the years ahead, and what types of facilities must we provide to extend these services to the people?

Second. How can we finance the services and facilities we need?

Earlier this year, the late Dr. Alan Gregg issued a challenge to all of us when he said that we must make better use of the immense store of knowledge we have today to give our people the opportunity to realize "the positive goal of maintaining health." This concept of health maintenance is a blend of both preventive and curative medicine, with emphasis on prevention. I am convinced that it will be the kind of medical care practiced in the future.

In its simplest terms, preventive medical care is nothing more than using the wonderful medical knowledge we now have to prevent illness and build up our health. Pediatricians have been practicing this type of preventive medicine for years. Other branches of the medical profession have now begun to move more positively in the same direction for several reasons. First, the increasing volume of knowledge available has made it possible for the physician to give his patient more complete and more effective instructions for maintaining his health. Second, the necessarily increasing costs of medical care have given patients added incentive to guard their health. Slowly, but surely, we are coming to recognize the fact that we have preventive medical care for a few dollars a month. If we wait until we get sick to do something about our health, it may cost us several times more per day than we would spend per month to prevent illness. In addition, illness may cut off income and disrupt family life.

But what does this trend toward preventive medical care mean to our hospitals?

I believe it is safe to predict that, within the next 25 years, virtually every general hospital in the Nation will be providing at least as much preventive service as curative service.

Many of you have already gone far in this direction. For example, you are providing equipment and services for the use of your medical staff in the early diagnosis of cancer, tuberculosis, and other diseases which may bring costly, long-term illness to your patients. In recognition of the fact that rehabilitation is an essential part of modern medical care, many of you are providing these services. Others are experimenting with home care programs. More and more of you are working closer with your local health department, welfare department, and similar community health services. You are, in fact, moving closer each moment to the day when hospitals will be the focal point of health services for all of us, throughout our entire lives.

I realize that progress toward more preventive hospital service is related directly to the difficult and aggravating problems that confront a hospital administrator from day to day. For example, the problems rising costs bring to your desk each day, the irksome turnover in lower paid jobs, the constant need for more nurses, the ever-present threat of the deficit.

However, the Government is attempting to give you some help, at least in some areas. Under the Hill-Burton program, as you know, Congress has appropriated funds for research in a variety of fields related to hospital administration, such as development of a scientific personnel system, a survey to develop standard terminology in connection with blood banks, among many others equally as interesting and important.

The Public Health Service is making admirable progress in the program to help hospitals make better use of skilled nursing personnel. The Division of Nursing Resources reports that nearly 150 hospitals in 16 States have undertaken surveys to improve nursing services. The Congress also provided funds for the education of nurses who will take over administrative and teaching positions. These and other Federal programs, will, I am sure, help to ease the burdens you bear.

In view of the high purpose to which our hospitals are dedicated, it seems a shame that there isn't some easy, miraculous formula by which the problems of administration can be solved. I am quite sure that dedication to healing the ills and guarding the well-being of mankind is closer to Godliness than the virtue of cleanliness. But this nearness to Divinity enjoyed by a hospital is no substitute for good management.

We have come a long way from the old days when a castoff mansion was considered to be a desirable place for the care of the sick. Today's complex center for medical care is designed to fit the specific services it provides to patients, as well as possible plans for expansion.

Much of this remarkable progress is due to the consistent efforts of the American Hospital Association to make our hospitals the finest in the world, and to the accreditation program which assures the highest standards of hospital care.

Another major factor is the Hill-Burton program, established by Congress in 1946 at the request of the American Hospital Association, the American Medical Association and many other organizations and agencies. I am convinced that the perseverance and vision which served the Nation so well then, will again be at our command as we plan for the future. In the 11 years of this bipartisan, Federal, State, and local program, we have developed comprehensive plans, State by State, for the construction of health facilities. Hospital design has been advanced by two decades or more. More than 3,500 projects have been approved for construction, with most of them now completed and in operation.

It seems quite evident that the general hospitals of the future will have a far greater range of services, including expanded outpatient departments, rehabilitation facilities, and areas for the chronically ill. It seems possible that many hospitals will develop accommodations for patients who do not need the full range of hospital services. I believe the greatest change will come in the planning and administration of facilities and programs outside the hospital where medical direction is needed.

Nursing homes provide a good example. Unfortunately, we are still in the "castoff mansion" era of nursing homes. I was shocked, as I know you were, to note that the National Fire Protection Association has declared that nursing homes are at the top of the list of unsafe places to live. In the last 10 years, 15 tragic nursing-home fires have taken the lives of nearly 300 people.

We know the need for nursing homes is very great. It is estimated that at least 25 percent of the general hospital beds now occupied by patients with chronic illness could be released for other patients, if nursing homes were available. Under the Hill-Burton program 86 nonprofit nursing homes have been approved for construction. Most of these are affiliated with hospitals. They are modern, safe, convenient, pleasant to live in and far less costly to build than a hospital. It is true that there are fine proprietary, voluntary nonprofit and public nursing homes in the country, but the need is urgent and we must build many more as rapidly as possible. In doing this we must safeguard the future inhabitants by maintaining adequate construction standards and promoting a high level of success. On the other hand we must guard against so-called institutional atmosphere and retain as much of the home environment as possible. The facilities will be in fact the home for years of many of their guests.

The experience of this association and its members can be of very great value as we develop future plans for providing these facilities and others. Although they are not hospitals, they are directly related to hospital care, and your knowledge of planning and administration will be invaluable.

The Hill-Burton program has been tremendously successful in aiding the growth of health resources, but I do not think we can continue indefinitely to retain the limits of the present pattern of operation. I would urge you, therefore, to think in terms of developing new proposals to meet future needs with the aid of the basic Hill-Burton legislation.

The financing of hospital and medical care is one of the most difficult problems confronting us today. Major sources of finance will, I believe, continue to be private insurance and Government.

Health services by their very nature must cost a lot of money because they often involve complex treatment which can only be administered by many people with great skill. The value of these services to each of us is beyond reckoning. What man will place a price on the surgery that saves his life? Who will set a fair fee for the early diagnosis and treatment of malignant cancer?

The growth of health insurance in the past quarter century is the single most remarkable development in the entire field of medical economics. The American Hospital Association has earned the gratitude of the Nation for its leadership in the development of Blue Cross.

I have always felt that it would be possible for us to establish a system of health insurance with private resources, and I am tremendously pleased to note that more than 118 million persons in the country now have some form of health and medical coverage. But since this method of paying for health services has a direct bearing upon the future financing of our hospitals and upon the very health of our people, I think we cannot afford to permit ourselves to be overwhelmed with our own success. We must hold it at arm's length to see it for what it really is.

Since the time when health insurance was first proposed, we have concentrated upon its value in helping the individual to pay for certain types of medical care, most of which was unpredictable. Considerable emphasis has been given to firming up the financial soundness of this type of insurance, and rightly so. Now, it seems to me, we have reached the point where we must recognize that the ultimate success of private health insurance depends upon the quality and quantity of coverage it provides.

What good is a health insurance policy to a man with a broken back, if only a fraction of his expenses are paid, if benefits are cut off before he is out of the hospital, if his policy is canceled? It's easy to say he gets as much as he pays for. But that argument only ignores the fundamental principles upon which health insurance must be developed and upon which its future depends.

It is essential that health insurance must be financially sound. But we must apply the principles of insurance with constant awareness of the fact that it is an instrument to protect the welfare of the individual and his family.

The physician and the hospital have played the major role in shaping health insurance for the benefit of the individual. But I would like to take this opportunity to urge you to exert your influence even more effectively in shaping the pattern of health insurance to fit the needs of the future.

One of the greatest opportunities lies in the field of protection against catastrophic illness. Insurance in this field, so far, is very limited in many ways. We know that the incidence of long-term illness with seriously crippling effects is relatively low. Still the need for protection is nationwide. And it must be protection which is not hedged about with limitations of benefits to specific categories and cancellation clauses.

I was pleased to note that your association is meeting with the American Medical Association and other groups to work toward increasing coverage of older people. It seems to me that there are two practical ways to approach the problem. First, group insurance can be extended to include workers and their dependents with policies which are not subject to cancellation. Second, premiums can be increased during the more productive years to offset the increased risk of coverage after retirement.

The single greatest need is for the comprehensive one-package policy, combining both prepaid medical care and health insurance. In addition to providing greater protection, it has the very important quantity of encouraging the individual to seek preventive medical care. Most of us have not yet begun to appreciate the importance of periodic health examinations and counsel with our physician to help maintain health. However, if this service can be incorporated in the average health insurance policy, we will have much more incentive to seek medical counsel with reasonable regularity.

Although the lack of actuarial data may retard the development of this kind of coverage, I believe both the insurance industry and the public will receive benefits from it which now seem almost visionary. When that day comes, health insurance will be firmly established as a reliable and predictable source of hospital income.

In discussing payment for health services by Government, I think we must recognize two basic facts:

First, it is now generally accepted that the health of our people is a major national resource and that the Government, therefore, has a direct responsibility for the health of everyone.

Second, Federal Government funds should be employed to stimulate the expenditure of funds from the States, communities, and private sources. The Hill-Burton program is an excellent example of this point. During the past 11 years, the Federal Government has appropriated a total of almost $1 billion for this program. But the States, communities, church groups, philanthropic organizations and millions of private citizens have raised $2 billion in matching funds to build hospitals and other health facilities.

Over the years, we have worked out a few rules of thumb for federally financed programs that seem to be fairly durable. For one thing, we have accepted the simple fact that health is not the exclusive property of any one political party. Most of our health legislation is bipartisan. Much of our health legislation is based on the principle that the areas in the country where the health needs of the people are greatest, receive the greatest proportion of Federal aid. I think we have also established the basic principle that no Government program which provides health services or facilities for our citizens can be permitted to impair the freedom of the individual physician nor interfere with the free choice of the patient in the selection of a physician, nor with the relationship between the patient and the physician of his choice.

When Congress convenes again in January, there will be many bills on health legislation placed in the hopper. The number seems to increase every year. One of those will be my own proposal, the Health Education Facilities Construction Act, to authorize a 5-year program of grants for the construction of medical, dental, and public health education and research facilities. As I pointed out when the bill was introduced in May of this year, the shortage of health education facilities today is probably the most serious bottleneck in our whole medical system. These schools which produce the general practitioners, the specialists, and the research scientists fall far short of accommodating the fully qualified and competent young men and women in America who are anxious to train and qualify in medical, dental, and public health fields.

Both private health insurance and Federal appropriations are essential to the future of health services in our country. But the Congress cannot shape health legislation without your guidance. We must look to you, as we have in the past, for technical knowledge, for the appraisal of needs, for the creation of proposals to meet those needs. In nearly all cases, the quality of information presented by professional groups like yours, and the leadership you provide, determines the extent to which funds are made available by the Congress.

Now that we have come to give full value to the health of our people as a national resource, I think the leadership you provide in the creation of health legislation has taken on new dimensions. The responsibility that goes with such leadership demands the vision to see the future beyond the charted areas of today. It demands the courage to free ourselves from old ways of doing things because they are the comfortable and easy ways. In short, it demands the qualities of statesmanship. I believe devoutly that upon this statesmanship rests the destiny of our Nation.

Columbus Day for National Holiday

EXTENSION OF REMARKS
OF
HON. EDWIN H. MAY, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1958

Mr. MAY. Mr. Speaker, in connection with a bill which I am introducing today to make Columbus Day a national holiday, I should like to emphasize that it is perfectly logical and just that we should give recognition to the man who discovered America and who paved the

way for the settlement of the Western Hemisphere. Through his vision, his courage and his Christian spirit, he set an example for all generations to emulate. We, who are proud of the pioneering spirit of the earliest Americans can show in this way our appreciation to the first pioneer without whom we may not have had the privilege of living in a land of freedom and opportunity.

Many States now recognize Columbus Day as a holiday and in Connecticut, many offices and businesses close on October 12 in honor of that great man. It is fitting, I believe, that we, as a nation, in selecting our next national holiday should give first preference to Christopher Columbus. I am sure that most Americans will welcome Congressional action to this end.

National Radio Month

EXTENSION OF REMARKS
OF
HON. GLENARD P. LIPSCOMB
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. LIPSCOMB. Mr. Speaker, the month of May is National Radio Month, observed to give recognition to radio as a vital instrument of public service. I am very happy to join in the observance of this occasion, to pay my respects to radio as an invaluable means of communication and, also, to give heartfelt thanks to the many dedicated and public-spirited people who make up the radio industry.

Let us take a look at this modern miracle of communication which is an integral part of the lives of each of us and which we have come to take for granted. Service provided by radio is available to us every minute of the day, wherever we are and whatever we are doing, and it is a personal service. Each one may select what he wishes to hear, without payment other than purchase of receiving sets.

The growth of the radio industry is, in some large measure, attributable to freedom from control by our Government, except for the limited regulation necessary to keep order in the use of broadcasting frequencies. It is significant that in nearly all other countries, government directly or indirectly operates and controls broadcasting. In the United States, Congress has refused to adopt any control measures which remove the direct influence of the free voice of the people in selecting programs from a variety of sources. No one can compel us to listen or make us pay a tax to listen. Radio is free to bring us both sides of public questions.

What does radio mean to us all individually? Everyone depends far more than he realizes upon all the services of radio in his daily life. From the time we awake in the morning until we go to sleep at night, radio provides something of value in our daily lives. Time signals keep us on schedule, weather forecasts helps us plan our activities, market reports assist the farmer, and a variety of programs is available at any hour. Only radio is able to bring us instantaneous, on-the-spot reports of news and events from every country.

One of the primary advantages of radio is that we can listen almost everywhere, at home, at work, in the car, at the beach or picnic ground. We can listen while we work and do not have to take our eyes from the highway to enjoy radio while driving.

The several billions of dollars invested in radio sets have not been spent because radio sets are decorative pieces of furniture but because they provide contact with the world through the broadcasting system. Among the needs fulfilled are obtaining of news of the community, which once could only be heard at the general store; news of the world at large, which once was available only through published journals, sometimes long delayed in delivery; music that once was only available at considerable cost and at a few places which only a few could reach; discussion in which at an earlier date one could only participate by going to the meeting house; all these and many others have come to life in our homes through radio.

At this moment more than 1,000 aircraft are in the air over the continental United States, carrying thousands of passengers and many tons of freight, in touch with the earth only through radio. In taxicabs, in industry, on farms, in the oil fields, in military installations, on trains, and aboard ship, radio is performing a service.

The vital role of radio in local, regional, and national disasters or emergencies such as floods, storms, mine disasters, hurricanes, tornadoes, and others is a matter of record. The voice of the radio broadcaster in such times of crisis is more reassuring than a printed bulletin.

From our own experiences, we know weather news help save time, money, property and inconvenience. But weather disaster news also saves lives when it is given the instantaneous treatment which radio can provide. Radio is almost the first thought of the majority of people in time of emergency or uncertainty. Ability to communicate directly from the spot and without delay is a unique and priceless attribute in rescue or evacuation operations when speed is of the essence.

With the wholehearted cooperation of the broadcasting industry, involving a large amount of time, money, manpower, and equipment, a special system to bring immediate emergency information to you has been developed, known as Conelrad. This system of public emergency broadcasting is the surest and fastest way developed of getting word to the public—you and me—under attack conditions in the event our country should be attacked. In addition to providing the alert for the public, the broadcast stations of our country comprise the main alerting system for about one and one-half million other radio transmitting facilities operated in other services such as trans-Atlantic telephone, point-to-point communication, police, fire, forestry, amateur, and so forth. Under this system it will be possible to receive civil defense instructions on standard radio sets during an air raid.

While much of the service of radio broadcasting is through the networks, the local radio station is most important in many ways. The local station extends the border of your community to encompass the entire earth's surface, and in addition reports the local news and events, supports local civic projects and is a vital part of the life of the local community. Both local and national broadcast facilities always recognize their responsibility in times of stress—storms, floods, drought, earthquakes, epidemics—and broadcast warnings that save lives and property and help alleviate damage and suffering that result from such disasters.

The growth in number of broadcast stations from 600 twenty years ago to the present 3,700, and the 150 million radio sets owned by Americans today are indications of the extent to which everyone relies upon radio in his daily life. It is a good thing to take a look at something so important to us all and which tends to be taken for granted because it is so much a part of our everyday life.

Italian National Elections on May 25, 1958

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. PATTERSON. Mr. Speaker, May 25 will be election day for more than 30 million voters in Italy. They will go to the polls and cast their ballots in the national elections for a new Parliament. It seems difficult to realize that it was but 12 years ago, in 1946, that Italy voted to end the monarchy of the House of Savoy and become a democracy. Italy has experienced a new life since then and has made great strides in domestic democracy and in European and Free-World cooperation. As one writer has put it:

> The country has doubtless achieved more substantial progress than in any other decade in its history.

As an American I take this opportunity to congratulate the Italian people on their magnificent accomplishments and urge them to carry on. I do this with both joy and humility in my heart. I am happy because Italy has done so much for herself since the end of the war to rebuild herself as a leading and responsible partner in European cooperation. I am happy because the Italian people have been able to see through the sham and false hopes of communism and have made democratic society a reality. But my joy is mixed with feelings of humility for I know how hard the Italian people have worked against tremendous odds to build those democratic institutions which we in America so often take for granted in our own land. We

have forgotten that democracy is indeed a precious treasure.

At the end of World War II, Italy was a broken and defeated nation. Much of the economy had been destroyed in the war. The people had not known democracy for more than 20 years, since Mussolini and his Fascists marched to power in 1922. Like a phenix, the new Italy has arisen from the ashes of the old.

Today Italy is a land of remarkable political stability. Since the Communists were thrown out of the government in 1947 the center democratic parties have consistently moved forward in building the economic, political and social bases for Italian democracy. The government has made giant strides in land reform and in alleviating the plight of those in the lower economic groups. Free national and local elections are held in an atmosphere of freedom of speech and press.

But what of communism? Palmiro Togliatti and the other hard-core Communists pose as Italian patriots, but in fact they have consistently placed the interests of the Soviet Union first. They opposed Italian participation in the Marshall plan that contributed so much to Italian economic recovery after World War II. They have denounced NATO in violent terms as imposing an American stranglehold on Italy. They will not admit the truth that NATO is a free alliance of nations to deter and if necessary, meet Soviet aggression against the Atlantic community. They have even gone so far as to oppose Italian membership in the European coal and steel community, the new common market, and Euratom that are designed to improve European economic cooperation and increase the opportunities for members to trade with each other.

Today the Community Party is following the Soviet line again by concentrating its efforts on the struggle against guided missile bases in Italy and at the same time demanding the establishment of a zone around the Adriatic Sea from which atomic weapons would be barred. The Italian people have seen through this foolishness. Why should Italy forego weapons which the Soviets already posses? It seems clear that if the Communists are successful it would mean the end to NATO, and to Italian independence. An Italian Communist official put the case well when he addressed a party meeting in December 1956 with these words:

> A real Communist must not have doubts or crises of conscience. His temper is measured by his loyalty to the Soviet Union.

The Communist Party remains a seious threat to the hard won liberties of the Italian people even though the Communist strength seems to be on the decline in Italy today. Last year party boss Togliatti himself admitted that the party had lost more than 10 percent of its members in the preceding 12 months. Even so, reliable estimates place the party membership figures at about 1½ million.

The great battle in this year's national elections will be between the Communists on the one side and the democratic parties on the other side. Most observers are confident that communism cannot win. The question still remains, however, whether the democratic parties that can unite in a working coalition will receive a large enough majority to form a stable government to continue the present course of the new Italy. It is our sincere hope that this will happen.

America: Land of Opportunity Unlimited

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. FEIGHAN. Mr. Speaker, under leave obtained, I insert in the RECORD my address delivered to a German social gathering in Cleveland on Sunday, May 18, on America: Land of Opportunity Unlimited:

During my years in Congress I have had many occasions to explain and defend the cause of the European people of German ethnic origin who were among the victims who endured great human suffering during and after World War II. It is with regret, therefore, that the urgency of matters now before Congress would not permit me this pleasure and opportunity.

In looking back over the years which followed in the wake of World War II, I believe that one of the greatest human tragedies in history was the expulsion of the people of German ethnic origin, whom we know as Volksdeutsch, from the countries of central and eastern Europe.

The spirit of bitterness and hatred which attended the war, prepared the groundwork for this expulsion. The evil leaders of the Soviet Union not only wanted to punish all persons of German origin, but having prepared a deceitful plan to occupy all the liberated countries, they deemed it necessary to forcibly expel these people from the areas they intended to occupy with the Red Army. I have long held that this expulsion was an integral part of the Russian plan for extending their empire and imposing their dictatorial, godless system upon all the people of the world.

It is clear to me that the Russians realized the ethnic Germans of central and eastern Europe would always remain a large obstacle to their plans, and that is what caused them to engage in programs of expulsion which cost the lives of nearly a million persons of German origin, together with untold suffering for many millions more.

The Russians also had another reason for the forced expulsion of Germans. They felt that a devastated Germany, with most of the democratic leadership elements killed off by Hitler or the war, could be thrown into a state of utter chaos and anarchy by the presence of 12 million homeless, propertyless, jobless, and disillusioned Volksdeutsch and Reichdeutsch. But history records that this part of the Russian strategy backfired on them. Contrary to their hopes for chaos and anarchy in Germany, the Volksdeutsch and Reichdeutsch quickly became powerful elements for solidifying the German nation, opposing Communist actions at disunity, and by their industry and faith in God, stabilizing and reconstructing Germany in a manner that is unprecedented in history.

Today this happy fact stands as one of the great bulwarks of freedom, because the new Germany stands as an equal and important partner with the United States in the North Atlantic Treaty Alliance, a defense arrangement which has both prevented world war III and prohibited the Russian Communists from making further conquests on the European Continent.

Those of you who endured the long suffering of expulsion from your homeland and who now have voluntarily come to the United States to make a new life, have a great and rich tradition to preserve. Here you have been welcomed by your relatives, friends, and coreligionists. Here the doors have been opened to you and your children for a happy, fruitful, productive, and rewarding life. There is no limit to what you and your children can accomplish here in the United States. Here you have found that all the individual liberties and human freedoms, without which life becomes a drudgery, have been yours for the asking. These basic human guaranties are what have made America the land of opportunity unlimited.

On this happy occasion when all of you have gathered together to renew old friendships and to exchange your experiences of the past years, I urge that all of you renew your faith in our Christian civilization, and rededicate yourselves to making the world in which we live a better place for ourselves as well as for generations to come.

In this inspiring task, I know you can always count upon the support, counsel, and warm hand of the Lutheran Refugee Service which assisted you in finding a new life in the United States and which has done so much to help all refugees who have come to our shores, realize their hopes and aspirations.

Address of Hon. John E. Fogarty, of Rhode Island, at the Meeting of the National Association of Social Workers, Washington, D. C., December 13, 1957

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks I include an address which I delivered to the National Association of Social Workers in Washington, D. C., on December 13, 1957.

The address follows:

SPEECH OF HON. JOHN E. FOGARTY, MEMBER OF CONGRESS FROM THE SECOND DISTRICT OF RHODE ISLAND, AT LUNCHEON MEETING OF THE NATIONAL ASSOCIATION OF SOCIAL WORKERS, WASHINGTON, D. C., DECEMBER 13, 1957

It gives me particular pleasure to talk to your Social Action Workshop today for at least two reasons. First, I know favorably the presentations and communications that the Washington office of your association has made to the Subcommittee on Appropriations of which I am chairman. Second, and perhaps of greater importance, your organization, as the professional group in the field of social work perhaps knows better than anyone the problems that face many of our people and has the know-how to propose solutions. Many of the things for which you stand are things which I have advocated or sponsored.

I cannot tell you, I don't think anyone else can, how to be effective in securing

social legislation. I can point out to you some of the things in your field which in my judgment need to be done and can perhaps suggest techniques that afford some chances of effective results. Much of what I can say you know already. There is certainly no secret about the forces that operate which affect the legislative process. In order to secure legislation, the legislators must appreciate the issues involved and be aware of the needs that exist. They must have the conviction that what is proposed is necessary and right.

At the present time, programs that cost money, and most programs that benefit people do cost substantial sums of money, must compete with all the other demands on the Federal budget. This competition at the moment is particularly keen. During the last session of this Congress, most of us received hundreds and thousands of communications from our constituents demanding economy and strongly suggesting that it was an overriding consideration. In such a climate your problems are even greater than usual, but the real needs of people must be met; and where we need improvements, we must fight for them with all the skill we can command.

In the present session of the Congress, I have introduced a number of bills in what might be called the field of social welfare or that are closely related to it. One of these is concerned with the expansion of teaching and research in the education of mentally retarded children. Another would establish a program for the rehabilitation of handicapped persons who may not be able to return to employment but who now require the services of an attendant or institutional care. Another would authorize grants for medical and dental schools. Still another would reduce to age 60 the point at which those persons who retire, from necessity or choice, may qualify for old-age and survivors insurance benefits. I think that all of these are worthy and important pieces of social legislation.

I have been interested for some time in helping mentally retarded children. I think we have made some progress in this field with the earmarking of funds for maternal and child health appropriations and certain other steps. Clearly more needs to be done.

Another field that is of ever-increasing importance is that of the aging. In my own State of Rhode Island in a relatively short period of 25 years, the number of aged has about doubled, increasing from 40,000 in 1930 to over 80,000 today. This represents almost 1 person in 10 in the State's population, and the economic position of many of these persons, and of the group as a whole, has been declining in recent years.

Old-age and survivors insurance payments have helped to provide income. Today, more than half of the aged in the country (about 8 million persons) receive monthly old-age and survivors insurance payments. Private pensions, railroad retirement pensions, civil service and State and local retirement pensions are also gradually providing income to increasing numbers of our older citizens. Yet, the Census Bureau reported recently that fully two-thirds of our older persons are having to get along on less than $1,000 a year. A study made by the University of California reached the conclusion that almost half of our older individuals do not have enough income to maintain a minimum standard of health and decency.

Another major problem for the aged is medical care. Three-fifths or more of them are suffering from chronic illnesses and are in desperate need of medical care. It is difficult to see how people with the incomes I have described can pay for medical care.

It would appear that the situation of aged persons, in relation to medical care, has improved somewhat in recent years. Last year, with the support of your organization and many others, the public assistance programs were modified to provide a separate basis for Federal participation in medical care costs, which is apparently having beneficial effect at least in most States where little was being done previously. Expenditures for medical care for public assistance recipients have been rising rapidly, and a major part of these expenditures is for the aged. The gains in the last several years have probably been greater than the increases in costs that have taken place.

We have stepped up funds for research for the construction of medical facilities. We have placed more emphasis on rehabilitation, but we still have a long way to go. There is every reason to believe that much of the current disability and deterioration among our older people is unnecessary. We have increased life expectancy in a vastly increased number of persons in the older age brackets. It is tragic that we have not found new ways in which they can be useful and enjoy the satisfaction of belonging and self-sufficiency. The longer years of living must not be longer years of misery to be spent in sickness and in progressive decline in mental hospitals and similar establishments.

The problem of employment for older citizens is one about which we have talked much but achieved relatively little. I understand that the proportion of our aged population that is now employed is smaller than at any time since the depression of the 1930's. We may find reasons for this in increased urbanization and less agricultural employment, where retirement is slower and more gradual, but the result is not satisfactory.

These are not problems that can be solved by Federal action alone. Unless there is both recognition and action in localities and in the States, many Federal provisions will have little effect. On the other hand, we must recognize a leading and a helping role on the part of the Federal Government if the citizens of the Nation are to enjoy living consistent with decency and health.

In 1951, we set up in Rhode Island, a commission to study the problems of the aged. One of the tragic conclusions reached by the commission was that one in three of our aged live in homes without central heating and that more than one-fourth are forced to live in housing that is grossly substandard in other respects. Among the aged who were trying to live on public assistance, the situation was twice as bad and more than half live in dilapidated housing or lack basic sanitary facilities.

We must recognize that we, as a society, are fostering this kind of living. Every time a public-assistance payment is made to cover the rent of an older person living in a dilapidated or unsanitary dwelling, we are subsidizing the continued existence of that dwelling. Surely, we must do better than this for our older people.

I am glad to say that in Rhode Island a beginning has been made in correcting this situation. Living units for older people have been incorporated in two of our public housing projects in the city of Providence. These are proving to be a boon to the few older people fortunate enough to find places in them, but we need to know much more about housing and its relationship to other facilities and services in the community.

This experiment in Rhode Island has accomplished several purposes. The direct results include some improvements in the situation of at least some aging persons. We have a substantial amount of factual knowledge about the living situation of older people in the State on the basis of which plans can be made, but we also have a body of participants in this project who know these things now at first hand, and who are therefore better qualified than they could possibly have been before to interpret the needs that exist in the State.

It seems to me that an analogous situation exists in relation to welfare and public assistance programs. In addition to the many thousands of trained staff and paid personnel that operate these programs in every county in the United States, most counties have a lay board or commission, usually unpaid, whose duties are usually advisory in character. Members of these boards are normally chosen in the first place because of the prestige or respect that they command in the community and are usually representative of different groups within the community. As members of such boards, they observe much more closely than other lay persons the operation of programs and community problems that are involved. As unpaid workers, their motives are not suspect. They are accordingly, as individuals, in a unique position to interpret existing needs to their local officials, members of their State legislatures, and their representatives in the National Congress.

A similar situation exists in private social agencies. In addition to the professional staff of these agencies, there are almost always advisory or executive boards made up of influential and interested people who can be very effective in encouraging support for humanitarian legislation. While the private agency is not directly engaged in the administration of public programs, it does see, to a far greater extent than the community in general, the needs and gaps in these programs. These agencies are in a unique position to work continuously for social improvement.

The program of old age, survivors and disability insurance, as you know, is Federally operated. In the 17 years I have been in Congress, I have supported the many improvements that have been made in this system. We have seen benefits progressively raised since 1950. We have seen the amount of wages upon which tax is paid increased twice, although, in my judgment, it has not been increased nearly as far as it should be. We have seen provisions made for disability freeze, and last year, after much controversy, the establishment of benefits for very severely disabled people, aged 50 or over.

I have made my own position clear on further improvements that I believe should be undertaken. I believe that people who become permanently and totally disabled should be entitled to receive benefits regardless of their age at that time. The young working man or woman, aged 30 or 40, needs such protection just as much as the man or woman aged 50 or 60. I shall continue to work to see that the disabled person gets a fair break under the social security laws.

I believe that the age for all men and women, to whom benefits are payable upon retirement, should be reduced to 60 years. I introduced a bill to this effect in the last Congress, and I have introduced one in this Congress. This would not require an individual to retire at age 60. If he did retire, from choice or necessity, and even below age 65 I know that it is frequently necessity, he would be permitted to draw his full benefits. I am convinced that this would be a great boon to many thousands of older persons who are not yet 65 but who are approaching that age and are unable to find employment today.

I believe that it would be desirable for those persons who defer retirement beyond age 65 to receive higher benefits. This is only fair to them and would offer some incentive to stay in the labor force as long as possible. I believe the social security benefits should be increased, particularly in the case of widows. Today, an aged widow receives only three-fourths as much as a retired wage earner. If the husband was entitled to $100, the couple may have been

getting $150. Upon his death, his widow receives only $75. If he was entitled to $50, she gets only $37.50. I do not believe that our benefits are sufficiently generous that we should make this type of discrimination between the needs of aged persons, and I think the proportion for the widow should be increased to 100 percent.

I would recommend that the maximum wage which can be credited under the program be increased from $350 a month to $600 a month. This would raise the maximum for a couple to $237.75. I would also increase the maximum family benefits from $200 a month to $300 a month, which would be of particular benefit to widows with several young children.

In the field of public assistance, much emphasis has been placed on helping people to self-sufficiency. As I have indicated, I am wholly in accord with this objective. I believe that it is not only good but vital, if our older people are to have a reasonably satisfying life in their declining years. In last year's amendments a provision was made for research and for the training of public welfare personnel. Your association supported the appropriations for both of these programs this year, and I take some satisfaction in the fact that they were reported favorably by my subcommittee, even though they did not remain in the appropriation bill. Unique as the opportunity for this type of service is in public assistance programs, I am concerned that we recognize that many of these people are going to have to have money on which to live for the years to come and that we not lose sight of the need for decent payments to them.

There is another field in which I have a strong interest. I would like to see much more done by both public and private agencies to strengthen family life. The family is the basic unit in our society; it is the mainstay of our culture. Yet it has been left in an exposed position to withstand the buffetings and demands of an ever changing economy. I would like to see more research in this field. And I would like to see more support given by government at all levels to the family in its fight to overcome present tendencies toward the loosening of family ties and to avoid the social problems that accompany family breakdown.

I have told you some of the things I stand for in the social welfare field and have suggested some of the reasons for my interest in these programs and in their improvement. If a sufficient number of Congressmen were similarly inclined, you would have less of a problem than you do in securing improvements in line with the real needs of people.

I am sure that most of them do not know as well as I how some of the things we have talked about in generalities affect their neighbors. Your job is cut out for you.

Association of the Bar of the City of New York Endorses Judgeship Legislation

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. KEATING. Mr. Speaker, among the many knowledgeable groups which have come forward to urge enactment of the pending omnibus judgeship bills is the Association of the Bar of the City of New York. I recently received the following telegram from the association:

The Association of the Bar of the City of New York urges the prompt enactment of the omnibus judgeship bill as described in the association's report.

DUDLEY B. BONSAL,
President, the Association of the Bar of the City of New York.

This is another illustration of the strong backing for additional judgeships which exists among the lawyers of this Nation, who work most closely with the cases which are now clogged on Federal court calendars. I am delighted these voices will have an opportunity to air their views during the hearings of the House Judiciary Committee, which commence July 9.

Peekskill Military Academy

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. PATTERSON. Mr. Speaker, at a time when our American educational system is undergoing what might be called an agonizing reappraisal I would like to pay tribute to the school which I attended as a young man and which I now have the honor to serve as a trustee. Peekskill Military Academy is this year celebrating its 125th anniversary.

Not long ago a well-known television commentator, Chet Huntley, devoted a half-hour program to an English prep school which concentrated on getting good teachers, close companionship between master and student, and the all-round development to character as well as scholarship as best way to obtain a meaningful education. I can testify from my own experience that Peekskill is this kind of school.

The breadth of the educational experience at the academy goes back to the beginning of the institution in 1833. Concerned with the inadequacy of the village schools at that time, the first trustees—a lawyer, a shipowner and a farmer—determined that the purpose of a sound education was "to impart to the pupils a taste for their studies, and to interest their minds in them." One of the advantages of that school, as described in a brochure printed in 1843, was the fact that the "boarding pupils, residing in the family of the principal, will have the advantage of the familiar explanation, instruction and encouragement of the principal, morning and evening." Peekskill's continuing concern for preserving the spirit of this close relationship between boy and master is illustrated by the fact that today there is 1 teacher for every 9 boys.

From this outstanding military academy have come men who have gone into every walk of life, grateful for the training and education that they acquired in those formative years. Her graduates have loyally served in five of our country's wars and have been equally outstanding in civilian pursuits.

I recall an old saying that seems very appropriate at this time. "When wealth is lost, nothing is lost. When health is lost, something is lost. When character is lost, all is lost." Since 1833 Peekskill Military Academy has been dedicated to the task of building character. What is this development of character? It is the all-around development of each cadet morally, mentally, physically, and socially without loss of individuality.

When the boy first enters the academy he begins to take pride in and feel the satisfaction of participating in an organization that it tightly knits together. At Peekskill each cadet is afforded a high degree of individual understanding, allowing him to show his own particular talents and interests, but within the context of a sound military education.

The school offers an educational program that is based on its three major departments—academic, physical, and military. The record of Peekskill's academic training is attested to by the fact that 95 percent of its graduates have gone on to college.

In today's uncertain world a boy needs the best possible training a school can offer. The military traditions of honor, accuracy, courtesy, neatness, and promptness are powerfully important in mature life and should be established early. When the time comes for a student to graduate from Peekskill Military Academy he is not only prepared for college, but he has also gained a new appreciation of his country and its problems and found a new desire to have a share in their solution. He has learned the value of the spirit of honest effort and loyal service which is the central tradition of Peekskill. Whatever the future holds in store for our country, you can be sure graduates of Peekskill Military Academy will live up to the wonderful motto of the institution "Quit You Like Men."

The school has had a glorious past and is steeped in the tradition of our country. General Putnam made his headquarters on "Oak Hill Lot," the familiar name for the campus, during the Revolutionary War. And every student who has graduated from the school has passed under the massive oak from which was hanged a British spy during our War of Independence. It is my earnest hope that the school will continue to give its students the fine education and training for which it is renowned.

It is with great pleasure that I join with all Americans in saluting Peekskill Military Academy on the occasion of its anniversary celebration. May its service to our country go on for another 125 years.

Labor Management Relations

EXTENSION OF REMARKS
OF
HON. ELFORD A. CEDERBERG
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1958

Mr. CEDERBERG. Mr. Speaker, the recent actions of the House Subcommittee on Labor-Management Relations of

the Committee on Education and Labor should make it apparent that the Democrats are more interested in playing politics with the Taft-Hartley law than they are in making any revision in this law. The American people have listened for many, many years while the Democrats groaned about the alleged evils of the Taft-Hartley Act. Let me say at the outset that I know of no piece of legislation that is ever perfect at the time of enactment and certainly revisions are in order from time to time.

It is interesting to read the Democratic platform pledges regarding the Taft-Hartley Act, and I quote the Democratic platform of 1948:

We advocate the repeal of the Taft-Hartley Act. It was enacted by the Republican 80th Congress over the President's veto. That act was proposed with the promise that it would secure "the legitimate rights of both employees and employers in their relations affecting commerce." It has failed. * * * We advocate such legislation as is desirable to establish a just body of rules to assure free and effective collective bargaining, to determine, in the public interest, the rights of employees and employers, to reduce to a minimum their conflict of interests, and to enable unions to keep their membership free from communistic influences.

The 1952 Democratic platform pledges almost the same as the 1948 advocating repeal of the Taft-Hartley Act. The last paragraph of the 1952 provisions of the Democrat platform state this:

In keeping with the progress of the times and based on past experience a new legislative approach toward the entire labor-management problem should be explored.

I know of no way that the pledge of the Democratic platform of 1952 in this regard can be fulfilled unless the Subcommittee on Labor-Management Relations of the House Committee of Education and Labor is willing to hold hearings on this very vital piece of legislation. The 1956 Democratic platform also contains provisions dealing with the labor-management relations. I quote the last paragraph in the 1956 Democratic platform:

Upon return of our National Government to the Democratic Party a new legislative approach toward the entire labor-management problem will be adopted, based on past experience and the principles of the Wagner National Labor Relations Act and the Norris-La Guardia anti-injunction law.

In view of these facts it seems certainly inconsistent that the Democratic members of the Subcommittee on Labor-Management Relations voted unanimously to withhold any hearings in this field.

In his message to Congress on January 23 President Eisenhower emphasized and reemphasized the need for some changes in our labor laws.

The President said:

No labor-management relations legislative program today can ignore the disclosures of corruption, racketeering and abuse of trust and power in the labor-management field. Many of these disclosures have been made in Congressional hearings and in investigations by grand juries and local law enforcement agencies. * * * In order to protect the basic rights of the individual worker and to maintain the integrity of trade unionism itself, action on the part of the Government is needed.

The President's recommendations include proposals in the labor-management area to protect the welfare of the individual worker and curb union abuses, include amendments to the Taft-Hartley Act, changes in other laws and enactment of new laws. They range from controls over union funds and activities, including boycotts and organizational picketing, to the elimination of the jurisdictional no-man's-land between State courts and the National Labor Relations Board.

During this Congress there have been a number of proposals introduced to amend the Taft-Hartley Act in one form or another. Some of these are in line with the recommendations of President Eisenhower. Others have been introduced by our colleagues on the Democratic side, all of whom favor outright repeal of the Taft-Hartley Act, and none deal with correcting the abuses which have been shown to exist in labor-management relations.

Both management and labor have acknowledged that abuses have taken place. Both admit there should be some revisions in the law to correct these abuses.

By its refusal to hold hearings the subcommittee thwarts the correction of these abuses.

It is very difficult for me to understand a situation wherein a Member of this body introduces legislation which is then referred to the subcommittee of which he is chairman and then refuses to permit hearings on his own and related bills.

That is exactly what happened a few days ago when the gentleman from Kentucky [Mr. PERKINS] called to order the first meeting of his Labor-Management Relations Subcommittee of the Committee on Education and Labor. This meeting was called to consider the subcommittee's course of action during the remainder of the session. The full membership of the subcommittee was present, being composed of the chairman, the gentleman from Kentucky [Mr. PERKINS], the gentleman from Minnesota [Mr. WIER], the gentleman from Pennsylvania [Mr. HOLLAND], the gentleman from New York [Mr. TELLER], the gentleman from Pennsylvania [Mr. KEARNS], the gentleman from Arizona [Mr. RHODES], and the gentleman from Michigan [Mr. GRIFFIN]. It is my understanding that the gentleman from Pennsylvania [Mr. KEARNS] proposed that the subcommittee set up an agenda and hold hearings as soon as possible on the proposals which President Eisenhower has characterized as vital to protect the basic rights of individual workers and to maintain the integrity of trade unionism. The gentleman from Arizona [Mr. RHODES] proposed that the subcommittee begin hearings on March 12 on the four parts of the President's program on which both management and labor had expressed an interest.

When it came to a showdown, the Democratic members of the committee stood man to man against permitting any legislation of this type to come before the committee as proposed.

Last week, during a discussion of this legislation, the distinguished majority leader said:

They know that if a bill comes out, you fellows in combination with some others are going to try to put through some anti-labor legislation.

Obviously the majority leader was attempting to infer that the Republicans would attempt to put through some antilabor legislation when he said "you fellows."

I feel confident I can assure the majority leader we Republicans will not have any part in punitive legislation but are desirous of constructive revisions of the law.

Who did the majority leader have in mind when he said "some others"? This House is composed of only two parties—Democrats and Republicans. Apparently the gentleman has fears as to what some of the Members on his side of the aisle might do.

Does the majority leader and the chairman of the subcommittee fear the Democrats will support what he calls antilabor legislation? Is that why no hearings will be held on amendments to the Taft-Hartley Act?

The Democrats are in the majority in this House and the Democrats are in the majority on the Labor Committee and on its Subcommittee on Labor-Management Relations.

I would like to call to your attention to the fact that the four Democratic members of this subcommittee, under the chairmanship of the gentleman from Kentucky [Mr. PERKINS] and his colleagues the gentleman from Minnesota [Mr. WIER], the gentleman from Pennsylvania [Mr. HOLLAND], and the gentleman from New York [Mr. TELLER], all of whom unanimously voted against holding hearings in the field of management relations, are among the 80 Democratic Members of Congress who signed the manifesto under the heading of Proposed Program for the Democrats in the House of Representatives, 85th Congress, which is found in the CONGRESSIONAL RECORD of January 30, 1957.

That manifesto said:

We favor the repeal of the Taft-Hartley Act and its replacement by labor-relations legislation that is favorable to labor, to management, and to the public.

Now I ask you how inconsistent can you be and what can be the motives of these Members? Labor itself in many instances has come out in favor of revisions of the Taft-Hartley Act. I know in many of the political campaigns of the past the Taft-Hartley Act has been an issue and yet the Democrats who are in control and who have been in control of the United States Congress for every year except 2 years since its enactment have done nothing. They have taken no steps whatsoever to revise this piece of legislation.

Just a few weeks ago members of the building trades and labor unions were in Washington and many of them visited our offices. They visited me. Several of the provisions that they were interested in had to do with revising certain provisions of the Taft-Hartley Act, most of which have the support of this administration and have been proposed

by the President of the United States. I asked those that came into my office why they do not go to the committee and request that hearings be held so that the provisions in which they are interested can be made a part of the law.

Apparently these men were aware of the doubletalk engaged in by our colleagues on the Democratic side who out of one corner of their mouths pretend to be the great friend of the laboring man and out of the other vote to thwart consideration of this labor legislation we are discussing.

Certainly it is no secret to the gentlemen on the Democratic side that these labor groups have been calling for action on the Taft-Hartley bill. These very building trades people who visited us were here in the interest of legislation.

This AFL–CIO group wants the Taft-Hartley Act amended. The Democratic members of this subcommittee have blocked any possible attempt to consider any amendments to this act.

I certainly feel that the Democratic Party has a great deal of explaining to do. Certainly they should advise the American people as to the reasons for the actions that have been taken by this subcommittee and also issue a statement as to when we can expect some action in this field which they have themselves stated is worthy and deserving of some action. I believe one thing that we must call to the attention of the American people is the fact that the Democratic Party controls the House of Representatives and controls the Senate of the United States, therefore, it is their responsibility in this field if any action is going to be taken.

We Republicans stand ready to do what we can to assist in sensible and reasonable revisions of this act, but we must and feel compelled to state that the record should be crystal clear, that the Democrats are not interested in revisions of this act, but interested in merely playing politics with it. Certainly the laboring man of this country deserves more than that. Lipservice is not enough.

The Mackinac Bridge Greatest in the World—Its Existence Pays Lasting Tribute to the Initiative and Determination of Prentiss M. Brown and to the Understanding and Authoritative Action of Gov. G. Mennen Williams

EXTENSION OF REMARKS
OF

HON. LOUIS C. RABAUT

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1958

Mr. RABAUT. Mr. Speaker, on June 26, 27, and 28, the people of Michigan will observe what is perhaps the most important and significant event in the history of the Wolverine State—the dedication of the Mackinac Bridge. Therefore, I think it is appropriate at this time that I tell you something of this proud achievement in the long and glorious history of Michigan.

The history of Michigan is marked by many important milestones and the dedication of the Mackinac Bridge is another major achievement of Michigan initiative and know-how. The dedication of the Mackinac Bridge will bring to reality a dream that has been a part of Michigan history since the latter part of the 19th century. As far back as three generations ago the people of Michigan had varying opinions as to the possibility of having a tunnel or bridge at the Straits of Mackinac, which separate the 2 peninsulas of Michigan. Thomas T. Bates, editor-publisher of the Grand Traverse Herald, wrote in the early winter of 1884, that "if there is to be a great through route from east to west through Michigan there must be a sure and permanent crossing at the straits." Mr. Bates' comments were accurate in stating the difficult problem of any proposed bridge at the Mackinac Straits: Will the business to be done warrant the expenditure of a large sum of money required in the building of such a bridge or tunnel across the straits? History has proved conclusively since that time that the commercial business done in the area warrants the building of such a project.

From 1884 to 1920, the idea of a connecting link at the straits cropped up in many places, and in 1920, an article in the magazine American Highways, by Horatio Earle, Michigan's first highway commissioner, created more than a passing interest. He suggested a floating tunnel at the Straits of Mackinac and invited comments on this proposal. Nothing came of this idea, but in response to the growing demand for better straits crossing facilities, Governor Alex J. Groesbeck urged the legislature in 1923 to establish a ferry system across the straits. This was accomplished and in 1928 the highway department published a report stating that a bridge directly across the straits costing about $30 million would be feasible as a private toll facility. Although some steps were taken to carry out this proposal, they were not completed, and the project was abandoned.

With the advent of the depression and the availability of work project funds from the Federal Government, and the urging of Gov. William A. Comstock, the Michigan Legislature in 1934 created the Mackinac Straits Bridge Authority, to investigate the feasibility of a bridge across the straits, the issuance and sale of bonds, the building of the bridge and the fixing and collecting of tolls. The Authority began negotiations for the construction of a bridge, but due to various objections and difficulties encountered, and the outbreak of World War II, the legislature abolished the authority in 1947. Soon after plans for a new dock to shorten the ferry sailing time were drafted a large new ferry was constructed and it was expected that these measures would take care of the foreseeable demands for straits crossing service.

But others saw the situation quite differently and in 1948 Governor Williams in his campaign promised action. He created the Inter-Peninsula Communications Commission. One of the functions of this commission, headed by the chairman of the Michigan Public Service Commission, John H. McCarthy, was to explore the possibility of a connecting link at the straits. Soon after W. Stewart Woodfill, president of the Grand Hotel on Mackinac Island, interested a group of leading businessmen from all parts of Michigan to join him in forming the Mackinac Bridge Citizens Committee. The immediate objective of the committee was to secure creation of another Mackinac Bridge Authority to finance and build a bridge at the straits after completely studying and investigating the feasibility of such a project.

The efforts of both these groups, along with the constant support and urging of Governor Williams, brought partial results in 1950, when the legislature created the Mackinac Bridge Authority, limited, however, to studies of feasibility with no power to finance or build. Governor Williams appointed 6 of the 7-man commission, to serve without compensation, and the State highway commissioner was named as a member of the commission in the legislation creating the authority. The members named to the authority were the late Fred M. Zeder, the late Charles T. Fischer, Jr., George A. Osborn, Murray D. Van Wagoner, William J. Cochran, State Highway Commissioner Charles M. Ziegler, and Prentiss M. Brown who was elected chairman.

Public Act No. 21 of the Public Acts of 1950, creating the authority, carefully spelled out its functions. First, the authority was to determine the physical feasibility of such a bridge. To obtain the answers to such questions the authority consulted with a board of 3 of the world's greatest long-span bridge authorities. These experts were selected upon the recommendation of the dean of engineering, University of Michigan. The three top men on Dean Crawford's list were O. H. Ammann, D. B. Steinman, and Glenn B. Woodruff. They accepted the commission to advise the authority and, in July 1950, came to the straits to study the feasibility of a bridge and the probable cost. The authority also entered into agreement with a traffic engineering firm to predict the traffic on the proposed bridge and to determine the amount of traffic that such a bridge would service.

On January 10, 1951, the authority received the preliminary report from the engineer group and the traffic analysts. Messrs. Ammann, Steinman, and Woodruff reported in effect that a bridge could be built connecting Michigan's 2 peninsulas along the straight route from Mackinaw City north and utilizing the causeway built in 1941, and that such a bridge would withstand all the physical forces in the area, that additional borings would be required before the precise location of each foundation could be determined, and that such a structure was estimated to cost $76,300,000.

The authority also retained the services of two expert consulting geologists. It has been alleged that there were huge caverns in and under the rock on which the foundations would be placed and

consequently any proposed structure would be in jeopardy because the weight of the foundations would cause the caverns to collapse, thus causing any bridge built to also collapse. The consulting geologists studied the problem and filed a report stating that the so-called caverns had collapsed thousands of years ago and had consolidated into rock. The traffic analysts reported that such a structure could be financed by selling bonds, the interest and principal on which would be paid for out of tolls based on those charged for crossing by ferry. It was estimated that such financing would cost about $11 million thereby requiring a total sale of $87 million worth of bonds.

The authority promptly filed the reports with the legislature but did not recommend additional legislation at that time, as it was impossible to obtain steel due to the Korean war. However, the authority was granted an additional $75,000 to proceed with its investigation on the proposed bridge, particularly in connection with the bearing qualities of the rock on which the foundations would rest. Load-bearing tests were carried out and it was concluded from these tests that the weakest of all the rock formations at the straits would support four times the full load placed on it by the bridge foundations.

By late 1951 the shortage of steel had eased sufficiently enough for the bridge authority to proceed. Two bills concerning the building of a bridge were drafted and presented to the legislature for consideration. One bill appropriated $2 million out of highway funds for the purpose of engaging engineers to draw the final plans for the structure. The bill gave no right to finance or build, only the right to obtain plans for the proposed structure. The second bill covered all the powers necessary for the financing and construction of the bridge. The legislature refused to use highway funds for the bridge plans so the next task was to persuade the members to authorize the authority to proceed with financing and construction without a substantial appropriation. The authority's case was presented to the legislature by Prentiss M. Brown, of whom more will be said later. After several months of study and floor discussion the legislature passed the bill by more than a two-thirds majority in both houses. It was then signed by Governor Williams as public act No. 214 of the Public Acts of 1952.

The bridge authority immediately filed application with the Reconstruction Finance Corporation in order that that agency might purchase bonds to be issued by the authority. At the same time the RFC was investigating the application, the traffic at the straits was increasing at a rate far greater than that predicted by the traffic analysts. Instead of a 6-percent increase a year in 1951 and 1952, as predicted by the analysts, the trend was better than 15 percent a year. This encouraging factor made private investment bond bankers to become increasingly interested in the project. There had always been a strong feeling among the members of the authority for the bridge project to stand on its own, without any Federal funds.

In November 1952 the authority entered into agreement with a leading New York revenue bond underwriter to manage the bridge financing; it also selected D. B. Steinman as the designing engineer and recommended Glen B. Woodruff as his consultant. All necessary legal and financial documents were prepared by the authority and it was ready to market its bonds in March 1953. At the time the money market was tight and it was unable to absorb the $96 million bridge revenue bond issue and financing was temporarily postponed.

Members of the authority and others had pointed out to the traffic engineers that the ferry operation was suffering heavy operational losses, reaching well over half a million dollars annually, without consideration of the interest or depreciation of the docks or ships. Consequently, the financial adviser recommended that the legislature appropriate a similar amount annually to pay the cost of operating and maintaining the bridge. This would make the sale of bonds more attractive since all revenues produced by the structure would be available for the payment of interest and liquidation of the bonds. In May 1953 an act was passed appropriating $417,000 a year for that purpose if and when the structure was opened for traffic. The legislature put a time limit on this offer providing that unless the bonds were sold by December 31, 1953, the $417,000 would be withdrawn.

The next few months saw the encouraging development of various insurance companies and investment banks becoming interested in the project. Mr. James S. Abrams, a New York investment banker with Allen & Co., proposed a novel plan for financing the project. He proposed two series of bonds with first and second liens on the revenues. Various objections were raised as to the authority's proposals for obtaining revenue, but all difficulties were finally settled and on December 17, 1953, in Governor Williams' office in the State capitol, bids were accepted on the sale of the authority's $79,800,000 worth of class A 4-percent bonds and $20 million worth of class B 5¼-percent bonds. One bid was received from the financial advisers comprised of Allen & Co., Eastman Dillon-Union Securities, Stifel-Nicolaus, and A. C. Allyn & Co., Inc. The authority met immediately and adopted a resolution approving the sale of the bonds.

The next problem facing the authority was the distribution of the bonds by the four underwriter partners. By Thursday, January 7, 1954, only $35 million worth of bonds had been committed. Soon after, the New York Life Insurance Co. had agreed to purchase $10 million worth of bonds, thus assuring the success of the sale. On February 17, 1954, the authority met with the underwriters and received a check from Joseph King, president of the Union Securities Corp., for $96,400,033.33. On the same day the authority's contractors were given the go-ahead with construction. Merritt-Chapman & Scott Corp. had the contract to build 33 marine foundations for a lump sum of $25,735,600. The contract for the superstructure with the American Bridge Division of the United States Steel Co. was in the amount of $44,532,900.

The bridge is completed now and it is truly the greatest bridge in the world. It is by far the longest suspension bridge from cable anchorage to cable anchorage, 8,614 feet, exceeding the next in size by 2,164 feet. The main foundations are in deep and often turbulent waters. From the west and northwest, seas generated by over 120 miles of clear sweep in high winds dash 40 feet up the towers. Foundations go down 200 feet, and the towers rise 750 feet from bedrock—552 feet from the water surface as high as Michigan's tallest building. The entire project is just 44 feet more than 5 miles and built without any Federal funds or assistance.

What will the bridge do? It will reduce the crossing time, including waiting time, from an average of 1½ hours in winter to 2½ hours during the summer, to just 10 minutes. The capacity of the bridge is 6,000 cars per hour compared with 462 cars per hour on the State ferry system. By eliminating as many as a hundred crossings during a 24-hour period, it will eliminate the danger of marine collision between northgoing and south-going ferries and the scores of great ore, grain, and coal ships which steam from east to west. The economic effect on Michigan will be tremendous; but, most important of all, it will join the two peninsulas.

Before closing this story of the Mackinac Bridge I think it is only fitting that I pay tribute to the men that made it possible. The contractors, the engineers, the courageous high-bridge workers and the deep-foundation men, the workers, the legislature, the Governor, and the members of the authority that made this Michigan dream a reality. But I think special mention should be made of one man who has lived with this dream since his boyhood days in Mackinac County: Prentiss M. Brown, chairman of the Mackinac Bridge Authority. It has been my privilege to know and be closely associated with Prentiss Brown for many years. He has had a long and distinguished career of public service, and his work on the Mackinac Bridge Authority is a fitting climax to his dedicated service to the people of Michigan.

Born on June 18, 1889, in St. Ignace, Mackinac County, Mich., where his father James J. Brown was prosecuting attorney, Prentiss attended the public schools in Michigan and attended the University of Illinois at Urbana. He was graduated from Albion College, Michigan, in 1911, and served as the secretary to the dean of the University of Illinois for 2 years while studying law. He was admitted to the Michigan Bar in 1914 and commenced practicing in St. Ignace. He became prosecuting attorney of Mackinac County in 1914 and served in this capacity until 1926. From 1916 to 1928 he also served as city attorney for St. Ignace, Mich. He was chairman of the Democratic conventions in 1924, 1932, 1934, 1936, 1938, and 1940. He was elected to the House of Representatives

and served in the 73d and 74th Congresses until his resignation on November 18, 1936, when he was elected to the United States Senate for a term beginning January 3, 1937, to January 3, 1943. He served as Administrator of the Office of Price Administration from January 1943 to November of the same year. He has recently retired as chairman of the board of the Detroit Edison Co., but remains active as a director. He also serves as chairman of the Mackinac Bridge Authority.

A Michigan legislator with a gift of metaphor said when the bill was passed to bring the Mackinac Bridge into reality: "The north and south of the State have long been engaged; now they have a wedding ring." Such being the case, there is every reason to refer to Prentiss M. Brown as a member of the wedding. Already the people of Michigan refer to this distinguished public servant as "Mr. Bridge." This is certainly a fitting tribute to a man who has done so much to make this Michigan dream a reality and to bring to Michigan "the greatest bridge in the world." This too is a fitting and lasting monument to the people of Michigan and it will stand forever dramatizing Michigan's determination and initiative, as exemplified by Gov. G. Mennen Williams to accept the challenge, to tackle a job some thought impossible, and get it done.

Action for Our Older People

EXTENSION OF REMARKS
OF

HON. JOHN E. FOGARTY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1958

Mr. FOGARTY. Mr. Speaker, I should like to have the privilege of addressing a few remarks to you and to my colleagues on behalf of our 15 million older citizens and on behalf of the additional 15 million who will become senior citizens during the next 10 years. These 30 million people, 55 years of age and over, represent almost one-fifth of our total population. In a quite real sense, they represent a new generation of Americans. Most of them are alive today because of the remarkable increase in our life expectancy during the first half of the century; because of more and better food and nutrition; because of better living conditions; and because of the control of infectious diseases through the discovery of antibiotics and improved public-health practices.

In 1900, there were fewer than 8 million of these people in our population. Today there are 30 million. In 1970, there will be 40 million and we shall be among them. By the year 2000, there will be 60 million and they are alive today. They will include our children and grandchildren the youngest of whom are already 13 years of age. It is for our older people today, for our own generation tomorrow, and for our children only a relatively few years from now that I am concerned.

Longer life for millions of our citizens, for nearly all of us, is a great achievement. It means that we are receiving the dividends from the investments we have made in scientific agriculture; in better housing; in improved working conditions; in sanitary methods of handling food, water, and wastes; and in medical research. Yet, you know and I know that hundreds of thousands of our older citizens are wondering whether adding 20 years or more to their lives has been a good thing. These are the older people today, your constituents and mine, who are trying to exist on incomes below the level of decency; who are struggling against the handicaps of long-term, chronic disease; who are living in slums; and who are wasting away their years in boredom, inactivity, and isolation. This is the future which those in middle age, which many of us, and which our children must anticipate unless we are willing to create conditions which will make the added years of life healthy, comfortable, useful, and satisfying. We, here, have a responsibility not only to provide for those who are old now but also to leave a heritage of decency and self-respect to the generations which are following closely behind us. I am sure we all want them to feel that we have been farsighted and wise.

Mr. Speaker, during the first week of this session, I introduced a bill, H. R. 9822, designed to get action on behalf of our older people. It provides that the President shall call a White House Conference on Aging not later than 1960 to be preceded by conferences in every one of the 54 States and Territories. If we act favorably upon this bill, every State will be stimulated to take cognizance of the needs of its older citizens, to develop specific blueprints for programs, and to get things moving. When I introduced H. R. 9822, I said there had been a great deal of talk about aging and that what we need now is action. I am convinced that this is an effective way to get it. When blueprints and recommendations have been forged out in the communities and States, they can be brought together in a White House Conference and shaped into a comprehensive program for the guidance of the whole Nation.

The response to this bill has given clear evidence of the readiness for action. I have received over 100 letters from my own constituents and from 26 other States from coast to coast urging that we recognize the plight of our older citizens and that we do something about it. Many of these letters have come from State officials and from professional and informed lay people who see the need and who are impatient for progressive leadership. Many have come from older people themselves who are desperately struggling to make ends meet, to find decent places to live, to obtain medical care, and to find some sort of meaningful activity out of their meager resources. In view of all of the favorable response, and I may add that I have had no unfavorable response from the country, I am confident that if we provide the proper stimulus now we shall earn the gratitude of millions of our older citizens and of their children, too, and then we shall feel greatly rewarded.

At the time I introduced H. R. 9822, Mr. Speaker, I spoke rather extendedly about the sorry circumstances under which many of our older people are trying to get along. I shall not ask your indulgence to permit me to repeat. We all read our mail and we know what the circumstances are. We know, too, that the Congress has supported the development of a number of programs aimed at helping older people enjoy fuller and better lives. We have provided the programs in social security, in medical research and in provision of medical facilities, in rehabilitation, for the care of older veterans, for helping older workers find employment, and at long last, we are beginning to do something about decent housing for older people. That these efforts are still insufficient is evidenced by the fact that there are more than 600 bills dealing with some aspect of aging before the Congress right now. Each year we are making some advances, though I must say that most of them are made over the protest of the present administration.

We must give careful consideration to all of these proposals but we must also give attention to encouraging and helping the States and their communities to move forward too, for it is they who have direct responsibility in these matters. The programs in welfare, in health, rehabilitation, employment, and housing are carried on, of course, by the States and counties and cities with the aid of funds provided by the Congress and with guidance from the Federal agencies.

Many of the States are trying to go beyond the basic requirements of these programs and to develop better and more comprehensive services for their older people. I am told that 31 or 32 of the States have created official councils or commissions on aging and have instructed them to come up with tangible proposals for action. As chairman of the Appropriations Subcommittee which is concerned with employment, health, rehabilitation, hospital construction, and other matters pertaining to older people, I have been able to observe the whole thing quite closely. I am forced to report, with a good deal of regret, that not more than a handful—perhaps four or five of the States, are making significant progress on anything like the scale required by the rate at which the older population is increasing. And I must also add that a full one-third of the States have taken almost no action at all.

My conclusion is, Mr. Speaker, that a majority of the States do recognize the need for action but that somehow they lack the stimulus and the know-how to proceed. The administration is failing badly, as I shall indicate. It has been trying to get by on smooth and soothing language without taking any significant action at all. Hence, I believe it is we here, in the Congress of the United States, who must provide the example and the encouragement and who must make it possible for all of the States to obtain the guidance and assistance they need.

It is for this reason and after careful study that I introduced my bill, H. R. 9822. The purpose of this bill is to stimulate and assist the States to make precise inventories of the needs of their older citizens, to develop detailed plans for the programs they believe to be required, and to move into action. Specifically, H. R. 9822 calls for making grants to the States which they would use for conducting necessary studies and surveys, for holding meetings and conferences to develop action blueprints, for encouraging development of programs, and for sending representatives to a national White House Conference.

Mr. Speaker, grants-in-aid to the States to encourage and assist them represent a proven method of getting widespread benefits to the people. For more than a century we have supported State programs in agricultural research and education, and for many years we have provided funds to support programs in public health, vocational education, rehabilitation, employment, welfare, construction of hospitals, housing for low-income people, public roads, and in other areas. I am sure you and our colleagues will agree with me when I say that in virtually every case the results have been highly successful and generally satisfactory to all concerned. The established pattern of Federal-State partnership in promoting the general welfare of our people has clearly demonstrated its worth.

Moreover, this pattern has received the support of many students and others whom we might have expected to be its severest critics. Shortly after he came into office, the President appointed a Commission on Intergovernmental Relations—Kestnbaum Commission—and directed it to make an evaluation of these programs. The Commission came readily to the conclusion that grants-in-aid to the States are one of the most effective devices we have discovered for extending services and facilities, for raising standards of performance, and for adding to the general well-being of all the people. It is precisely these things that we are now trying to accomplish for our older citizens.

Approximately a month ago, the Rockefeller brothers fund published a report entitled "The Challenge to America: Its Economic and Social Aspects." Signed by more than 40 of the country's top business and industrial leaders, this report recommended that present programs for social insurance, welfare, health, and hospital construction, education, and for similar purposes should be increased by at least 50 percent by the year 1967. The group specifically recommended continuation and improvement of current programs for older people.

We have also had opportunity to observe the effects of another program similar to the one I am proposing. I refer to the White House Conference on Education held in 1955 which was preceded by conferences in the several States. I believe everyone is agreed that these conferences awakened millions of people to the needs of their schools and that they resulted in the development of sound conclusions concerning such things as the need for classrooms and equipment, improvement of teacher preparation and salaries, and selection of students for advanced training. I believe that we were beginning to see progress in attacking these problems when Sputnik I was launched and made a still greater impact. Perhaps Sputnik III will jolt us into realizing that we must learn to take advantage of the experience and wisdom of the many of our older people who retain the capacities for leadership and technical contributions.

I believe that holding a White House Conference on Aging would give us large returns for a small expenditure. The first National Conference on Aging, held in 1950, made most of the country aware of the problems of our growing numbers of older people and stimulated a good many people and organizations to action. Another national conference coming after the States have completed their studies and plans would have even more marked effect in moving the whole field forward. This has certainly been true of the White House Conferences on Children and Youth which have been conducted by the Children's Bureau every 10 years since 1909.

Mr. Speaker, I should also like to see more action on the part of the Federal Government and particularly on the part of the Department of Health, Education, and Welfare. The separate programs in social security, health, and so forth are fine and I believe the Department wisely recognized the need for an overall coordinating unit in aging when it set up the special staff on aging to study the development of the field, to make program suggestions, to coordinate the work of the Department with that of other national organizations, to assist States and communities in making studies and planning programs, and to provide a national clearinghouse of information. This unit is much smaller than I have felt it should be but its work has been of great value. I have urged in the appropriation hearings that the staff be increased but the Department has shown a singular obtuseness toward my suggestion.

Two or three weeks ago, the gentleman from Minnesota [Congressman WIER] held a series of hearings on 17 or 18 bills, mine included, all designed to get more for our older people. Knowing of my interest, the gentleman from Minnesota, [Mr. WIER] kindly invited me to participate in these hearings.

I must say that the approach of the executive agencies has been consistently negative to all proposals. The Assistant Secretary of Labor testified on behalf of his Department and on behalf of the Federal Council on Aging. An Assistant to the Secretary of Health, Education, and Welfare, appeared for his Department. Both were in full agreement with the need for more coordination of Federal programs. Both agreed that a proper role of the Federal agencies is to encourage, assist, and provide consultation services to the States. Both agreed that they should be doing more of all of these things. During the questioning, it was stated that the Special Staff on Aging cannot begin to meet all of the requests for help that come to it. Yet, Mr. Speaker, in spite of all this, the representatives from the Departments of Labor and Health, Education, and Welfare insisted that they do not need additional staff to perform these functions.

The Assistant to the Secretary of Health, Education, and Welfare also expressed the fear that if the Special Staff on Aging were enlarged it would develop programs of its own in competition with those of the constituent agencies within the Department. Mr. Speaker, I think this is absurd. I think they have delayed long enough. I believe the Special Staff on Aging should not only have been permitted to develop a program several years ago; I believe it should have been required to do so. I should like to see the Special Staff on Aging develop adequate facilities for providing consultation to the States, assisting them in surveys and planning, developing program aids, stimulating research, and keeping systematic track of the progress we are making in this field.

We have had this kind of service in Rhode Island from the Special Staff on Aging and it has been useful. Governor Roberts and the legislature have already acted upon some of the recommendations that were made and so have several other agencies and organizations. There are other States that want similar services and cannot get them because this staff is too small. Most of the older people alive today will be dead long before the service is provided at the rate the present administration is moving.

Mr. Speaker, I should like to see the Special Staff on Aging in the Department of Health, Education, and Welfare become the primary source of information for all of the States, communities, and organizations which need and want help. I know that it has the know-how to do it. I should like to see it given responsibility for organizing the White House Conference on Aging which I have proposed. The predecessor to the special staff organized the first National Conference on Aging and did a good job. It brought the other Federal departments and agencies into the planning; it brought 800 people to Washington for the conference; and it produced a report, Man and His Years, which served as a guide to the whole country until it became outdated. My bill provides for administration of the provisions of H. R. 9822 by the Special Staff on Aging within the Office of the Secretary of Health, Education, and Welfare because I believe that staff can do it.

Representatives of the Department of Health, Education, and Welfare have said that the Special Staff on Aging can be augmented by borrowing personnel from the constituent agencies of the Department and from other Federal agencies when it needs help. Mr. Speaker, we went into a similar matter when we were considering the budget of the Children's Bureau this year. The Children's Bureau is making plans for the 1960 White House Conference on Children and Youth and has requested considerably more money than it spent on the 1950 conference. When we inquired about this, we were told that in 1950 the Children's Bureau did borrow personnel from other agencies but that it did not work. The Commissioner of

Social Security Administration explained very carefully that the other agencies have their own programs, that they have no more staff than they need, that they are unwilling to loan personnel, and that the 1960 White House Conference would have to have a staff of its own. This seemed to be a reasonable position and we approved the request. Presumably the request had the prior approval of the Office of the Secretary and of the Bureau of the Budget before it reached us. Therefore, I cannot understand the position of the Assistant to the Secretary. I cannot see why personnel should be any more available to assist the Special Staff on Aging on a continuing or periodic basis when they are not available to aid the Children's Bureau in conducting, one, single project.

Frankly, Mr. Speaker, I believe we should have obtained at least a little action from the Department on this matter but for the Bureau of the Budget. I know that, at times, the Department has requested small increases for the Special Staff on Aging, and that, in most instances, these have been turned down by the Bureau of the Budget. During our appropriation hearings in February, I repeatedly asked Secretary Folsom why he had not requested increases for the food and drug program, vocational rehabilitation, medical research, for aging and for other useful programs. In almost every instance, the Secretary admitted that the Department was not a free agent, that it was working under orders from the administration and the Budget Bureau.

Mr. Speaker, I would like to discuss the Federal Council on Aging for a few moments. This is the interdepartmental group which the President set up 2 or 3 years ago in a brief flurry of interest in older people. I have been interested in this council. I have read its reports. I have heard about its activities at the hearings. I believe it may well prove useful some day in coordinating the programs in aging among the several Federal agencies involved. I am sure they could use coordination. I believe it should produce some ideas for improving our programs for the aging, and I told them so at the hearings. However, so far, I have seen almost nothing of any tangible quality which has come from the Council during the years it has been in existence.

Again I come to the conclusion that responsibility for specific programs and services clearly belongs within an established and continuing agency. The Department of Health, Education, and Welfare already has several major programs directed toward older people. This is where what little activity there is, on a broad basis, is now located and where it needs to be more adequately nourished. When they are willing to give the special staff on aging the personnel it needs, it can also provide even more effective services to the Federal Council.

Mr. Speaker, in conclusion I would like to say that since I introduced my bill, H. R. 9822, on January 8, there has been a net increase of 131,000 people in our population 65 years of age and over. Every day that passes more than 3,420 people have the experience of joining the ranks of those for whom we propose action but to whom it must now seem a series of empty promises.

I am convinced that your constituents and mine are sincere in their demands and that the Departments responsible for leadership have either failed to recognize their role or have been unable to get budget approval for programs adequate to meet the needs. I am therefore urging that we, the Congress, substitute deeds for words and give favorable consideration to H. R. 9822 which will become a blueprint for action—now.

Thank you.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 23, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Luke 17: 5: *And the apostles said unto the Lord, increase our faith.*

Eternal God, who art always sensitive and responsive to every human appeal, we are coming unto Thee with our prayers of intercession for the needy.

We earnestly beseech Thee that we may not sin against the Lord by ceasing to pray for them.

Bless all whose very thoughts flow in sadness and who know the bitterness of want and carry heavy burdens, arising from the ills which make life so difficult.

Grant that those who walk in the shadow of doubt and despair, and whose sense of defeat often brings them to a standstill, may be inspired with a greater revelation and realization of Thy presence.

Hear us in the name of our blessed Lord, who was moved with compassion when he saw the multitude and went about uttering words of sympathy and comfort and performing works of mercy. Amen.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 19, 1958:

H. R. 2151. An act to provide for the temporary suspension of the import duties on certain coarse wool, and to provide additional time for the Tariff Commission to review the customs tariff schedules;

H. R. 3604. An act to amend section 831 of title 5 of the Canal Zone Code to make it a felony to injure or destroy works, property, or material of communication, power, lighting, control, or signal lines, stations, or systems, and for other purposes;

H. R. 7568. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953 to provide that service in the grade of inspector and the grade of private in the Fire Department of the District of Columbia shall be deemed to be service in the same grade for the purpose of longevity increases; and

H. R. 8544. An act to provide for the restoration to tribal ownership of all vacant and undisposed-of ceded lands on certain Indian reservations, and for other purposes.

On May 20, 1958:

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.

On May 22, 1958:

H. R. 7300. An act to amend section 15 of the District of Columbia Alcoholic Beverage Control Act.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9291. An act to define parts of certain types of footwear.

EXPLOSION OF AJAX MISSILES

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

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

There was no objection.

Mr. VANIK. Mr. Speaker, the devastating explosion of eight Ajax missiles at a Middletown, N. J., Nike site certainly calls for an immediate Congressional investigation on the public safety factor relating to the handling of this device. Too many people in 23 cities—the major population areas of America—live too close to this weapon to permit uncontrolled hazard.

The tragic horror in the unnecessary loss of nine lives is minute beside the calamity that might have occurred. It was only accidental that colossal loss of life did not result.

At the time the Nikes were installed in my community and throughout the Nation, assurances were made that there would be no hazard to community life. Every community now has grave doubts that Nike may produce hazards which may exceed security advantages. Only a prompt investigation by civilian as well as military authorities can restore public confidence.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

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

There was no objection.